



***Catalyst***  
***Sport Performance &  
Physical Therapy***

***Let us be your catalyst for change.***

Owned and Operated by:  
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*Serving the Raleigh, Durham, & Chapel Hill area since 2020*

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## **Executive Summary**

### **Summary and Purpose**

A catalyst is a substance that increases the rate of a chemical reaction without itself undergoing any permanent chemical change. At Catalyst Sport Performance and Physical Therapy our Physical Therapists and Personal Trainers serve to be the catalyst in our patient's rehabilitation, performance, and fitness goals. CSPPT will provide a wide range of physical therapy and personal training services, including, but not limited to, evaluation and treatment of orthopedic injuries, weightlifting and fitness programs, and sport specific training and rehabilitation. No matter the service, our employees strive to utilize the most innovative and evidence-based practices with the intent of not only serving, but empowering the patient. Ultimately, our purpose is to bridge the gap between injury and safe return to sport and beyond for individuals of all performance and activity levels.

### **Mission Statement**

The mission of Catalyst Sport Performance and Physical Therapy is to provide exceptional outpatient physical therapy in combination with strength and conditioning services to all forms of athletes throughout the Triangle. We aim to guide return to sport, sport performance, injury rehabilitation, personal training, surgical rehabilitation, chronic pain, and more with the latest evidence-based physical therapy and performance-based services. At CSPPT we strive to educate and empower the patient to be the best, healthiest version of themselves. We serve to improve the health, fitness, and performance of athletes from all performance and activity levels.

### **Vision statement:**

The vision of Catalyst Sport Performance and Physical Therapy is to become the leading provider of sport performance and physical therapy services in the Triangle. CSPPT aims to become a trusted and respected name in the eyes of the healthcare providers and patients throughout our community. Through exceptional care, a trusted reputation, and sustained profitability, we strive to expand to three clinics in the triangle area and increase our employment with extraordinary physical therapists, personal trainers, and athletic trainers.

### **Organizational Philosophy**

At Catalyst Sport Performance and Physical Therapy, we serve to meet and exceed the goals of each athlete we treat and train through. This starts with the employees at CSPPT: Our employees are committed to providing the most innovative and evidence-based care that is specific to each patient. Moreover, our employees strive to put the patient first and always treat the patient with their specific goals in mind.

### **Objectives**

1. Prioritize the patient and their safety, while providing innovative and evidence-based care.

2. Promote patient diversity and inclusivity.
3. Provide treatment that encompasses all forms of athletes and patients with orthopedic injuries.
4. Empower the patient to take control of their health, fitness, and performance.

### **Description of Services**

Catalyst Sport Performance and Physical Therapy is an outpatient physical therapy provider that will evaluate and treat patients with orthopedic injuries. Services will include:

- Sport performance,
- Injury rehabilitation,
- Post-operative rehabilitation,
- Chronic pain,
- Therapeutic modalities (dry needling, IASTM, and more)
- Movement screenings

Furthermore, Catalyst Sport Performance and Physical Therapy will provide personal training services via a certified strength and conditioning staff to improve fitness and performance without the need for physical therapy services, or following a rehabilitation program, if desired. These services include:

- Running Programs
- Weightlifting
- Powerlifting
- High Intensity Interval Training (HIIT)
- General Mobility

Catalyst Sport Performance and Physical Therapy will provide sport specific rehabilitation and training for football, soccer, track and field, basketball, baseball, volleyball, field hockey, golf, and more. Catalyst Sport Performance and Physical Therapy prides itself on rehabilitation and performance programs that are specific to the unique demands of each sport and athlete.

### **Keys to Success**

- Marketing Goals:
  - Open operating at 25% maximum capacity of patient caseload
  - Receive 25 positive reviews from patients within first 3 months of operation (set percentage of expected patient caseload during ramp up)
  - Develop referral network with 3 or more physicians within first year of operation
- Operational Goals
  - Hire and train an Administrative Assistant to effectively manage daily operations within 2 weeks of opening
- Financial Keys:
  - Become financially profitable by month 19 of operation

Risk Management Program:

- Calibration of equipment: An employee will perform weekly inspections of the hydrocollator, hot packs, fridges, and freezers. The employee's signature will be logged following completion.

- Disinfection - Laundry will be performed daily and use of soiled linens is prohibited. Tables will be cleaned with disinfectant thoroughly after each use. Employees should not report to work if they are experiencing signs and symptoms of illness. Patients will be told to reschedule their appointment if they are experiencing signs and symptoms that are not within a Physical Therapists scope of practice. Proper PPE will be worn if necessary.
- Preventing Negative Reviews - Patients are more likely to leave a negative review than a positive one and a negative review will be detrimental to the clinic. Therefore, CSPPT employees will strive to put the patient first: All complaints should be met with respect and an open mind assuming no illegality or threatening of an employee or patient occurred
- Incident Reporting - If an incident does occur, it will be filed in a timely and accurate manner. Our lawyer will also be contacted.

### SWOT or Environmental Analysis

<b>SWOT Analysis</b>	
<b>Strengths</b>	<p><b>Cash-Based:</b> As a cash-based clinic, CSPPT will not be under-reimbursed through insurance companies and will be able to seek reimbursement at a price that is consistent with the skill required for the provided services.</p> <p><b>Expertise:</b> Athletic training and collegiate athlete background, existing network within the Triangle of orthopedic surgeons, physical therapists, and other healthcare providers</p> <p><b>Branding:</b> Through our past experiences as a division one athlete and division one athletic trainer we are fortunate to have recognizable professional and olympic athletes willing to endorse our services.</p> <p><b>Personalized Care:</b> The current state of many corporate outpatient orthopedic physical therapy limits the amount of one on one care between the PT and the patient. Patients are often passed onto aides and assistants following evaluations. However, CSPPT offers 45 minute sessions with the Physical Therapist, without the use of aides or assistants.</p> <p><b>Multiple Facets of Care</b> - CSPPT utilizes both physical therapy and personal training services, covering a broader spectrum of care.</p>
<b>Weaknesses</b>	<p><b>Cash-Based:</b> As a cash-based clinic, CSPPT will lose patients that are unable to afford our price and those that decide to attend a clinic that accepts their insurance. Furthermore, a cash-based model may make it difficult to maintain patients for an extended period of time in comparison to a patient that meets their deductible and experiences a decrease or elimination of co-pay.</p> <p><b>Facility Requirements:</b> An up-to-date and innovative sports clinic requires expensive equipment, including an indoor artificial turf field, to successfully challenge and progress its patients and athletes.</p> <p><b>Collaboration:</b> Only two therapists at first</p>
<b>Opportunities</b>	<p><b>Demographics:</b></p> <p><i>Age:</i> The Triangle is statistically younger than the North Carolina average. The percentage of citizens over 65 years of age in North Carolina is 16.7. However, according to census data this population is 12.0% of Wake County, 13.6% Durham County, and 14.6% of Orange County.</p> <p><i>Income:</i> The Triangle is statistically wealthier than the North Carolina</p>

	<p>average.</p> <p><i>Physical Activity:</i> The Triangle is statistically more active than the North Carolina average.</p> <p><b>Opioid Crisis:</b> National push to decrease opioid use and prescription medication for pain management. We have a better understanding of pain management and chronic pain than we ever have and are in a society that is increasingly finding the benefits of movement as medicine.</p>
<b>Threats</b>	<p><b>Competition:</b> The Triangle has numerous well established healthcare systems: Competitors include, but are not limited to, EXOS, Upright Athlete, DUHS (specifically Duke Sport Science Institute, UNC healthcare, Raleigh Orthopaedic.</p> <p><b>Credibility:</b> Catalyst Sport Performance and Physical Therapy is a newly established business and will have to develop a positive reputation.</p>

**Consultant Needs**

- Lawyer - After assisting with the formation of Catalyst Sport Performance and Physical Therapy, our lawyer will be used as needed with the following issues.
  - Advise all employees with the necessary legal measures that will serve to protect the company and prevent legal issues.
  - Assist with post-incident reporting and issues surrounding professional and general liability
  - Answer any questions that arise from CSPPT employees
- Accountant - After assisting with the original budget of Catalyst Sport Performance and Physical Therapy, our lawyer will be used as needed for the following issues.
  - File CSPPT’s taxes and assist with tax returns
  - Assist with budget management when changes are required, such as when new employees are hired and new equipment is required.
  - Consult with Dr. Valentine and Dr. Ripberger with required changes to make the business as profitable as it can be.
- Website Designer - A website designer will be hired for a single use with the purpose of creating an effective and easy to navigate website for CSPPT. The website will convey the values of our company, market the business’ services to the target market, and allow for online patient scheduling

**Organizational and Legal Structure**

Catalyst Sport Performance and Physical Therapy is an established Limited Liability Corporation in the state of North Carolina. Dr. Ripberger and Dr. Valentine will share ownership of Catalyst Sport Performance and Physical Therapy and have signed a personal guarantee. The business’ status as an LLC will prevent double taxation and allow for pass-through taxation for Dr. Valentine and Dr. Ripberger. The representing lawyer of Catalyst Sport Performance and Physical Therapy has filed an Articles of Organization with the Secretary of State of North Carolina.

## Description of Organizational Values

1. *Accountability* - Catalyst Sport Performance and Physical Therapy requires all employees to accept the responsibility for their continued effort and growth to positively improve the outcomes of our patients.
2. *Altruism* - At Catalyst Sport Performance and Physical Therapy the needs of the patient will always come before the self-interest of the Physical Therapist.
3. *Education* - We treat our patients with the intent of giving them the knowledge they need to manage and progress their rehabilitation once they leave our clinic. Additionally, we are there to provide our patients with resources for interdisciplinary care so they can receive the holistic treatment they deserve.
4. *Compassion* - It is crucial to always consider the known and unknown hardships of each patient. At CSPPT, we prioritize meeting patients where they're at.
5. *Excellence* - going above and beyond to meet the unique goals of each patient
6. *Service* - We believe it is essential to give back to the community we serve through free screenings at community events, pro bono treatment appointments, and more.
7. *Innovation* - We believe that creativity is required to treat the unique presentation of each patient and our therapists are challenged to use their clinical reasoning and critical thinking skills to accomplish just that.

## Operations

### Personnel Requirements

At the time of opening, Catalyst Sport Performance and Physical Therapy will staff 2 Physical Therapists that also operate as Co-Owners, Dr. Chris Ripberger and Dr. Josh Valentine, 2 Personal Trainers, and 1 Administrative Assistant.

### Job Descriptions

Owner/Physical Therapist	<ul style="list-style-type: none"><li>● Manage all business and financial operations</li><li>● Manage employee and patient relations</li><li>● Conduct hiring and firing of employees</li><li>● Answer phone calls when the administrative assistant is not there</li><li>● Evaluate, treat, and perform physical therapy services</li><li>● Produce thorough, timely documentation</li><li>● Market CSPPT at local sporting and community events</li><li>● Actively build referral network with local physicians,</li><li>● Actively network with community coaches, athletic trainers, and club teams</li><li>● Build positive patient rapport through effective communication</li><li>● Maintain a safe and sanitary gym and office environment</li></ul>
Personal Trainers	<ul style="list-style-type: none"><li>● Design and lead strength and conditioning programs with the intent of improving athletic performance, reducing athletic injuries, and teaching lifelong fitness and movement skills<ul style="list-style-type: none"><li>○ Will <i>not</i> evaluate, treat, or perform physical therapy services</li></ul></li></ul>

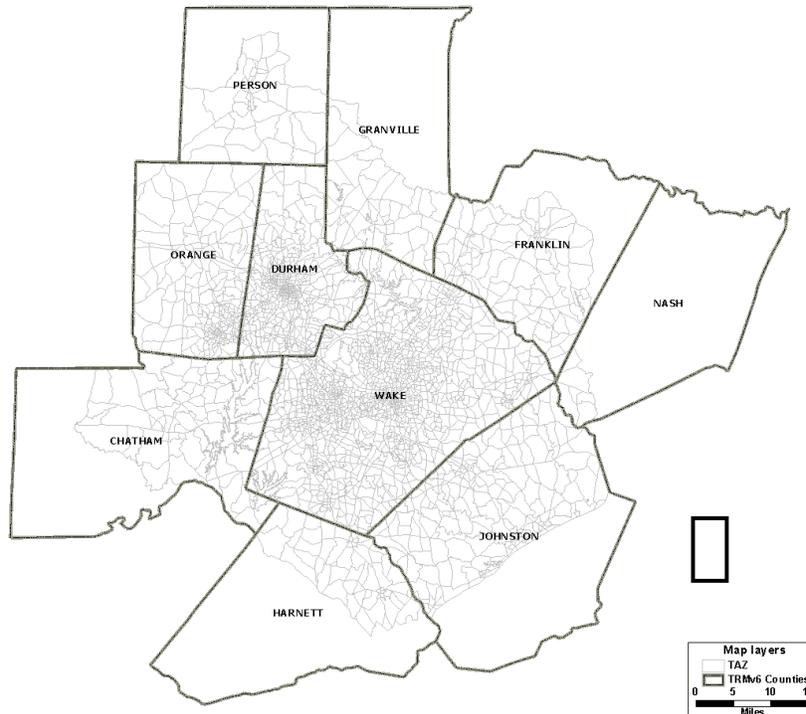
	<ul style="list-style-type: none"> <li>● Market CSPPT at local sporting and community events</li> <li>● Actively network with community coaches, athletic trainers, and club teams</li> <li>● Build positive patient rapport through effective communication</li> <li>● Maintain a safe and sanitary gym and office environment</li> </ul>
Administrative Assistant	<ul style="list-style-type: none"> <li>● Manage website and social media</li> <li>● Handle all patient scheduling and paper-work</li> <li>● Check patients in prior to appointments and collect payment for services</li> <li>● Build positive patient rapport through effective communication</li> <li>● Maintain a safe and sanitary gym and office environment</li> </ul>

*See Consulting Needs section for Lawyer, Accountant, and Graphic Designer requirements.*

### **Geographic Location and Facility Requirements**

Catalyst Sport Performance and Physical Therapy will select a centralized location in Durham, which allows for a manageable drive for patients from Durham, Orange, and Wake counties.

Specifically, CSPPT has budgeted for a 4,000 square foot facility to provide adequate room for all employees and necessary equipment, including a 30' x 90' turf field.



*Serving the Triangle Area (Chapel Hill, Durham, Raleigh)*

### **Hours of Operation**

Physical Therapy services will be provided from 7am to 7pm Monday through Thursday, 7am to 3pm on Friday, and 8am - 12 pm on Saturday. The Physical Therapist's shifts will be split to provide

greater availability for our patients. From Monday through Thursday, One therapist will see patients from 7am until 3 pm and the other therapist will see patients from 11 am until 7 pm. Our Administrative Assistant will work from 9am to 5pm Monday through Thursday and 7am to 3pm on Friday: The present Physical Therapist will answer any phone calls if the Administrative Assistant is not present. Our Personal Trainers have been given access to the building from 6am - 9pm Monday through Friday and 8am to 12pm on Saturday and Sunday to schedule the best available times for them and their clients. However, they are not expected to work more than 40 hours in a given week.

<b>Physical Therapy Hours</b>	
Monday	7am - 7pm
Tuesday	7am - 7pm
Wednesday	7am - 7pm
Thursday	7am - 7pm
Friday	7am - 3pm
Saturday	8am - 12pm
Sunday	N/A

<b>Personal Training Hours</b>	
Monday	6am - 9pm
Tuesday	6am - 9pm
Wednesday	6am - 9pm
Thursday	6am - 9pm
Friday	6am - 9pm
Saturday	8am - 12pm
Sunday	8am - 12pm

## **Market Analysis and Marketing Strategy**

### **Target Market**

Our primary target market is athletes and other physically active individuals from age 15-35 that have experienced injury and/or are seeking to improve their physical performance. A review of potential market opportunities in the area revealed the following:

- 16 local colleges
- 6 professional sports teams

- 26 high schools in Orange and Durham County alone with various sport teams
- Dozens of youth sports organizations including NCFC, Triangle United, and i9 Sports
- Adult recreation organizations including OCASL, Rainbow Sports, Tri Sports and more

We also want to capture individuals of all ages that are seeking to pursue a healthy, more active lifestyle. This could include a recent college graduate that works a sedentary desk job and has never exercised consistently. It could also include the middle-aged mother seeking an effective weight loss program following multiple pregnancies. While our expertise is in athletic rehabilitation and sport performance, we provide a service that can positively impact the lives of a wide variety of potential clients. Therefore, our marketing needs to be multifaceted in order to reach as many of the 2.2 million RDU residents as possible.

## **Marketing Strategies**

1. **Social Media:** CSPPT will establish an active presence on multiple social media platforms including Facebook, Instagram, and Twitter (@CatalystSPPT). We will post instructional videos, promotionals, and photos of our facility to bring attention to the practice.
2. **Website:** In 2020, having an updated website is essential. We have budgeted to contract a graphic designer to help us create a website that is easy to navigate with the following components:
  - a. Facility information, photos, and location
  - b. Staff bios and headshots
  - c. Mission statement and values
  - d. Scheduling utility for patients to request an appointment remotely
  - e. Section for patient reviews and feedback
3. **Branding/Endorsements:** We are fortunate to have existing relationships with high profile athletes that are both former patients and current friends. We hope to leverage those relationships by obtaining recorded testimonials and character endorsements to improve credibility and exposure.
4. **Free Clinics/In-services:** The majority of our marketing strategy hinges on establishing a local network of referral sources. This will include offering free in-services to local personal trainers, hosting fitness classes for members of adult sports leagues, and working to establish relationships with local doctors and surgeons. Other areas of opportunity include offering free evaluations at weekend races, helping with coverage of high school and youth sporting events, and putting up flyers at local gyms.
5. **Listserv:** Establish a listserv contact list of all former patients to which we can send promotional emails and updates. Maintaining a clientele network will be as important as expanding it.

## **Financial Management**

### **Personal Capital/Contribution**

Dr. Chris Ripberger and Dr. Joshua Valentine will each contribute \$70,000.00 of personal capital to cover all capital and operating expenses until the practice is financially profitable.

### **Capital Budget**

Grand total: \$37,555.00

Please review the "Capital Expenses" tab of the attached Financial Spreadsheet for an itemized breakdown of capital expenses.

## Annual Expense Budget

Grand total: \$412,991.04

Please review the “Annual Budget” tab of the attached Financial Spreadsheet for an itemized breakdown of annual expenses.

## Explanation of Revenue Sources

Catalyst PT will operate as a cash-based physical therapy practice. Clients will be responsible for covering all expenses out-of-pocket as CSPPT will not be accepting any forms of insurance. At present, the only revenue source for the practice is payment delivered for units of service rendered by the Physical Therapist or Personal Trainer.

## Productivity Estimates

There will be 4 productive employees: 2 Physical Therapists & 2 Personal Trainers. A single Unit of Service (UOS) is defined as a 45-minute session with either a Physical Therapist or Personal Trainer. Pricing for these sessions was determined after careful market analysis and review of the Medicare Physician Fee Schedule. The Physical Therapist will charge \$85.00 for one UOS. The Personal Trainer will charge \$50.00 for one UOS. In a single 40-hour work week, each productive employee could deliver 50 UOS. At \$85.00 x 100 UOS, Physical Therapy services can generate \$8,500.00 in 1 week, and \$425,000.00 in 50 weeks (1 full year minus 2 weeks vacation). At \$50.00 x 100 UOS, Personal Training services can generate \$5,000.00 in 1 week, and \$250,000.00 in 50 weeks (1 full year minus 2 weeks vacation). Accounting for cancellations, inability to fill schedules, pro bono sessions, etc., this practice will set its mark for 100% productivity at 80% of a full schedule. Therefore, 100% productivity for the Physical Therapist and Personal Trainer will be considered 40 UOS in 1 week each (2000 UOS in 1 year). At  $(425,000 \times .80) + (250,000 \times .80)$ , we anticipate generating **\$540,000.00 total revenue each year** (\$170,000.00 per Physical Therapist, \$100,000.00 per Personal Trainer).

## Break-even Analysis

Fixed cost / (Price - Variable Cost) = Break-even Quantity

- Annual Fixed Cost (excluding Capital Expenses) = 412,991.04
- Price [average of Physical Therapy price (85.00) and Personal Training price (50.00)] = 67.50
- Variable Cost = N/A due to being a Cash-based Practice

$412,991.04 / 67.50 = \mathbf{6119 \text{ UOS}}$  to Break-even annually

- Currently, 100% productivity across both Physical Therapy and Personal Training services for 1 year is 8000 UOS

This practice anticipates opening at 25% productivity. Each subsequent month should see an increase of 10% overall productivity. The practice should be operating at 100% productivity by month 9. The practice should break even financially (including all capital expenses) by month 19 as evidenced below.

## **Timeline to Increase Productivity until Break-even:**

Month	% Productivity	Total UOS	Revenue	Expenses
Capital Expenses	N/A	0	0	37555
1	25%	166.75	11250	34415.92
2	35%	233.45	15750	34415.92
3	45%	300.15	20250	34415.92
4	55%	366.85	24750	34415.92
5	65%	433.55	29250	34415.92
6	75%	500.25	33750	34415.92
7	85%	566.95	38250	34415.92
8	95%	633.65	42750	34415.92
9	100%	667	45000	34415.92
10	100%	667	45000	34415.92
11	100%	667	45000	34415.92
12	100%	667	45000	34415.92
Year 1 Totals	N/A	5869.6	396000	450546.04
13	100%	667	45000	34415.92
14	100%	667	45000	34415.92
15	100%	667	45000	34415.92
16	100%	667	45000	34415.92
17	100%	667	45000	34415.92
18	100%	667	45000	34415.92
19*	100%	667	45000	34415.92
20	100%	667	45000	34415.92
21	100%	667	45000	34415.92
22	100%	667	45000	34415.92
23	100%	667	45000	34415.92
24	100%	667	45000	34415.92

Year 2 Totals	N/A	8004	540000	412991.04
Years 1 & 2 Totals	N/A	13873.6	\$ 936,000.00	\$ 863,537.08

*\*overall break-even point including capital expenses*

## **Management Systems**

### **Quality Outcomes Assessment Strategy**

Quarterly performance reviews will be conducted with each employee to review productivity, patient reviews, and outcome measures.

CSPTT will prioritize the use of outcome measures to demonstrate patient progress and track performance.

### **Information Management Needs**

Patient Information: CSPTT has contracted with WebPT's EMR system to assist with patient documentation, scheduling, and protection of information. This EMR will also allow us to track patient data including common diagnoses, interventions, and outcomes.

Payroll: CSPTT will utilize payroll software and an accountant to ensure accurate tracking of financial data, payroll information, and accrued vacation time.

### **Regulatory Requirements**

Catalyst Sport Performance and Physical Therapy will abide by the NC Physical Therapy Practice Act and Board Rules and only perform services within the scope of practice.

CSPTT is a cash-based clinic and will not be accepting insurance plans. Therefore, CPPT does not need to meet any regulations set by insurance companies, such as Medicare and Medicaid.

Employee Regulation - CSPTT will abide by the following regulations regarding its employees:

- Fair Labor Standards Act
- Consumer Credit Protection Act
- Federal Employees' Compensation Act
- Family Medical Leave Act
- Americans with Disabilities Act

Catalyst Sport Performance and Physical Therapy will follow all requirements set forth by Health Insurance Portability and Accountability Act of 1996 to protect the privacy of our patient's and athlete's and prevent the sharing of any unauthorized personal and medical information.

Additionally CSPTT will abide by other health care regulations, including, but not limited to, the Starks Law and Starks Law II, Anti-Kickback Statute, and The Federal Claims False Claims Act.

### **Insurance Needs**

*Professional Liability insurance* will be supplied for each Physical Therapist as a benefit of employment to protect the Physical Therapist from any litigation associated with rendering professional services. *General Liability insurance* will be obtained to protect the practice from potential lawsuit for any injury, accident, or adverse event occurring on the premises.

## **Planning for the Future**

### **Exit Strategy**

In the event Catalyst SPPT must terminate operations, we would consider the following options:

- Liquidate all assets
- Sell the entire practice to another corporation
- Merge with another practice and negotiation ownership shares
- Should one partner seek to leave the practice, an attorney or qualified third party will help negotiate a buy-out

### **Long-term Goals**

**Performance-based Incentives (1.5 years):** After the practice has become financially profitable, we will provide quarterly financial bonuses based on overall productivity in the previous quarter (i.e. 75% of all generated revenue past a set UOS quota per employee). This should improve workplace satisfaction and keep motivation high. Further, it serves as an incentive for employees to market themselves and continue to bring in new clientele.

**Hire Athletic Trainer (2 years):** Employing a full-time athletic trainer would allow us to license out his or her services to local high schools, sport clubs, and universities in the evenings and on weekends. This will serve as a new revenue source as well as an important source of referrals. The athletic trainer could also assist in the clinic with treatments, administering exercise programs, and helping with administrative tasks. A full-time athletic trainer would allow the Physical Therapy team to see more patients as well.

**Professional Athletes/Team Affiliations (5 years):** The idea for Catalyst SPPT was born out of a love for athletics and the desire to help those who are athletic excel in their respective sports. Official affiliations would not only be an incredible source of marketing, but would also allow us to work with athletes at the very highest level. At present, the most prominent names in sport performance physical therapy are associated in some way with the top professional sports teams. We seek to join that upper echelon in reputation and ability.

**Facility Expansion (5-10 years):** We don't want the services we provide to be limited by equipment or space restrictions. Our goal is to expand our facility as the practice grows. Ideally, we would like to move into a 10,000 ft<sup>2</sup> building with enough space for a 50 yard turf strip, aquatic therapy pool, and more weightlifting equipment within 10 years.