

**Report of the ADA Executive Director  
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Mr. Speaker, Fellow Leaders, Friends, and Distinguished Guests:

Last year in Orlando, I spoke about my favorite Disney attraction: The Carousel of Progress, which mirrors the ADA's journey toward designing dentistry's next chapter.

I'm proud that our Association is in motion – but movement also requires vision.

And perhaps that's why my second favorite ride at Disney is not a ride at all — it's the park bench overlooking Space Mountain.

Though I'm not in motion, the park bench is where I'm carried away with inspiration, imagination, and clarity.

I've spent hours there picturing how best to support your dream for the ADA.

The time we spend on the park bench is essential to our success — it creates vision.

The ADA's own park benches are the Board rooms, councils and committees, conference calls, and gatherings where we have sketched out possibilities for our Association.

Because we have spent time there, the ADA is moving toward a future that is crystal clear.

It's a future where anyone in the world can say, "The ADA is here to take care of me."

Our ADA has been a steady resource for generations of dentists — helping our community meet the demands of modern-day dentistry.

This requires that we stay many steps ahead and be at the forefront of change.

But the numbers tell us — in some ways — we're falling short.

Our membership market share as of August was 52.8 percent – down from 2.4 percent from the same time last year.

And if our ongoing market share decline continues, the ADA faces a tremendous risk to its influence, relevance, and credibility.

Our antiquated business and membership models that were successful before, won't position us to become a force for the 21<sup>st</sup> century dentist.

When I became executive director in 2021, I had two jobs: Establish a stronger foundation for membership growth and elevate our business through new revenue streams.

I wondered: Does a strong membership foster business growth... or does business growth foster a strong membership?

The answer is actually both. And today, our path is made clear.

With your visionary leadership, our ADA is improving its value proposition and membership experience ... driving next-level research, products, services, and standards for the global profession.

Because It's the fear of the known – that our market share will drop to 35 percent in five years...

...and even further to 28 percent by 2032 – versus the fear of our radical transformation.

So, we've taken a leap... not of blind faith, but a leap of expectation that we can, and we will, go up from here.

Business thought leader Joel Barker once said, "Vision without action is merely a dream. Action without vision just passes the time. Vision with action can change the world."

Together, we're coupling vision with action to transform the ADA.

Here's an overview of our progress in the last 12 months.

In 2022, during my very first address to the House as executive director, I laid out five key principles for our success. In the last two years, we've come much closer to achieving them.

Let's start with member focus. In recent years, former members have often cited two factors as to why they do not renew with the ADA: price sensitivity and not seeing the value of the ADA's benefits.

Ten years of data tell us that nearly 100 percent of first-year dentists are ADA members when their rate is \$0.

That figure decreases to around 60 percent in their second year, when their membership is no longer free, but is half of the full dues rate.

When they are asked to pay full dues beginning in year three, our market share simply plummets with each passing year.

We know that for the large segment of the dentists we lose, our value proposition ends when they're asked to pay above the 50 percent dues rate.

Today's dentists weigh the costs and benefits of membership with solutions tailored to their needs.

For us, this means moving away from a one-size-fits-all approach... to building an individual customized relationship.

Much like your dental practices, sustainability and success only can happen when patients are in your care. Our Association can only be successful when members are inside our doors.

Beyond this, we are working toward a business model that is less reliant on membership as a driver of revenue. I'll speak more on this in a moment.

Aside from the thousands who volunteer within our Tripartite, like those of us here today, there are another 150,000 other dentists we represent and need to connect with. Their connection to the ADA is different from yours and mine.

How will we achieve these individual connections? In today's world we need technology to succeed, and that's where Fonteva and Salesforce will help.

Our transition to Fonteva/Salesforce has been a mission-critical priority and is the basis for the ADA's relationship management and data systems... along with that of 53 constituents and their 545 local societies.

This will provide our Tripartite with comprehensive tools to analyze data, automate processes, and make better decisions based on member behaviors.

We're also improving member focus with our new membership and engagement model, launching a three-year pilot program on January 1<sup>st</sup>. Additional states will likely join the pilot in '26 and '27.

The rapid demographic shift in our membership required us to move quickly. Simply stated several times prior, many late-career dentists are retiring, and early-career dentists are not joining at the rate we need. We see the retirement cliff has already begun to affect some states in our Tripartite – all with a direct impact on our market share.

The evidence is clear - new demands require new directions.

Customization is among the model's differentiating features. Members and non-members in pilot states will have access to base-level benefits at a reduced rate, and can then build upon their benefits with customized offerings for their own unique membership experience.

No two membership journeys will be alike in pilot states, and participating states and locals discussed membership terms and offerings this summer. An informational report on the model has been provided to this House of Delegates.

With constant feedback on performance, it's important to remember that the model pilot is always in continuous evaluation—we'll see what works and what doesn't, and continually refine as we go.

Again, we know there is risk, but we believe that the new Membership and Engagement model is a path worth taking.

Considering member focus, the ADA is now using Centers of Excellence – based on our seven portfolios –to classify and concentrate our efforts on the members and communities we serve, plus it enables new revenue-generating opportunities in the business and financial arenas.

For financial services portfolio, the ADA has applied with the National Credit Union Administration to establish a credit union that serves members' personal and practice needs. Requests for financial services continually rank high in member feedback, and we're working to give them what they want.

Earlier this year, the Board of Trustees agreed to file a proof of concept with the NCUA, and since then, we've explored multiple models and developed a formal business plan. We aim to launch a suite of financial offerings by this time next year.

The ADA Credit Union is a foray into fulfilling the next key business principle: Sustainability.

Together, we've built a stable ADA. But as we adapt to market shifts like the impending retirement cliff, the ADA is not the only association contending with this reality.

The report you see before you found that in 1953, membership dues comprised an average 95 percent of an association's total revenue. By 2016, that figure dropped to just about 30 percent for professional associations.

To meet the shifting paradigm, membership organizations are looking into new membership models, technologies, and revenue streams.

The ADA has continued the work of its Innovation Advisory Committee, which explores new revenue streams that deliver value to our community.

The group is currently working on novel products, services, and programs – including mental wellness resources for members and a loyalty program that will complement the membership and engagement model.

And speaking of innovation, we experienced a turning point this year with the formation of the ADA Forsyth Institute. Launched in late October 2023, ADA Forsyth – or AFI, for short – is already becoming a world-class leader in biological research, global public health outreach, and tech advancements that will push the boundaries of oral health.

ADASRI and Forsyth came together last fall through a synergistic, strategic integration to improve oral health worldwide. And since then, AFI has hit the ground running.

You've heard about its \$30 million dollars of research growth from Dr. Edgar, which includes a \$6.2 million grant to support the development of smart restorative materials.

AFI is also expanding the ADA Seal of Acceptance Program — whose rigorous evaluation of more than 400 in-market consumer products has earned public trust.

In a step toward the future, on October 24, thought leaders in dentistry and venture capital will convene at ADA Forsyth Dentech to empower innovation, launch new ventures into the oral health marketplace, and to help creative breakthroughs come to life.

Additionally, to enable ADA and AFI – as non-profit entities – to realize the vision of carrying scientific discovery from the benchtop to the dental chair, there needed to be a structure to support the commercial application of AFI's research.

That is why I am proud to announce that the ADA Board of Trustees approved the formation of ADA Corporate Ventures, an entity that will house two new subsidiaries in the form of an LLC and a C corporation.

With this structure, we are poised to bring today's oral health innovations to tomorrow's clinical practice.... and into the lives of patients everywhere.

The fourth business principle — nimbleness — is what enabled us to move quickly on the chance to form ADA Forsyth, and nimbleness will be key to our ability to achieve future opportunities.

The strategic forecasting framework, adopted by the House in 2022, empowers the House to set the direction, vision, and increases our adaptability to environmental and membership changes.

Member needs can change on a dime — with economic shifts, a piece of legislation, or — as we well know — a global pandemic. Flexible and dynamic decision-making is crucial for us as a sustainable member-focused organization. This House of Delegates' long-range strategic direction will be our North Star.

The SFC has represented this House in the development of the proposed Forecast and will oversee its implementation and progress over time. Along with the House's role as the supreme governing body of our Association, all facets of our governance play a part in bringing your vision to life.

This week, you will vote on the ADA's first-ever Strategic Forecast and define the why, where, and when for our Association over the next five years. Recall that the Forecast will continually be a work in progress, and our next steps are for the councils to determine the what and the ADA team the how.

The upcoming implementation of mission-based accountability and quarterly business reports will factor into a new Financial Operating Plan process. The FOP takes into account the desired outcomes of the Strategic Forecast and will manage how the work gets done and paid for. This includes the Board's approval of the ADA's quarterly Financial Operating Plans that include 12-month rolling forecasts — another critical operational update that helps us become

nimbler than before.

Basically, the FOP fosters responsible stewardship and accountability, ensuring that our resources are allocated based on recent data and the timeliness of a given need — not on the static needs of the traditional annual budget mindset. You will hear more about that from Dr. Sherwin, our treasurer.

The fifth and final business principle is global presence. It's ambitious but attainable.

In fact, we've already started to re-establish our global presence through collaborations with countries and other entities, which use ADA Health Policy Institute data, information from ADA's Practice Institute, and our strategic action plans for improving oral health around the world. The ADA is re-emerging as an international world resource for oral health information, research, and support.

As we become the go-to global resource for all things dentistry, there are no limits to what we can achieve and the value we can offer so many.

In closing, as we celebrate our accomplishments this year — and there are many more than I've shared today — I'd to thank those who have been with me on the proverbial park bench creating this vision.

Dr. Linda Edgar for her leadership and the Board of Trustees for their support and guidance.

I'd also like to recognize the incredible ADA leadership team and our dedicated staff.

If someone were to ask, "Who is the most important person at the ADA?" The answer is yes... because everyone has played a valuable part in making this successful year possible.

Along with the Board of Trustees' goals, all of you are driving toward an ADA that is...

THE leading trusted source of oral health information, present in international research libraries, recognized globally as a champion for health, and with a repository of clinical data that helps dentists be their best.

An ADA that is a global powerhouse for oral health research and technology.

An ADA that's a force multiplier for our indivisible Tripartite and dental specialties and affiliates worldwide ... raising one single voice to advance our profession.

An ADA that's influential in D.C., state legislatures, and the world stage representing the best interests of patients, public health, and dentistry as essential health care.

An ADA that supports students and is a partner to the faculty who guide the next generation of professionals.

An ADA that maintains its status, significance, and world-class service, true to its mission and core values.

An ADA that's a forerunner for excellence. A standard bearer. A professional home for all.

An ADA that any clinician, educator, researcher, student, leader, patient, or consumer can look at and say... "The ADA is here to take care of me."

We are no longer on the park bench, envisioning this dream. We are making it a reality.

Thank you.