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Dave Weinberg  
*Scientific Metals*

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# Scientific Metals *Still Golden*

Continuing to be the Leader in Dental Scrap Refining

An Interview with Dave Weinberg

**W**ith precious metal prices down from historical highs and more non-precious materials being used for crown and bridge work, the dental scrap refining business has seen some changes. Having said this, one constant remains – Scientific Metals continues to lead the way as the trusted refiner to dentists around the country.

*The Profitable Dentist* sat down with Dave Weinberg, a partner and son of founder Mark Weinberg, to discuss the changes in the refining industry and how Scientific Metals maintains its “golden” edge.

**TPD:** Dave, we last sat down with you a few years ago to talk about Scientific Metals’ innovative business model in delivering superior scrap returns to dentists. What have been the most significant changes in the dental scrap refining industry since we last met?

**D. Weinberg:** The last couple of years have seen a few big developments. The two most significant have been 1) the dramatic decrease in precious metal prices from historical highs – gold prices have dropped almost 50% from their historical highs and 2) more and more non-precious materials are being used in restorative dentistry.

**TPD:** What have been the industry-wide repercussions from these two events?

**D. Weinberg:** The average or standard lot from a dental office has less quantity than a few years back and, as a result of lower commodity prices, of course will also have a lesser value.

**TPD:** How has this been reflected in the day-to-day running of your business?

**D. Weinberg:** I once read a quote that said, “Tough times don’t last but tough people do.” This applies to business too. We simply maintain our core values and stick to our company philosophy of delivering honest and accurate refining returns to *each* and *every* customer on *every* batch. Often business comes down to the basics of tackling and blocking. Our years of delivering honest, accurate and reliable returns paid dividends and resulted in our customer base remaining strong, healthy, and loyal.

**TPD:** You talk about the loyalty of your customers quite a lot. Have you had any feedback from your existing or new customers with respect to their scrap refining experiences over the last few years?

**D. Weinberg:** What is most rewarding is when a new customer calls up and says that his scrap return with Scientific Metals was higher with gold prices being \$1,100/oz than it was with a similar quantity with another company a few years ago when gold was \$1,800/oz. That’s the best referral and compliment we can get. Another great compliment was when a customer, whom we had not heard from in a few years, actually called us out of the blue to apologize for turning his scrap in to a different refining company. This customer added that he thought that “all refiners were the same” but after getting his check he realized that he had “learned an expensive lesson.”

**TPD:** For those who don’t know much about Scientific Metals or who haven’t read the article a couple years back, briefly remind our readers what you are all about.

**D. Weinberg:** We heard from dentists around the country who questioned the amount of money they were receiving for their scrap. They felt that with in-office cash payments, they were leaving

money on the table by selling for cash to a middleman. And in the case of refining companies with sales reps, that too many hands were in the scrap cookie jar – meaning too many people were getting a cut of the value – leaving the dentist with less than a stellar return. As a result, we made a strategic and philosophical decision many years ago to completely revamp our business model to address this. We felt if we could considerably lower our costs, we could then begin to deliver a scrap return that no one could match. We decided to go with a direct refining approach without any sales reps, commission or salary base.

**TPD:** And this model has a name, correct?

**D. Weinberg:** Yes. We refer to this model as the Amazon.com of the refining industry. Why are books and TV’s cheaper on Amazon than in the big box stores? Simple, Amazon has less overhead and can therefore have better prices. The same applies to refining – less overhead equals better prices, which in the refining world means higher scrap returns. I think Dr. Mark McClure summed it up when he posted about us, “Simple, no layers of sales reps to pay, so the best return on your scrap. Period.”

**TPD:** How has this philosophy evolved over the last few years?

**D. Weinberg:** I would say our business philosophy has been sharpened and refined more than it has evolved. With lower commodity prices and less precious metal content, we’ve really cut costs to the bone in order to continue to deliver the accurate and reliable scrap returns that others simply can’t match – returns that our customers have come to expect from us. After all, the precious metal belongs to our customer, not to us. Of course, we invest in technology

and equipment to ensure quality, safety, and accuracy in our melting, etc. But we are guided by one constant objective – to accurately determine the value of our customer’s scrap in the most economically efficient manner to ensure our customers unlock the true value of their scrap.

**TPD:** What do you do to continue to ensure dental practices are getting the most money for their scrap?

**D. Weinberg:** The precious metal belongs to the customer and not to us. And we take this motto very seriously. As Woody wrote, “The scrap has a finite and known value and it is your job to get a reimbursement that best captures this known value, especially in these tough economic times.” So everything we do is with the one goal in mind – lower our costs to help capture that value Woody refers to. On top of being the most cost efficient with regard to labor as mentioned earlier, we also don’t have bloated expense items such as sending out scrap collection jars across the country and being a fixture at every trade show in the country. Yes, I’ll say it again – lower costs for us mean better scrap returns for our customers. Refining companies with layers of sales reps have to split profits and pay out commissions which may result in lower scrap returns to the dentist. And that’s not a situation we want to be in. The scrap belongs to the dentist. Period.



**TPD:** Almost every advertisement that I see from refiners usually boasts to “maximize your return” or “highest returns,” etc. By definition, not everyone can have the highest returns. How can everyone claim to have the highest returns?

**D. Weinberg:** Precisely. And that’s a great question. It’s sort of like when every search engine optimization company promises to get you on the first page of Google. How can everyone be on the first page of Google? Of course not everyone can deliver the highest scrap return. And most ads simply use it as a marketing slogan and don’t offer any reasons why or, more importantly, how they would have the highest scrap return. Some boast of having x number of years experience, while others boast of “best technology” or best “assay techniques.” Neither of those are compelling reasons. Yes, some techniques may have a higher degree of accuracy, but the differences between the accepted methods are minuscule. With that said, we also have state-of-the-art equipment but there are other factors that play a much bigger role in determining who can and will deliver the “highest return.” It comes down to honesty and business model. With that said, I think Scientific Metals offers the most compelling reason why and how we can offer the highest returns.

**TPD:** What, exactly, can Scientific Metals guarantee when a dental practice sends you their scrap?

**D. Weinberg:** We can guarantee that when you send in your scrap to us, there will be no hidden fees and no hidden charges. We can guarantee that no sales rep is getting a commission on your scrap and none of your scrap proceeds are going to any third party company for brokering the transaction or bringing in the scrap, which is common these days. The bottom

line is that when you send in your scrap to Scientific Metals, you get the same results you would had you owned a refinery and watched over the melt right in your examining room – just without the smoke in your office.

**TPD:** What is the biggest concern facing the metal refining industry?

**D. Weinberg:** I would say it is the trust factor. I have spoken with thousands of dentists over the years and the biggest concern I usually hear is, “How do I know the amount I get back is an honest count?” or “I get the same feeling when I send in scrap as I do when I bring my car to the mechanic.” Every industry has a few bad apples and I’m sure the refining industry is no different. It’s a shame that a few bad apples have left bad tastes in so many mouths. However, every satisfied customer that we serve is a start in redefining the way dentists view their scrap transactions. As Dr. Root from Louisiana put it in his email to me “Thanks for restoring the faith.” We try and remove any hint of doubt or skepticism from the process.

**TPD:** Are there any drawbacks, from the company’s point of view, of not having any sales reps on the road?

**D. Weinberg:** Not constantly being in the dentist’s or assistant’s ear means we have to rely on other avenues to communicate our philosophy. And this is especially true now that some of the large dental supply distributors have included picking up dental scrap as a service offered. But we’re confident in our message and that dentists realize that having another hand in the cookie jar only takes away more from their bottom line scrap return. As Woody wrote, “Why potentially forfeit a piece of your scrap return when you don’t have to anymore?” And of course not being physically present in areas means we are

going to sacrifice quantity of customers. Of course we would like to reach every dentist but we are quite content in knowing that each and every customer we have has received an accurate and reliable scrap return.

**TPD:** Going forward, what do you expect to see in the dental scrap refining industry?

**D. Weinberg:** With gold prices down 50% from a few years ago, it becomes even more important to ensure you are getting a reliable and accurate scrap return. Since the typical scrap lot from a dental office will be worth less than a few years ago, dentists must be diligent in making sure every dollar of value is captured. And while it may seem easier and more convenient to simply turn in the scrap to the sales rep that visits the office the most often, there may be a tradeoff between convenience and scrap return.

**TPD:** In conclusion, what do you want our readers to leave with?

**D. Weinberg:** I am very confident that Scientific Metals will be in an even stronger position once dentists realize that not all scrap returns are the same. One of our ads posed the question: “A scrap metal refiner is a scrap metal refiner, is a scrap metal refiner, right?” Not Exactly. We do things differently and I think the market has, and will, continue to figure that out.

*Dave Weinberg is head of operations for Scientific Metals and son of founder Mark Weinberg. For more information, call 888-949-0008, email Dave at [dave@scientificmetals.com](mailto:dave@scientificmetals.com) or visit their website at [www.scientificmetals.com](http://www.scientificmetals.com).*

