

COMPLETED ACQUISITIONS BY MEDIVET GROUP LTD OF MULTIPLE INDEPENDENT VETERINARY BUSINESSES

Variation of consent under 72(3C) of the Enterprise Act 2002

On 21 December 2022 and 24 January 2023, the Competition and Markets Authority ('**CMA**') issued (and where relevant varied, revoked and re-issued) Initial Enforcement Orders (the **Initial Orders**) in relation to each of the completed acquisitions by Medivet Group Limited (**Medivet**) of All Creatures Clinic Limited, the assets and business of the veterinary practice under the name Hollies Veterinary Surgery, Canine Healthcare Limited (t/a Vet Value), the assets and business of the veterinary practice under the name Iffley Vets, The Oxford Cat Clinic Limited, The Vet Station Limited, Barton Companion Animal Services Limited, Stanhope Park Veterinary Hospital Limited, I T Kalogera Holdings Ltd (including its subsidiary I T Kalogera Limited), Monument Vets Ltd, Fitzalan House Veterinary Practice Ltd, Ferring Street Vets Limited, The Hackney Vet Limited, Caddy Country Practice Limited, E Street Limited (t/a Elizabeth Street Veterinary Clinic), the assets and businesses of the veterinary practices under the names The Vet on Richmond Hill and The Vet in St Margaret's, and Withy Grove Veterinary Clinic Limited (together, the **Target Entities**) (the **Transactions**).

On 24 February 2023, the CMA made a derogation to the Initial Orders to enable each of the Target Entities that currently operate on Practice Management System ('**Freedom**') to be able to continue operating on Freedom and for certain Medivet practices and limited individuals within Medivet's centralised functions to continue to access commercially sensitive information relating to the Target Entities on Freedom. (the '**Critical IT derogation**').

After due consideration of your further request discussed on 14 March 2023 and 11 April 2023, based on the information received from you and in the particular circumstances of this case, the CMA hereby varies the Critical IT Derogation pursuant to section 72(3C) of the Enterprise Act 2002 (the **Act**).

The Critical IT Derogation is varied as follows:

1. In paragraph 4 on page 1, and paragraphs 1, 2 and 3 on page 2:

'Medivet has requested a derogation from paragraphs 4(a), 5(a), 5(f), 5(g) and 5(l) of the Initial Orders to enable each of the Target Entities that currently operate on Practice

Management System (**'Freedom'**) to be able to continue operating on Freedom¹ and for certain Medivet practices and limited individuals within Medivet's centralised functions to continue to access commercially sensitive information relating to the Target Entities on Freedom.

Medivet submits that this is strictly necessary to ensure that the Target Entities remain viable. Freedom is used for a wide range of purposes – including [redacted] Medivet submits that these functions are central for the practice to be able to [redacted]

Medivet considers that there are significant benefits for customers of practices using Freedom [redacted]. Furthermore, removing access to Freedom would [redacted]

is replaced with

'Medivet has requested a derogation from paragraphs 4(a), 5(a), 5(f), 5(g) and 5(l) of the Initial Orders to enable each of the Target Entities that currently operate on the Practice Management System Freedom (**'Freedom'**) or the Practice Management System Clientrax (**'Clientrax'**) to be able to continue operating on Freedom² or Clientrax³ respectively and for certain Medivet practices and limited individuals within Medivet's centralised functions

¹ These are: Iffley Vets (Medivet Oxford Iffley Road); Iffley Vets (Medivet Wheatley Roman Road); All Creatures Clinic Limited (Medivet Chelsfield); All Creatures Clinic Limited (Medivet Locksbottom); Fitzalan House Veterinary Practice Limited (Medivet Littlehampton Fitzalan Road); Fitzalan House Veterinary Practice Limited (Medivet East Preston); Fitzalan House Veterinary Practice Limited (Medivet Angmering); Fitzalan House Veterinary Practice Limited (Medivet Arundel River); Fitzalan House Veterinary Practice Limited (Medivet Rustington); The Vet Station Limited (Medivet Great Gaddesden); Barton Companion Animal Services Limited (Medivet Barton Upon Humber); Stanhope Park Veterinary Practice Limited (Medivet Darlington Stanhope Rd); Stanhope Park Veterinary Practice Limited (Medivet Darlington Duke St); Stanhope Park Veterinary Practice Limited (Medivet Middleton St George); Withy Grove Veterinary Clinic Limited (Medivet Bamber Bridge); I T Kalogera (Holdings) Limited (Medivet Herne Hill); Monument Vets Limited (Medivet Redruth); Monument Vets Limited (Medivet Camborne); The Hackney Vet Limited (Medivet Hackney).

² These are: Iffley Vets (Medivet Oxford Iffley Road); Iffley Vets (Medivet Wheatley Roman Road); All Creatures Clinic Limited (Medivet Chelsfield); All Creatures Clinic Limited (Medivet Locksbottom); Fitzalan House Veterinary Practice Limited (Medivet Littlehampton Fitzalan Road); Fitzalan House Veterinary Practice Limited (Medivet East Preston); Fitzalan House Veterinary Practice Limited (Medivet Angmering); Fitzalan House Veterinary Practice Limited (Medivet Arundel River); Fitzalan House Veterinary Practice Limited (Medivet Rustington); The Vet Station Limited (Medivet Great Gaddesden); Barton Companion Animal Services Limited (Medivet Barton Upon Humber); Stanhope Park Veterinary Practice Limited (Medivet Darlington Stanhope Rd); Stanhope Park Veterinary Practice Limited (Medivet Darlington Duke St); Stanhope Park Veterinary Practice Limited (Medivet Middleton St George); Withy Grove Veterinary Clinic Limited (Medivet Bamber Bridge); I T Kalogera (Holdings) Limited (Medivet Herne Hill); Monument Vets Limited (Medivet Redruth); Monument Vets Limited (Medivet Camborne); The Hackney Vet Limited (Medivet Hackney).

³ These are: The Vet on Richmond Hill & The Vet in St Margaret's (Medivet St Margaret's Crown Road); The Vet on Richmond Hill & The Vet in St Margaret's (Medivet Richmond Hill).

to continue to access commercially sensitive information relating to the Target Entities on Freedom.

Medivet submits that this is strictly necessary to ensure that the Target Entities remain viable. Freedom and Clientrax are used for a wide range of purposes – including [§<]. Medivet submits that these functions are central for the practice to be able to [§<].

Medivet considers that there are significant benefits for customers of practices using Freedom or Clientrax [§<]. Furthermore, removing access to Freedom or Clientrax would [§<].

2. In the third paragraph on page 3:

‘On the basis of Medivet’s representations, the CMA consents to derogations from paragraphs 4(a), 5(a), 5(f), 5(g) and 5(l) of the Initial Orders (as applicable) to enable (i) the Target Entities that currently operate on Freedom to continue operating on Freedom and for certain Medivet practices and limited individuals within Medivet’s centralised functions to continue to access commercially sensitive information relating to the Target Entities on Freedom; and (ii) each of the Target Entities to continue to have Network Access and for certain limited individuals within Medivet’s centralised functions to continue to access commercially sensitive information relating to the Target Entities on Network Access, strictly on the basis that:’

is replaced with

‘On the basis of Medivet’s representations, the CMA consents to derogations from paragraphs 4(a), 5(a), 5(f), 5(g) and 5(l) of the Initial Orders (as applicable) to enable (i) the Target Entities that currently operate on Freedom or Clientrax to continue operating on Freedom or Clientrax and for certain Medivet practices and limited individuals within Medivet’s centralised functions to continue to access commercially sensitive information relating to the Target Entities on Freedom; and (ii) each of the Target Entities to continue to have Network Access and for certain limited individuals within Medivet’s centralised functions to continue to access commercially sensitive information relating to the Target Entities on Network Access, strictly on the basis that:’

3. In Paragraph (a) on page 3:

‘The use of Freedom and Network Access is strictly necessary in order to preserve the viability and competitive capability of the Target Entities.’

is replaced with

‘The use of Freedom, Clientrax and Network Access is strictly necessary in order to preserve the viability and competitive capability of the Target Entities.’

4. In Paragraph (h) on pages 4 and 5:

‘The Target Entities and any conceivable overlapping Medivet practices⁴ with access to Freedom (the ‘**Freedom Authorised Practices**’) will confirm their acknowledgement of and compliance with an acceptable use policy (‘**Acceptable Use Policy**’) in a form approved by the CMA.’

is replaced with

‘The Target Entities and any conceivable overlapping Medivet practices⁵ with access to Freedom or Clientrax (the ‘**Freedom/Clientrax Authorised Practices**’) will confirm their acknowledgement of and compliance with an acceptable use policy (‘**Acceptable Use Policy**’) in a form approved by the CMA.’

5. In Paragraph (i) on page 5:

‘Medivet will provide the Critical IT Authorised Individuals and the **Freedom Authorised Practices** with training, in a form approved by the CMA, in respect of handling any commercially sensitive information they receive in order for them to continue to perform their functions on Freedom and Network Access.’

is replaced with

‘Medivet will provide the Critical IT Authorised Individuals and the **Freedom/Clientrax Authorised Practices** with training, in a form approved by the CMA, in respect of handling any commercially sensitive information they receive in order for them to continue to perform their functions on Freedom or Clientrax and Network Access.’

⁴ [3<] on 18 January 2023, conceivable overlap refers to the largest site-specific Target Entity 80% customer location catchment area plus a buffer of 5-minutes drivetime.

⁵ [3<] on 18 January 2023, conceivable overlap refers to the largest site-specific Target Entity 80% customer location catchment area plus a buffer of 5-minutes drivetime.

Yours sincerely,

[✂]

Faye Fullalove

Assistant Director

Mergers

18 April 2023