

## **VETERINARY SERVICES FOR HOUSEHOLD PETS MARKET INVESTIGATION**

### **Summary of hearing with Pets at Home Group PLC held on 5 March 2025**

#### **Introduction**

1. Pets at Home (PAH) welcomed the opportunity to talk directly to the Group and share its perspectives and thoughts.
2. PAH told the CMA that it had reviewed the published working papers with interest and that it was grateful that the CMA had recognised in those working papers the really crucial role that clinicians play in the veterinary sector.

#### **PAH business model**

3. PAH told the CMA that its business model was different to those of the other Large Veterinary Groups (LVGs) and that it considered PAH sat in the portion of the market that is independent.
4. PAH explained that, in general, it will try to find a joint venture (JV) partner who wants to work with PAH and then look for an appropriate facility but other times it will have a facility in a pet care centre and advertise for a practice owner to join PAH.
5. PAH said that it would generally want to put a vet into a pet care centre with retail opportunities and potentially grooming facilities as it provided a much better integrated experience for the consumer.

#### **Choice of treatment**

6. PAH said that one of the markers of quality in the sector is reputation and this is one of the main reasons someone might choose a particular practice.
7. PAH told the CMA that the Practice Standards Scheme (PSS) could be more effective as currently the general pet owner may not have an awareness of what it is and what the different levels of the PSS signify. PAH noted that if the

PSS could be enhanced and promoted by the RCVS that would provide a level of security of the quality of practice your vet is working within.

8. PAH noted that it does not set prices centrally and that prices are set by the practice owner and that prices for key services are displayed very clearly in receptions in every practice.
9. PAH told the CMA that it has introduced an online version of that price list which is being rolled out and it considers that this demonstrates how simple it is to make core in-practice pricing much more available and accessible, whereas for more complex treatments customers are provided with a written estimate in line with RCVS guidelines.
10. PAH said that its pet care plans are an example of how PAH offers value to its customers and that this is supported by the customers who subscribe. PAH said that pet care plans allow pet owners to make significant savings, budget and spread costs to support preventative healthcare and pet welfare.

## **Veterinary medicines**

11. PAH told the CMA that the medicines that are dispensed in its practices cannot be disconnected from the overall clinical service delivery and that medicines are inextricably bound with service. PAH said that certain drugs must be administered in practice by the vet, others are often administered during surgery and vaccines and parasiticides are often included as part of pet health checks and within PAH's pet care plans.
12. PAH told the CMA that it has notices within practices – both in reception and in consultation rooms – that highlight that a customer does not have to buy the prescribed veterinary medicine directly from the practice.
13. PAH said that it was very comfortable that online pharmacies exist as they serve a purpose and PAH can compete alongside them.
14. PAH told the CMA that a pharmacy in a vet practice incurs significant costs and that the price charged to the client is not simply a mark-up of purchasing costs but reflects the time and financial burdens of running that pharmacy.

## **Out of hours**

15. PAH said in its view, out-of-hours (OOH) services were best provided by locally sourced, outsourced contracts because quality and local accessible provision is very important. PAH told the CMA that it has dedicated, contracted, OOH provision and that it has resulted in better service and

meant that in its vet practices there is better staff retention and general well-being because they are not over-pressurised and over-stretched.

16. PAH told the CMA that it has a small number of sites (i.e., six) that are first and foremost FOPs but also offer some OOH care for its practices and those of third parties but the majority of its practices use a third party for OOH provision. PAH said that even though these six practices offer OOH care, PAH practice owners are not obliged to use these as they have clinical and operational autonomy.

## **Crematoria**

17. PAH told the CMA that the cremation services sector is currently working quite well and provides customers with choice and reasonable prices.
18. PAH told the CMA that there is a trend towards individual cremation but that low cost options, such as taking the pet home for burial and communal cremations are also taken up by pet owners.
19. PAH said that the pricing of cremations is fair and reflects the significant and integrated cost of offering the service to a customer. PAH noted that vets incur a lot of time and cost in providing end of life support regardless of whether an animal is ultimately cremated.
20. PAH told the CMA that its recommendation to PAH practices for cremation pricing for vet practices is to charge customers in line with the local walk-in price for local crematoria and that the vet practice will choose whether they use an independent supplier or a supplier that is part of a large group.

## **Regulation**

21. PAH told the CMA that there was a profession wide need for clarity of Schedule 3 of the Veterinary Surgeons Act 1966 to fully open the opportunities that better utilisation of veterinary nursing offers.
22. PAH noted its view that this would lead to better career progression and retention of vet nurses in the profession and open up access to more care pathways for pet owners and their pets. PAH also noted its support of protecting the title Registered Veterinary Nurse (RVN).
23. PAH also suggested easier sponsorship of overseas vets and noted its view that the current system is restrictive due to the salary threshold the Government has set for hiring overseas vets.