

MARKET INVESTIGATION INTO THE SUPPLY OF VETERINARY SERVICES IN THE UNITED KINGDOM

Notice of extension of inquiry period under section 137(2A) of the Enterprise Act 2002¹

On 23 May 2024, the CMA Board made a reference for a market investigation into the supply of veterinary services for household pets in the UK. The period within which the report on this reference was to be prepared and published (**the original reference period**) was due to expire on 22 November 2025.

The Inquiry Group considers that completion of its investigation and the publication of its final report will not be possible within the original reference period.

The Inquiry Group has decided to extend the original reference period by six months under section 137(2A) of the Act to 22 May 2026 (**the extended reference period**) as it considers that there are special reasons (set out below) to do so. However, the Inquiry Group aims to complete the inquiry as soon as possible and in advance of this date.

In taking this decision, the Inquiry Group has had regard to the nature and complexity of issues raised in relation to the investigation and, in particular, by the submissions made by consultees in response to:

- the working paper on the wide range of potential remedies for any adverse effect on competition that it finds, and which the CMA published for consultation on 1 May 2025 (**Remedies Working Paper**);
- the working papers on profitability and financial analysis of vet businesses (**Profitability Working Papers**), that the CMA disclosed to the main parties in May 2025;² and
- the working paper relating to an econometric analysis of pricing and treatment data from two large insurance companies (**Econometrics Working Paper**) which the CMA shared with the large veterinary groups (LVGs)³ via a confidentiality ring in December 2025, followed by the sharing of a revised version with those groups in May 2025.⁴

¹ Published pursuant to section 172(2) of the Enterprise Act 2002.

² Findings from which papers will, in due course, be included for consultation in the Inquiry Group's provisional decision report.

³ Who are main parties to the investigation.

⁴ The CMA is considering whether and how to disclose this paper to other parties, and findings from it will, in due course, also be included for consultation in the Inquiry Group's provisional decision report.

Specifically, the Inquiry Group has had regard to:

- a. The volume and specificity of the concerns raised in the extensive number of detailed submissions provided by consultees in response to the Remedies Working Paper and in the subsequent roundtable meetings held with veterinary professionals and other stakeholders during May 2025. The CMA has, to date, received 519 responses to its Remedies Working Paper, the majority of which represent the views of individual vets or independent vet practices. The responses comment on the 28 remedies and the 105 questions on which the CMA consulted in the Remedies Working Paper. These responses make a number of submissions about the way in which certain remedies may or may not be effective in some clinical settings, and about the costs and burdens that particular remedies, and an overall package of remedies, would impose on different kinds of vet businesses. Those submissions reflect the challenges in this investigation of considering the interaction between clinical and competition concerns and the diverse nature of the market and the business models that operate in it, and indicate that substantial issues remain to be resolved.
- b. The concerns raised in the detailed submissions provided by those parties to whom the Profitability and Econometric Working Papers have been disclosed to date. In respect of the Profitability Working Papers, the CMA has received responses from each of the six LVGs which in total exceed 200 pages and include around 30 detailed technical annexes. The CMA also expects to receive further responses from other parties. In respect of the Econometrics Working Paper, the CMA has received 24 responses from the six LVGs which, in total, exceed 450 pages and include over 125 technical annexes. The responses make a number of complex technical submissions about the reliability and meaning of the assessments in those papers, including about the peculiar challenges of assessing profitability in the relevant market.
- c. The need to consider these numerous and varied responses on each of the points raised, in order that it makes informed provisional, and following further consultation, final decisions on whether there is an adverse effect on competition and how it should be remedied. Likewise, the need to do so following fair processes which allow potentially affected parties due opportunity to represent their interests and to input into those decisions before they are made. The Group needs to take into careful account that any remedies it imposes or recommends could materially affect thousands of veterinary professionals and vet businesses, and millions of consumers and pets for a significant period of time. These points are especially relevant in relation to the need to engage further with the veterinary industry to understand more about the costs, burdens and workability

of specific remedies, and the whole possible package of remedies, and to find the most effective and proportionate way in which they might be applied. All of the matters in this paragraph (c) are in the interests of the main parties to the investigation and the veterinary sector, and in the public interest.

The Inquiry Group has had regard to all of the above matters in the round, appreciating the need to be as comprehensive, thorough and fair as possible within the statutory timeframe. It has sought to balance the nature and complexity of the work outstanding at this point of the investigation against the available time and CMA resources (where the Group takes into account that the CMA is already committing significant staff resources to the investigation and that its wider portfolio of work limits the further available resources). The Group also recognises the costs that the investigation imposes on the veterinary industry and the need to avoid adding unnecessarily to those costs. It has made a judgement that an extension to the original reference period is required and that there are special reasons for doing so.⁵



Martin Coleman, Inquiry Group Chair

10 June 2025

⁵ Taking account of the Court of Appeal's judgment in *Cérélia Group Holdings SAS v CMA* [2024] EWCA Civ 352, including at [113] in particular.