

Message from Martin Coleman, chair of the inquiry



Pets are part of the family. They comfort us, make us laugh and keep us company through life's ups and downs. Over half of UK households have pets, and people naturally want to keep their animals healthy and look after them when they are sick.

The main focus of our inquiry is into veterinary businesses not individual vets. We have been concerned to hear that some vets and vet nurses face abuse from frustrated pet owners. We condemn this wholeheartedly. The vast majority of veterinary professionals work hard, act ethically, and put animal welfare first. Vets deserve respect, not hostility.

There is no NHS for animals and veterinary businesses need to make a reasonable profit to continue providing good quality care and invest in the latest treatments. Veterinary care can be expensive, especially for more advanced treatments: pet owners are buying a highly skilled service, often requiring advanced equipment, and sometimes being seen at short notice.

It is also important that veterinary businesses provide a quality service that people can afford. We have received an unprecedented number of complaints from the public and members of the veterinary profession about veterinary businesses and our inquiry has provisionally found significant problems in how competition and regulation (which is hugely out of date) have been working.

It is crucial that people pay a fair price and can choose treatments that best suit their (and their pet's) circumstances. Prices rose by 63% between 2016 and 2023 (considerably faster than general inflation). Veterinary businesses are typically charging pet owners double the price of online pharmacies for commonly prescribed medicines – meaning pet owners could be paying hundreds of pounds more than they need to each year for on-going medication for their pet. In addition, we believe there are people who may be overpaying for individual cremations and that pet care plans do not provide value for money for some pet owners.

Many of the concerns raised with us relate to the six large veterinary groups, which own the majority of veterinary practices, and have owners who are not vets. We have found that these large groups charge higher prices on average than independent vets and that, for at least three of the five large groups which acquired independent practices, their acquisitions of independent practices led to higher average prices, compared to the trend

in average prices at practices that remained independent. For a substantial part of the market, profits are much higher than we would expect if competition were working well.

Pet owners are often left in the dark. They do not always know whether their practice is independent or part of a chain. They do not know what a fair price looks like. They are sometimes committing to expensive treatment without knowing the price in advance. And they do not always feel confident asking for a prescription or buying medicine online — even when it could save them hundreds of pounds.

Even where pet owners could access some of this information, it is difficult for them to compare prices and services despite the fact that, in most of the country, there are several local practices they could choose between.

This lack of information is a market wide problem, not confined to the large groups. Veterinary businesses therefore face limited pressure to lower prices or raise quality to attract pet owners (or stop them moving elsewhere).

We are proposing a range of measures aimed at bringing about a transformation in the experience of pet owners and empowering them to make the right choices. This includes:

- Empowering pet owners to help them choose between vet practices, including requiring veterinary businesses to publish comprehensive price lists, make the lists available to an online comparison service and be clear whether a practice is independent or part of a large group. We plan to require a regular survey to publicise pet owners' experiences of different veterinary businesses.
- Supporting pet owners to know what to expect and make choices by requiring veterinary businesses to give pet owners clear information when they are: choosing a treatment (with written estimates for treatments of £500 or more and itemised bills); subscribing to a pet plan (so it is easier to judge if the plan is good value for money) or arranging a cremation. We shall also ensure that veterinary businesses have in place written policies and processes to ensure that vets and vet nurses are able to give pet owners independent and impartial advice.
- Enabling pet owners to make large savings on what they pay for medicines by requiring vets to tell them that the price of medicines can be significantly cheaper online; making it easier to use online pharmacies; imposing a cap on prescription charges and incentivising vets to reduce their medicine prices.
- Helping pet owners when things go wrong by requiring all veterinary businesses to have the right systems in place for when people need to complain and sharing data with the regulator about complaints, to build best practice.

- Ensuring out-of-hours services are responsive by making it easier for veterinary practices to terminate out-of-hours contracts where they believe there is a better alternative for their customers.

We have the power to do all of this, supported by an enhanced role for the sector regulator (the Royal College of Veterinary Surgeons), and our actions will make a real difference to pet owners. But competition alone, important as it is, will never be enough to fully protect pet owners in a complex clinical services market like veterinary services.

Effective regulation is essential and the current regulatory regime, set up in 1966, is not fit for purpose. It applies to individual vets but not to the businesses in which they work and therefore fails to regulate the part of the system that gives rise to the greatest concerns. We are provisionally recommending to government that long overdue new legislation must now be put into place to avoid backward steps in pet owner experiences. A fully updated system would ensure that veterinary businesses adhere to quality standards and treat pet owners fairly. This is not imposing new regulation where there was none before but replacing an inadequate outdated regime with one that works for pet owners and veterinary professionals alike.

We believe that our proposals, if implemented, would enable pet owners to choose the right vet, the right treatment, and the right way to purchase medicine — without confusion or unnecessary cost. They would also be good for vets, further enhancing trust in the profession and protecting clinical judgment from undue commercial pressure.

At this point, our views and proposals are provisional. We now want to hear the opinions of those that will be affected by our proposed decision including pet owners, veterinary professionals and veterinary businesses.

1. Summary

1. We have now published the provisional decision in our market investigation in the supply of veterinary services for household pets. This summary outlines our provisional conclusions – including an overview of the evidence we have relied on in reaching them – and explains the remedies we have proposed. We will make our final decision after a period of consultation with interested parties. We explain how to respond to our consultation at the end of this summary.
2. We set out our reasoning in much more detail in the full decision document which can be found on our case page [Veterinary services for household pets - GOV.UK](#). Part A of the decision document covers the assessment of competition and part B describes our proposed remedies package. On the case page, there is an explainer for vets which sets out what you need to know at this stage and what will happen next.

Introduction

3. Veterinary services are an important market in the UK. Pet owners spent around £6.3 billion on veterinary and other services in 2024;¹ equating to just over £365 per pet-owning household.² Some pet owners spend much more: for example, surgery for cruciate ligament disease (a common procedure for dogs) can cost up to £5,000, occasionally even more.
4. It is important that people pay a fair price when they visit the vet and can choose treatments that best suit their (and their pet's) circumstances. Our investigation has found evidence that indicates this is not always the case.
5. We received an unprecedented number of comments from the public and veterinary practitioners demonstrating a widespread feeling that things could be better. Around 45,000 pet owners contacted us with concerns, particularly around high prices, especially for medicines. We also received comments from around 11,000 people who worked in the sector, suggesting that many vets and vet nurses also felt that the market was not working as well as it could. Many of them highlighted concerns about the increased role of large veterinary groups (**LVGs**) in the market. We have thoroughly investigated these concerns, and others.
6. Over the course of this market investigation, we have gathered extensive evidence from a range of sources. We visited and obtained information from veterinary businesses, large and small. We commissioned a survey of pet owners and

¹ This includes standard veterinary services along with vets' charges for grooming, boarding, tattooing, training, surgery, and similar other services. It excludes veterinary services for horses and ponies, and charges for pet food and other veterinary products. [ONS National Accounts, Other recreational goods Veterinary and other services for pets](#).

² UK Pet Food estimated that 60% of UK households (17.2 million) owned a pet in 2023/24. [UK Pet Population | UK Pet Food](#).

qualitative research with vets and vet nurses. We held roundtables with a wide range of participants, including vets with different levels of experience and at different types of businesses. We held discussions with the regulator (the Royal College of Veterinary Services, **RCVS**) and industry bodies (such as the British Veterinary Association, **BVA**). We also obtained information from other sources, such as insurance companies and medicine manufacturers.

7. Having considered all of this evidence, we have reached our provisional conclusion that competition is not working as well as it could in this market; in technical terms we have provisionally found that there are features of the market that give rise to an 'adverse effect on competition' (**AEC**). Overall, as set out further below, these are wide-ranging concerns, and these AECs likely cause customer detriment that is substantially higher than £1 billion over five years. Our concerns indicate that competition could be significantly improved and that more effective regulation is needed to support good outcomes for pet owners.
8. We have provisionally decided on a wide-ranging package of remedies, aimed at transforming the experience of pet owners and empowering them to make the right choice for them and their pet.

How the market works today

Recent developments

9. We have been told that many practices have found it difficult to recruit veterinary professionals, particularly since Brexit. The shortage of vets was exacerbated by increased demand caused by growth in pet ownership during the Covid-19 pandemic. This has been compounded by wider social change over a longer period. More vets work part time or flexible hours than in the past, meaning that a greater number of vets are required to provide the same level of service.
10. Pet owners' expectations have also changed. We have heard that the 'humanisation' of pets means that many pet owners value the sophisticated and costly treatment options that are increasingly available and are more demanding in their requirements than in the past, for example in expecting immediate appointments.
11. As we note later, the structure of the industry has changed significantly over the past ten years, through the growth of LVGs which now own the majority of vet practices in the UK.

Protecting animal welfare

12. The principal function of vets is to protect animal welfare and public health. There is no NHS for pets and, while the excellent animal charities provide an important

service for pet owners who cannot afford to pay for treatments, they are not accessible for most people. As a result, veterinary services are, in the main, provided by businesses which charge fees for their services.

13. Like all businesses, vet practices need to make a reasonable profit to compensate their owners for investing in and providing valuable services. However, if people are priced out of getting a sufficient level of care for their pets, animals may suffer. There is therefore a close connection between providing veterinary services that deliver competitively priced options for pet owners and services that ensure animal welfare.

The clinical and commercial setting

14. Vets engage with both clinical and commercial factors as part of their work. They are expert clinicians, providing care for animals, with appropriate professional obligations. They also run, or work in, commercial businesses seeking a reasonable profit.
15. The trusted professional relationship means that customers do not see vets as 'just another business' seeking to maximise profits. They expect the veterinary businesses' commercial activities to be exercised in a professional ethical context.
16. Vets rightly pride themselves on their dedication to the care of animals and their professional skills. Everything we have seen demonstrates that the vast majority of individual vets behave entirely ethically with respect to the animals in their care. However, the businesses that they run, or for which they work, are providing a commercial service. There is a risk that commercial pressures could interfere with providing the service that best suits the circumstances of the pet owner and their animal.

Pet owners rely on the expert advice of vets

17. Pet owners, unless they are vets themselves, will necessarily lack clinical expertise and will not be able to directly judge the relative merits of potential diagnostic tests and treatments or assess the clinical quality of a first opinion practice (**FOP**) they are considering. Sometimes pet owners' decisions will be made in urgent or emotionally charged situations. Pet owners nonetheless want to do the best for their pets when making decisions on their behalf. They will rely for that on their vets, in a relationship of trust.

Vets play a gateway role

18. Vets are professional experts and provide advice to pet owners on which treatments and medicines to purchase. Pet owners need vets to provide prescriptions or referrals that enable them to purchase medicines or certain

additional treatments. Vets therefore play a 'gateway' role. However, mixed incentives can arise in the gateway role, as the veterinary business may be competing with other providers of some of these services, such as online pharmacies supplying medicines or specialist referral centres. This could create a potential conflict of interest on the commercial side.

What this means for competition

19. Because of the complexity of the professional services provided by veterinary practitioners, the knowledge imbalance between pet owners and vets and the sometimes emotional or urgent situations in which people purchase veterinary care, there will always be limits on how vigorous competition will be in this sector, compared to other markets. These aspects are inherent and difficult to change. It would anyway be inappropriate to seek to change the relationship of trust between vets and pet owners.
20. The existence of these inherent factors makes it important that, where competition can make a difference to pet owners, it should do so. But there is inevitably also an essential role for regulation to play, to ensure that commercial pressures do not undermine the process of providing treatments which best meet the needs of the pet and its owner (as is the case with other professional services such as the provision of legal advice, private medical care, and financial services). The need for effective regulation is a critical part of our provisional findings, and our provisional remedies package.

The large veterinary groups

21. Over 60% of veterinary practices are currently owned in whole or part by six LVGs, each of which has practices in different parts of the UK and may own related businesses across the veterinary services supply chain, such as referral centres (which provide more advanced care), crematoria, and out-of-hours providers.³ The expansion of the share of LVGs has resulted mainly from a significant number of acquisitions over a relatively short period of time: in 2013, just 10% of vet practices were owned by large groups.
22. The size and scale of the LVGs distinguish them from other veterinary businesses. The largest, IVC, has over 900 FOPs in the UK (as well as related businesses) and the smallest, Linnaeus, has around 180 FOPs. The next largest veterinary

³ The LVGs are: CVS, IVC Evidensia, Linnaeus, Medivet, Pets at Home and VetPartners. CVS, IVC, Linnaeus, Medivet, and VetPartners own referral-only centres. CVS and IVC own dedicated out-of-hours businesses. CVS, Linnaeus and Medivet own diagnostic laboratories. IVC and VetPartners own crematoria. CVS, IVC, and VetPartners own online pharmacies. More detail on these ownership links can be found in Part A Section 2: Context for the veterinary services market, table 2.2.

business owns just 38 FOPs and 76% of veterinary businesses have just one FOP (representing 20% of all FOPs).

23. The size and scale of all the LVGs can obscure the fact that there are important differences between them. For example:
- (a) two LVGs (Medivet and Pets at Home) have UK-wide branding for all (or most) of their FOPs and the rest do not;
 - (b) five of the six have grown principally by making acquisitions while Pets at Home has expanded by opening new practices;
 - (c) two are listed companies (CVS and Pets at Home), three (IVC, VetPartners and Medivet) are owned by private equity investors, and Linnaeus is owned by Mars Petcare; and
 - (d) Pets at Home has a joint venture structure under which most of its practices are owned jointly with local individuals (usually vets).
24. The ultimate ownership of these large groups resides not with vets but in corporate and financial entities. We have heard concerns from pet owners and vets that consolidation of vet practices into these larger groups has had an adverse impact on competition and pet owners, for example by reducing choice in a local area or increasing prices.
25. The prices charged by LVGs are on average higher than the average price at independents although there is significant variation between the LVGs and between independents. Between January 2023 and July 2024, the average price charged by an LVG-owned practice for consultations, treatments and medicines was (on average across the LVGs) 16.6% higher than the average price charged by an independent practice, with variance across the large groups in how much higher their average prices were compared to independent practices.⁴
26. Price rises across the sector have involved faster increases at some LVGs than at independent veterinary businesses. For at least three of the five LVGs that acquired FOPs since 2015, our analysis indicates that acquisitions led to an increase in average prices of 9% four years later, compared to the previous pricing trend at the acquired independent practices. For at least three out of the five LVGs, our analysis indicates that acquisitions led to an increase in insurance claim values of 5% on average four years later, indicating that the overall bills for diagnosing and treating a pet increased. Pets at Home did not make any

⁴ We note that this price dispersion analysis does not seek to control for possible quality or cost differences between services at different veterinary businesses. This analysis is set out in Part A Section 7: market outcomes.

acquisitions and we did not observe any impact of acquisitions made by Linnaeus on average prices or insurance claim values.

27. Consistent with our pricing evidence, LVGs scored particularly poorly when customers were asked about satisfaction with the cost of service at their most recent visit to a vet. Net satisfaction scores for the cost of service was 26% at LVGs, compared to 47% at independents.⁵
28. Overall, the evidence indicates that the price increases that occur following LVG acquisitions of independent FOPs are not wholly explained by improvements in the quality of services provided.
29. Our pet owners survey indicated that LVG customers are less satisfied on measures of service compared to customers of independent vets, although there is variation between the six LVGs. For example, the average satisfaction score on quality of service was 83% for independents and 76% for LVGs (as a whole), and for care given to a pet it was 78% for independents and 68% for LVGs. This survey evidence indicates that aspects of quality that pet owners can observe and judge (to some degree) do not explain the post-acquisition price increases.
30. On whether the effects of LVG acquisitions on prices and overall vet bills are explained by wider improvements in quality (including those aspects that are more difficult for pet owners to judge), we have not seen persuasive evidence of a strong link between LVG price increases and investments in quality, despite repeated opportunities for the LVGs to provide this evidence.
 - (a) We have not seen significant marketing from LVGs to reposition their services as offering higher quality at higher prices, or strategy documents to support such a repositioning strategy.
 - (b) We have not been provided with robust evidence from LVGs on their post-acquisition investments in capital or staff, and how these compare to investments that these practices would have made had they not been acquired.
 - (c) While the LVGs provided evidence of increases in remuneration per FTE worker over time, these salary increases can, at most, explain around half of the price increases over time across LVGs, and we have not received well quantified evidence of other increases in costs. In any case, the changes in salaries are not unique to the LVGs and only the element of salaries (and other costs) that are higher for LVGs would be relevant for explaining the

⁵ There remained lower satisfaction with costs for pet owners at LVGs, even when they did not know that their FOP was part of an LVG. Net satisfaction score is calculated by the percentage of respondents who were satisfied minus the percentage who were dissatisfied.

acquisition effects on price because our analysis of acquisition effects controls for any market-wide changes in costs.

31. In contrast, we have seen internal documents from some LVGs that link price increases to an expectation that pet owners will not react by purchasing less or switching away. We observe greater price increases at certain LVGs compared to independents despite evidence of some LVGs having lower operating costs for certain parts of their business than independents (for example LVGs using their purchasing power to reduce their medicine costs). This pricing evidence indicates that any cost savings are not being passed on to pet owners.
32. We do not suggest that the large groups are behaving unethically or that the vets who work for them do not take their professional responsibilities seriously. But the evidence on acquisition effects indicates that vet practices that are part of certain LVGs have contributed to pet owners paying more for veterinary care due to these LVGs having a greater commercial focus that is unrestrained by effective competition.
33. Given the strength of concerns relating to the LVGs, and the significant acquisition effects observed, we carefully considered whether increases in concentration were responsible for rising prices. We have provisionally found that high local concentration is not widespread enough to be a driver of price increases across the sector as a whole. For pet owners at 89% of FOPs, our analysis indicates that there is a choice of four or more competitors (including their current FOP), and this choice increases to five or more competitors for pet owners at 81% of FOPs. Price rises across the sector as a whole, including those resulting from certain LVG acquisitions, have not therefore been due to a lack of choice between FOPs owned by different firms but rather lack of effective competition between FOPs big and small.⁶
34. Previous CMA merger investigations in the veterinary sector have led to divestments of FOPs to address competition concerns, limiting increases in concentration in the relevant local markets. In line with its current practice, the CMA will continue to actively monitor merger activity in the veterinary sector for any relevant acquisitions that may harm competition.

⁶ Previous CMA merger investigations in the veterinary sector have used share of FTE vets. Differences in approach between our MI and previous CMA merger investigations reflect how our analytical objective differs from a merger investigation and how it was not possible for us to collect data on FTE vets across all vet practices in the UK. Given that we have provisionally found that high local concentration is not widespread enough to be a driver of price increases across the sector, further analysis of local concentration (such as using share of FTE vets in specific local areas) is not necessary. This does not preclude that the appropriate analytical approach in the assessment of future merger activity would be for the CMA, in assessing the strength of competitive constraints in specific local areas, to use shares of FTE vets.

Our provisional concerns

35. Having assessed a wide range of evidence in the round, we have provisionally found significant and widespread problems compared to a situation where the market was working well.

Price increases and quality improvements

36. Between January 2016 and December 2023, average prices at veterinary businesses across the sector grew by 63% and average first-year treatment expenses (a measure of overall vet bills) increased by 53%, compared to a 32% increase in general inflation (Consumer Price Inflation) over the same period. Our profitability analysis (set out below) indicates that, across a large part of the sector, prices now materially exceed the costs of investing in and running a veterinary business. So, while there may have been investments that have led to improvements in quality and increases in salary costs, the evidence on profitability indicates that these investments and cost changes do not justify the full extent of the price increases. And, as explained above in relation to the evidence of the effect of acquisitions by certain LVGs, the evidence indicates that price increases are not wholly explained by improvements in the quality of services provided.

Profitability

37. We have assessed the profitability of the six LVGs. Our provisional analysis shows that LVGs covering a substantial part of the market earned profits which materially exceeded the cost of capital over a sustained period – though not all veterinary businesses (and indeed not all LVGs) are making profits at this level.
38. We consider that this profitability analysis provides direct evidence that price increases are not sufficiently offset by the costs involved in any investment in quality. In a well-functioning market, we would expect more of these profits to be competed away through lower prices or greater investment in quality.
39. Our evidence of profitability is therefore consistent with our overall provisional finding that there is not strong competition between veterinary businesses.
40. While we have not conducted a similar profitability assessment of independent vets, some have significantly higher margins than others. This evidence is consistent with some independents making profits that we would not expect in a well-functioning market.

Pet owner choices

41. We have provisionally found concerns that pet owners could be limited in their choices or may be paying more than they would if the market worked better across

a range of elements in the ‘consumer journey’: choosing a vet practice, choosing treatments and referrals, pet care plans, purchasing medicines, out-of-hours services and cremations.

Choosing a vet practice

42. When we began our work in this area, just 16% of vet practices had any prices on their websites. While we note that this proportion has increased during the course of our inquiry, we observe that over 40% of FOPs still do not display any prices on their websites and what is available is frequently restricted to a few very common services.⁷ For example, only 52% (of those FOP websites which had prices) have prices for providing written prescriptions, and just 13% list prices for routine dentistry. Very few have prices for any more advanced procedures such as surgeries (beyond neutering) or diagnostic tests or imaging. There was rarely information on cremations or medicine prices. We found that the prices were frequently difficult to locate (either requiring considerable scrolling to the end of the homepage or listed under non-intuitive headings such as ‘visit our practice’).
43. Some customers may have a preference for a particular type of FOP, either one that is independent or one which is part of a large group. 21% of respondents to our pet owners survey reported considering practice ownership when choosing a FOP. Of these respondents, 68% preferred independent practices, with the remaining 32% preferring LVG practices.
44. However, it is difficult for pet owners to identify whether a FOP belongs to a large group or is independent. Less than half (47%) of respondents to our pet owners survey who we confirmed to be clients at LVG practices were aware that their practice was part of an LVG, with 23% reporting that they were unsure and around a third of these LVG clients reporting that their practice was either an independent (9%) or part of a small group of practices (21%). For those pet owners at LVGs which do not have consistent and visible UK-wide branding, there was even less awareness: only 19% of pet owners at VetPartners knew they were with an LVG, and this awareness rate was 22% at IVC, 33% at CVS and 36% at Linnaeus.
45. This lack of transparency could give customers the illusion of choice and competition. For example, when choosing a vet, a pet owner may think they have compared different options in their local area and believe that they have assessed prices from rival FOPs, without realising that some of the FOPs might be owned by the same group. Similarly, pet owners exercising the choice to switch away from a

⁷ In May and June 2025, we conducted a second website price review of a sample of FOPs. The sample in the second review was of 1,184 FOPs, representing around 27% of the FOPs in the UK that we are aware of, and selected to include a statistically robust number of LVG, mid-tier and small independent FOPs, and FOPs in each of the nations of the UK. In our first review of websites, we checked 2,552 UK vet practice websites (58% of all UK vet websites, including both independent and LVG-owned FOPs) and found that 84% of those practices had no pricing information.

FOP owned by a certain LVG may unknowingly switch to a practice owned by the same group.

Choosing treatments

46. Given pet owners' understandable dependence on advice given by their vet when purchasing vet services, it is of paramount importance that pet owners are given appropriate and timely information when making choices between treatments. Such information includes the likely cost of the treatment, relevant clinical information (such as likely outcomes or potential next steps) and the skill and experience of the professional carrying it out.
47. Less than half (43%) of the respondents to our pet owners survey reported that they received price information in advance of their most recent non-routine treatment. Price estimates, when provided, were often given only orally rather than in writing, which makes them more difficult for pet owners to remember and refer to once away from the consulting room. Some pet owners reported not receiving price information until after they felt committed to the treatment pathway. Some vets told us that they have found it difficult to discuss the cost of vet services with pet owners, fearing that they would seem to care only about money if they mentioned price at the wrong time.
48. Given that treatments can be very costly, it is important that the right options are presented to pet owners in the best way to help them make informed decisions about which treatment is best in the circumstances. Some vets (particularly those who are less experienced) told us that they prefer to order the most comprehensive diagnostic tests because they want to make sure that they have all possible available information before recommending treatment, even though this may add costs for the pet owner. Others told us that they always make sure to offer the most comprehensive treatment options, so that pet owners have the widest choice. In addition, some vets told us that some business practices, including key performance indicators, targets, clinical protocols and guidance, and IT systems, may put undue pressure on vets to recommend certain diagnostic tests or treatment options.
49. Making the right choice may be particularly important for pet owners who are financially constrained. Of respondents to our pet owners survey who said they found life financially 'very difficult', 35% did not agree that their vet considers their personal circumstances when deciding which treatment options to offer.⁸

⁸ In comparison, only 19% of those 'living comfortably' and 18% of those 'doing alright' felt that the vet did not consider their personal circumstances.

Choosing a provider when being referred for treatment

50. When a pet needs a referral for treatment, there is often more than one suitable referral centre reasonably nearby. However, less than a third of the respondents to our pet owners survey (30%) reported being given options for where they could go for their most recent referral. Telling pet owners that more than one referral centre is available may prompt pet owners to compare referral centres, which is likely to lead to better outcomes for pet owners on things they value, like the availability of appointments and price.

Pet care plans

51. Pet care plans are widely offered by vet practices across the UK and involve a monthly or annual subscription fee which covers a package of routine medication and veterinary services. Our analysis of LVG pet care plans suggests that some subscribers may not achieve the short-term financial savings that they may expect by subscribing to a pet care plan.
52. We provisionally find that information about pet care plans is often not presented in a way that enables pet owners to assess value. Marketing materials often highlight *potential* annual savings without breaking down the costs of individual treatments or products, and without comparing savings against third-party medicine prices.

Veterinary medicines

53. FOPs sell prescribed veterinary medicines as part of their recommended treatments for pets. It can be convenient for pet owners to purchase medication directly from their vet practice. In some circumstances it might be the only practical option when the pet needs medicine immediately, if the medicine is difficult to administer or where it is provided as part of a wider service provided at the FOP (such as a health check combined with a vaccination).
54. Prescribed veterinary medicines can also be obtained from third-party retailers (usually online pharmacies). Where pet owners wish to purchase prescribed medication from a third-party retailer, and it is appropriate to do so (where the medication can be easily administered by the pet owner and is prescribed in a non-urgent context or is a preventative treatment), they need to request a written prescription from their vet. Our analysis shows that medicines are typically available at online pharmacies for prices that are 50% to 60% less than those at veterinary practices. Consequently, many pet owners could save around £200 to £300 on average each year when purchasing medicines from an online pharmacy rather than a FOP (even when considering the associated fees charged by FOPs in the sale of medicines).

55. Despite the potentially significant financial savings available to pet owners when purchasing medication from third-party retailers, pet owners purchase most of their medicines from FOPs. Our pet owners survey shows that 71% of pet owners purchase on-going medication directly from their vet practice. While some pet owners might choose to pay more for the convenience of buying from their local practice, we provisionally consider that there are several inefficiencies that prevent significant numbers of pet owners from taking advantage of the substantial savings that are available to them when purchasing medication from third-party retailers.
56. We provisionally consider that the reasons for the low proportion of pet owners purchasing medicines online include limited awareness among pet owners of their ability to obtain written prescriptions and to buy medicines more cheaply from online pharmacies, (in some cases) high charges for a written prescription, a lack of information on the quality of medicines sold by online pharmacies, inefficiencies in the FOP written prescription process, and **Own Brand** medicines acting as a barrier to comparing the price of medicines at FOPs and third-party retailers.

Cremations

57. Two thirds of pet owners have their pet cremated at the end of its life. This is an important service purchased at a distressing time. Our analysis suggests that some FOPs are charging high mark-ups on individual cremations and that pet owners may be paying £100 more for this service than they would be if there were strong price competition. Conversely, the prices of communal cremations more closely reflect their costs and are a lot lower than individual cremations, so it is important that pet owners are offered a communal option. In order to make the right choice, pet owners need good information at the time they are making this difficult decision, as well as time to consider their options if they so choose.

Out-of-hours services

58. All veterinary sites which treat animals during standard opening hours are required to have arrangements for 24-hour emergency cover. Some FOPs provide this themselves and others outsource to a dedicated out-of-hours (**OOH**) provider. In these cases, the FOP has a contract with the OOH provider (allowing it to meet the OOH requirements) and the FOP's clients are able to use the OOH services, for which they directly pay the OOH provider.
59. OOH provision is more costly to operate than daytime care due to the uncertain demand alongside the higher salary costs of qualified staff willing to work unsociable hours, and the difficulties in recruiting them. To secure the viability of their businesses, suppliers of outsourced OOH services are likely to require some contractual certainty that secures their continuity of provision and income for a sufficient period of time

60. We are concerned, however, that some contracts between FOPs and third-party OOH providers have clauses that make it difficult for FOPs to switch away if prices are uncompetitive or service is inadequate, for example long notice periods and high early termination fees. This makes it difficult for FOPs to exert competitive pressure on OOH suppliers to provide good service at a competitive price to their customers, because they cannot credibly threaten to switch (or choose to move provision in-house) in response to poor service or higher prices. Our provisional conclusion is that this leads to weaker competition in OOH provision, which could lead to worse service and higher prices for pet owners.

Regulation

61. Competition alone, important as it is, will never be enough to fully protect pet owners in a complex clinical services market like veterinary services. The need for regulation is recognised, given that there is legislation governing this sector and an existing regulator. However, the current regulatory framework is ineffective and needs reform.
62. At the heart of our provisional concerns is a regulatory system that is out of date and out of step with the current structure of the veterinary industry, so no longer fit for purpose. For example, there is no mandatory oversight of the businesses which own or control the majority of vet practices in the UK. The current regulatory framework lacks mechanisms which allow pet owners easily to judge the clinical standards and general quality of veterinary businesses. The complaints system appears to us to be ineffective, denying pet owners effective means of redress when things go wrong, and there is no mandatory arbitration or ombudsman scheme. We are concerned about the lack of effective separation between the professional leadership responsibilities of the RCVS (its Royal College role) and its wider regulatory function in protecting animals and pet owners.

Summary of our provisional concerns

63. We have provisionally identified three key problems that need to be addressed: lack of information, barriers in the market and an inadequate regulatory framework.
- First, pet owners do not have the tools they need to support them in choosing what is best for them and their pet. Vets and veterinary businesses are not providing pet owners with the information they need, in a timely way, to enable them to make choices between different practices, treatment options or, in the case of medicines, whether to use alternative retailers such as online pharmacies.
 - Second, there are sometimes barriers to pet owners acting on information, (such as uncertainty around the quality of medicines from online pharmacies)

or timeliness of delivery, high prescription fees, delays in obtaining a written prescription). When things go wrong there are difficulties in making a complaint and seeking redress. There are also barriers to FOPs switching OOH providers.

- Third, the system of regulation of vets is outdated and wholly unfit for purpose, including that it applies only to veterinary professionals and not to the businesses in which they work.

64. As a result, pet owners may find it difficult to choose the vet practice, treatments and medicine suppliers that are best for their circumstances and be paying more than they would if the market were working as well as it could.

65. We estimate that the consumer detriment attributable to FOPs is at a minimum around £1 billion over five years. This estimate is based on the profits of the LVGs that are in excess of the level required for a reasonable return on capital, more of which we would expect to be competed away as firms vie for customers by offering lower prices or higher quality.⁹

66. The overall detriment is likely to be significantly higher than what we have estimated here.

- First, our estimates do not account for detriment across the whole sector, including FOPs beyond LVGs. In particular, there is sector-wide detriment arising from the price savings that pet owners could make from buying more medicines online. Our profitability estimate captures this detriment to some extent as high medicine prices at FOPs feed into the profitability of a FOP, but only partially since our profitability estimate excludes independents. Many pet owners could save £200 to £300 on average annually when purchasing commonly prescribed veterinary medicines from an online pharmacy rather than a FOP.
- Second, our estimates do not include the detriment from reduced usage of veterinary services when prices are higher due to weak competition. This detriment is likely to be significant. For example, the 2023 PAW report found that 9% of owners say they have delayed taking their pet to the vet when it was ill because it was too expensive (two million pets).¹⁰ This type of detriment results in greater health risks to the animals that pet owners care about (with the harm to pets closely linked to consumer harm).

⁹ CMA estimated economic profits over the years 2020-2024 in the CMA's base case scenario expressed in 2024 values. Another estimate is £600 million to £700 million in additional customer expenditure over five years due to certain LVGs charging more than independents due to a lack of effective competition (based on our estimates of the effects of acquisitions of independent FOPs by a subset of LVGs).

¹⁰ PDSA PAW report, 2023, p 16. [PDSA Paw Report 2023](#).

- Third, there is the difficult to quantify detriment arising from the limitations in the choices that pet owners make, including their choice of FOP and their choice of treatments to best meet their preferences and needs (and the needs of their pet). The significance of this type of detriment is illustrated by those who did not agree that their vet considers their personal circumstances when deciding which treatment options to offer, with this applying to 35% of respondents to our pet owners survey who said they found life financially ‘very difficult’.

How we propose to address these concerns

67. The extent of our provisional concerns is such that we do not consider that there is a single solution to the problems we have identified. We are proposing a three-pronged approach, involving action by the CMA, the RCVS and government, which, when fully implemented, would amount to a fundamental reset of the relationship between veterinary businesses and pet owners.
68. We are proposing to act ourselves, requiring veterinary businesses to change their behaviour and enable pet owners to make informed choices. The RCVS is best placed to take certain actions to support our remedies. This may be implemented by our exercising order making powers or through undertakings given to us by the RCVS. Third, we propose to make recommendations to government that it acts to replace the ineffective and outdated regulatory framework with an effective and proportionate one.
69. We have proposed a package of remedies¹¹ aimed at empowering pet owners to choose the vet practice, medicine supplier and treatments that are best for them, and making it easier to complain if something goes wrong. This should put pressure on veterinary businesses to lower prices – or increase quality – in order to win and retain clients.

Action by the CMA

Better information to support pet owners and encourage veterinary businesses to compete

Choosing a FOP

70. In terms of the first problem – that pet owners are not receiving sufficient and timely information – we are proposing a range of measures which would provide pet owners with information, guidance and support to choose between practices

¹¹ Our remedies package is summarised in the table 1.1 of part B, section 1.

based on a better understanding of what services will cost and how far differences in price reflect differences in quality.

71. We propose to make it much easier for pet owners to choose a veterinary practice that meets their needs by requiring veterinary businesses to provide pet owners with information on who owns the practice and its prices for a standard list of services. This price list would be more comprehensive than is currently offered on most websites (even those that do display some prices) and would include: consultations, OOH consultations, vaccinations, fees for providing a written prescription, other administrative fees, neutering, microchipping, routine dentistry, a range of common scans, diagnostic tests and surgical procedures, and euthanasia and cremation costs. This would ensure transparency of the significant differences in prices between different practices. Where a veterinary business believes that higher prices are justified by better service, equipment or the like it would be free to indicate this.
72. This information would be collated on a comparison website that would make it easy for a new pet owner, a pet owner moving into a new area or someone unhappy with their current practice to make comparisons between practices in their locality. This would initially be part of the RCVS's Find a Vet website, but we would make the data available to approved third parties who would like to provide comparison services to pet owners (subject to certain limitations, such as businesses not being able to pay to influence ranking). We expect there to be considerable interest in this data and that pricing outliers, including those businesses which cannot justify higher prices (by demonstrating better quality, for example), would be highlighted, for example by the media or by consumer groups.
73. While it is difficult for pet owners to fully judge the clinical quality of a FOP, they are able to assess the customer experience and observe the outcomes for their pets. Assessing and sharing widespread consumer experience can be a powerful tool in encouraging businesses to improve quality.
74. As noted above, our pet owners survey indicated material differences in customer satisfaction between individual LVGs and between LVGs and independents as a group, with satisfaction on costs being relatively low for all veterinary businesses but varying significantly between them.
75. It can be difficult for pet owners to get reliable and comprehensive information on the experience of others at different FOPs. We are, therefore, proposing to require that a similar survey be repeated at regular intervals to give pet owners an indication of how other pet owners perceive service levels and costs at different LVGs, and how these compare to independents as a whole. One of the CMA's

remedies in the market investigation into retail banking¹² was to introduce a survey of customer satisfaction and require banks to publish the results in their branches.

76. Veterinary businesses would operate in the knowledge that more empowered pet owners would directly and indirectly (via consumer bodies and the media) have knowledge of relative pricing and quality and the businesses would be incentivised to price fairly and competitively to win and retain business.

Choosing treatments and referrals

77. When a pet owner is at the veterinary practice, they may be faced with having to make significant choices that affect their finances and health outcomes for their pet. We are proposing that when a treatment either at the FOP or outside the FOP is being recommended and considered, and it is reasonably foreseeable that it will cost £500 or more, the veterinary business would be obliged (other than when immediate treatment is required) to offer a written estimate of the cost, including any aftercare. This would help the pet owner assess whether the option is best for them and their pet, and to support them in planning and budgeting for the expense. We are also proposing that veterinary businesses would be obliged to provide an itemised bill so that pet owners can understand what they have been charged for and compare it with any previous estimates or prices for similar services (either that friends or family have used or that are listed on FOPs' websites) and identify any errors. This would enable pet owners to make more informed choices and be able to budget for any similar future purchases.
78. We have provisionally found that the lack of regulation of veterinary businesses means there is the potential for their commercial incentives, and their policies and practices, to conflict with vets' and vet nurses' regulatory obligations to provide appropriate and timely information about treatment and referral options and to recommend the option which best meets the circumstances of the pet and its owner. Therefore, we are proposing that veterinary businesses must have in place written policies and processes in their FOPs to ensure that vets and vet nurses are able to act in accordance with those parts of the RCVS codes of professional conduct and supporting guidance that relate to providing pet owners with independent and impartial advice and appropriate and timely information about treatment options and prices.

Purchasing veterinary medicines

79. We are proposing to make significant changes to support pet owners in choosing cheaper options for veterinary medicines, when it is appropriate for them to purchase medicines online, thus creating stronger competition from online

¹² [Retail banking market investigation - GOV.UK](#).

pharmacies. In our proposed remedy, all pet owners with animals with an on-going need for medication must be given a written prescription to enable them to buy the medicine (usually at a much lower cost) online unless they have actively chosen to receive their repeat medications from the FOP. We are also proposing that pet owners must be explicitly informed at certain moments (such as when booking an appointment or when a vet prescribes a medicine) that they can obtain a written prescription and that medicines are usually cheaper online.

80. Pet owners need to be aware of the significant savings they might make on the purchase of medicines so they can choose between the benefits of purchasing from their veterinary practice and of purchasing online. Some vets told us that it would be unusual for a business to be asked to tell customers that they could buy products more cheaply from a competitor. We considered this carefully and have come to the provisional conclusion that the distinct role of veterinary businesses as both trusted adviser and commercial seller of services in competition with other sellers justifies this additional obligation.

Pet care plans

81. Practices offering a pet care plan would have to set out the prices of the individual components of the plan as well as the total plan price, so pet owners can judge whether the plan offers good value for money for them.

Cremations

82. All FOPs' would be required to offer the option of a communal cremation – as we understand the majority already do – and to set out the full range of options available to pet owners and to clearly set out the prices of (more expensive) individual cremations and any optional add-ons, so pet owners can make an informed choice at this particularly distressing time. All pet owners would also be allowed time to reflect before making a choice, something which is already best practice in many FOPs.

Reducing barriers which limit competition

Barriers to purchasing veterinary medicines online

83. In order to purchase veterinary medicines online, a pet owner needs to get a written prescription from their vet. Current charges for this service range from around £12 to £36, with the top 10% of the market charging above £30. We propose to set a maximum price for providing a written prescription at £16 which is below the current average (median) across the market – which is £20 – but roughly equal to the average price charged by independent FOPs.

84. Restricting the price that can be charged to provide a written prescription would ensure that this service remains at a fair price, while allowing FOPs to cover reasonable prescribing costs. This would ensure that high prescription fees are not a barrier to purchasing medicines online, when appropriate to do so.
85. Vets told us that they sometimes prepared written prescriptions at the end of the day, and that pet owners needed to return to the practice to collect them. This could be a disincentive for requesting a written prescription. We propose to require veterinary businesses to provide a written prescription before the pet owner leaves the practice, or to provide an emailed version on the same day.
86. These measures would supplement those based around information provision to ensure that veterinary businesses would be incentivised to set medicines prices at a competitive level and pet owners would have choices between a range of different options. This would result in pet owners paying less for medicines and accessing services that better meet their requirements than would have been the case absent our measures.

Difficulties in complaining

87. We propose that FOPs would be required to have an in-house complaints system which meets certain criteria, including informing pet owners of how to complain, and what to expect from the process. FOPs would also be required to engage in mediation if the pet owner wished, if the complaint could not be resolved in house.

Barriers faced by FOPs who want to switch OOH providers

88. We propose that OOH providers would be prohibited from imposing unreasonably long termination periods (which can result in high early termination fees)¹³ in their contracts with FOPs. This would make it easier for FOPs to end such contracts if they believe they can get a better service for their customers elsewhere.

The role of the RCVS

89. As the current sector regulator, the RCVS has a relationship with all vets and vet nurses and through its voluntary Practice Standards Scheme (**PSS**) with the majority of vet practices. Given the importance of an effective regulator, we see it potentially having a significant role in reforming this market, for example through monitoring compliance by veterinary businesses with the requirements we would impose on them, by hosting a price comparison website and by taking other actions to support our remedies (such as assessing data on complaints). We have had initial and positive discussions with the RCVS and we plan to work with it and its Council to develop what a monitoring role might look like, and how these other

¹³ More than 12 months.

activities might be carried out, with a view to securing a commitment from the RCVS to perform these activities.

90. More generally we consider that more can be done by the RCVS under the current regulatory regime to put pet owners, and the way in which competition can drive better prices and choices for pet owners, closer to the heart of its regulatory approach (in addition to its proper focus on animal welfare and public health). For example, we consider that the RCVS might update its Codes and Guidance to reflect our proposed remedy to offer a written estimate for treatments over £500 and review the guidance and support available to vets in explaining difficult treatment options in sensitive circumstances and what they may mean for a pet owner's finances.
91. We have provisionally decided that additional costs incurred by the RCVS to undertake monitoring and certain other activities (such as collating information for Find a Vet and improving its functionality) would be funded by a levy on veterinary businesses in proportion to their size. Our best current estimate of these costs suggests that it could be around £330 per FOP per year for the monitoring role, if they were comparable to the costs of running the current PSS, though we anticipate that they could be lower than this. We consider that it would not be a significant cost per FOP to improve the functionality of the Find a Vet service. There would also be some lower ongoing costs.¹⁴ We provisionally estimate that it might cost around £150 per LVG FOP to carry out the two-yearly survey of pet owners.

Decisions for government

92. Even if the RCVS were to undertake additional activities to support our remedies, there are limitations on its statutory powers which is why a new Veterinary Surgeons Act is urgently needed. This would give the regulator a duty to oversee veterinary businesses as well as individual vets and nurses and give it powers to set and enforce requirements and standards for such businesses. We propose that the new act should specifically impose a duty on the regulator to protect competition and consumers (that is, pet owners) as well as its principal obligations in relation to animal welfare and public health. This would be an explicit recognition that effective competition drives the affordability and choice of services which is important to pet owners and without which animal welfare will suffer.
93. An effective regulatory framework would ensure that all veterinary practices meet appropriate standards and that pet owners are aware of differences in quality that might explain variations in prices. Pet owners who are dissatisfied with a vet or

¹⁴ As set out in part B, section 11: Effectiveness and proportionality of our proposed remedies package as a whole subsection Proportionality of the remedies package.

veterinary business would have access to effective channels to complain and, where appropriate, seek redress.

94. Absent full separation, the regulatory function of a 'Royal College that regulates' would be strategically and operationally independent from any professional leadership role. It would be perceived to be, and would be, independent of influence from those it has the responsibility to regulate, thus giving pet owners confidence that the quality and standards of their vet practice have been independently set and assessed.

What our remedy proposals may mean for veterinary businesses, vets and the RCVS

95. In putting forward our proposals we have considered the benefit to pet owners arising from greater transparency and more competitive veterinary businesses alongside the potential impact of the measures on veterinary businesses. Businesses may be affected in two ways. First, they may incur administrative costs in implementing the relevant measures. Second, if better-informed pet owners make different choices from those they currently do, this might benefit some businesses and be detrimental to some others.
96. It is important that the administrative costs are no higher than necessary to achieve the benefit we seek, are proportionate to the level of that benefit, and do not distort the market by imposing disproportionate burdens on some competitors compared to others.
97. Our provisional assessment is that the administrative costs that would be incurred in making the changes we propose, such as staff time to change systems or produce communication materials, would be proportionate given the considerable detriment pet owners currently experience. We estimate that the cost of these changes would be significantly less than the value of the benefits that would accrue to pet owners. We welcome any further specific evidence on the time it would take to comply with our remedies or the associated costs of doing so.
98. The RCVS would incur some additional costs if it were to commit to carry out monitoring and certain other activities. We consider that, in general, these additional costs should be covered by a levy on the veterinary businesses to which our CMA Order would apply, proportionate to the size of the business.
99. For some businesses, complying with our remedies would require less work than for others; those which already communicate information effectively to pet owners and have a good system for managing complaints, for example, would need to make fewer changes. In general, we anticipate that many of the activities our CMA Order would require would build on current systems and processes.

100. Other measures, such as the requirement to give a written estimate of the total cost of more expensive treatments would apply to only a small proportion of consultations and should not therefore be unduly burdensome. Our analysis suggests that around 20% of treatments for which insurance claims were made over a 12 month period were £500 or more (including VAT), and so the proportion of consultations in which a written estimate would need to be prepared would be lower than this.
101. Our proposed price cap on prescription charges is at a level which is higher than the fees charged by around half of independent practices (albeit substantially below the average prescription fee of most LVGs).
102. Some of our remedies would apply only to certain businesses – such as the requirement to implement clear information in practices and on websites on ownership of all the veterinary businesses in their groups. Any survey of pet owners would be funded only by the LVGs.
103. We have given particular consideration to the position of the smaller independent FOPs. It is important to note that the problems we have found in the veterinary industry are not confined to the LVGs. High mark-ups on medicines and poor information on pricing, for example, occur across the industry. Where we are proposing measures that help pet owners compare vet practices, they would be most effective when all (or almost all) FOPs provide the relevant information.
104. We believe that our proposed measures to support better informed pet owners could be beneficial to many independent vets:
- Currently, independent practices are on average cheaper (but are perceived to provide similar or higher quality) than many practices which are part of LVGs; increased pricing transparency would highlight this.
 - Our measures would make clear which FOPs are independent and which are not, allowing pet owners to compare the different offerings. As noted above, for pet owners who care about ownership, more than two thirds prefer to use an independent practice.
105. Some of the representations we received suggested that informed pet owners would have a negative impact on veterinary businesses because, were pet owners to make certain choices, such as purchasing medicines more cheaply online, there would be financial consequences for the veterinary business. As we have set out above, in a well-functioning market pet owners would be aware of all their options and through their choices would incentivise all industry participants to offer more competitive prices and better services. We do not accept that pet owners should remain ‘in the dark’ about their possible choices in order to protect veterinary businesses from having to adapt to their customers’ needs. Our provisional view is that, if better informed pet owners make choices which have an impact on

veterinary businesses, and those businesses need to adjust their approach in response, then this is the market working well. We also note that a significant portion of the market is making profits significantly above their cost of capital, and these businesses should be able to reduce prices comfortably.

106. There is scope for independent FOPs to lower their purchase costs for medicines by joining a buying group or by switching to a buying group that offers a 'preferred products' membership scheme. While we have heard that a relatively small number of FOPs and third-party retailers may decide not to join a buying group due to viewing them as a step towards 'corporatisation' or owing to a lack of awareness of their benefits, we have not found any reason that would prevent them from becoming a member of one if they wished to do so.
107. We considered whether to exempt smaller practices from some of our proposed changes. We have provisionally concluded that pet owners who use small practices should not be deprived of the benefit of our market opening and transparency measures which, as we have noted, may well be beneficial for independent FOPs. We note that, for reasons described above, the changes should be manageable for smaller practices.
108. That said, we have provisionally concluded that smaller practices need more time to introduce many of our proposed changes than larger ones because they are less likely to have the internal administrative support to make the changes and to help them adjust to a more competitive market, and the relative costs to them may be greater. For the majority of our remedies, we have proposed an implementation period of three months for larger veterinary businesses¹⁵ and six months for the rest from the time at which we make our CMA Order and the remedies come into force (in addition to the period of up to six months between making our final decision and making a CMA Order), though some remedies allow more time for all businesses. We welcome views on whether this is an appropriate timescale.
109. While vets may need to undertake limited additional activities, such that the businesses in which they work (or which they own) can comply with our proposed remedies, we anticipate that many aspects of our remedies package might be welcomed by the veterinary profession. For example:
 - (a) our requirement that veterinary businesses must ensure that vets have clinical freedom should protect vets from undue pressure to act in certain ways; and
 - (b) our remedies to improve information provision should promote greater trust from pet owners that veterinary businesses are being transparent.

¹⁵ Those with over 15 FOPs.

Why we are not pursuing certain remedies

110. Given the concerns that we have identified, we seriously considered whether to impose a price control on a wide range of veterinary services. We have provisionally decided not to do so with the exception of the fee for providing a written prescription.
111. There are three reasons for our proposal to focus on measures that would open up competition and enhance the regulatory oversight regime, rather than imposing a general price control.
- (a) First, market opening remedies seek to ensure that veterinary businesses respond to the needs of pet owners by innovating, offering choices and pricing competitively. While price controls may be an appropriate option in some markets, a general price control is likely to be particularly ill-suited to this complex multi-product clinical services sector served by a number of different business models.
 - (b) Second, for many vet services, particularly the more complex ones, there are no standard prices, and costs will vary significantly depending on the circumstances of the animal being treated and the clinical assessment by the vet. It would be impossible to control such prices centrally.
 - (c) Third, even for more standardised products, such as medicines, there are thousands of animal medicines available many in different formulations and dosages. Setting and regularly updating prices for all of these (or even for say the 'top 100') would be hugely complex and expensive to establish, monitor and enforce and would require precise judgements on the appropriate price for different medicines that would need to be reviewed on a regular basis. The administrative and enforcement costs for the CMA and for the veterinary practices themselves would be considerable, and so this remedy might not be proportionate to the benefit that would be gained, particularly when assessed against the prospect of a market opening remedy that seeks to harness competition from online pharmacies on medicines pricing.
112. As our AECs are not about the structure of the market (for example, the number of competitors), we are not pursuing structural measures.
113. Previous CMA merger investigations in the veterinary sector have led to divestments of FOPs to address competition concerns, limiting increases in concentration in the relevant local markets. The CMA will continue to give careful consideration to the impact of particular transactions on prices in local areas. In line with its current practice, the CMA will continue actively monitoring merger activity in the veterinary sector for any relevant acquisitions that may harm

competition and will take account of the analysis undertaken in this market investigation regarding competitive dynamics as appropriate.

114. We have seen no evidence that LVGs which own related businesses such as referral centres, crematoria or laboratories have sought to exclude access to such services by rival FOPs and therefore our provisional judgement is that we have no reason to require divestment of these businesses.

Our consultation and next steps

115. The conclusions summarised here (and set out in full in our report) are provisional. We expect interested parties – whether veterinary businesses (of all sizes), veterinary professionals, industry groups, consumer organisations or pet owners – to respond to our consultation, where they have representations to make and provide any relevant evidence to support their views.
116. We welcome responses to our provisional conclusions by Wednesday 12 November 2025. Please see [our consultation page](#) for how to respond.