

Dear CMA,

Reading through the preliminary report, it is my opinion that most veterinarians and veterinary business owners must realise that many of the points raised by the CMA are valid.

Having said that, I would like to concentrate on the one remedy I absolutely disagree with, namely the requirement for veterinary surgeons to actively promote that clients take their business elsewhere by advising them about cheaper options to acquire the medicines we are prescribing.

As the owner of a small, single branch, independent veterinary surgery, I have for years been horrified by the way clients, mainly of veterinary corporates, have been overcharged. I felt that it was bringing our profession into disrepute, and I found this confirmed by friends who told me about their experiences.

I was therefore not surprised, nor unsympathetic, when the CMA announced their investigation.

Unfortunately, with this particular remedy, you are throwing out the baby with the bathwater. The effect it will have on us owners of small, independent, single premise veterinary surgeries is disproportionately harmful.

The turnover from medicines sold to pet owners is not intended to make us even richer (which seems to be the general assumption), but it is an essential means to meet our overheads. These overheads have skyrocketed in recent years as is the case for many other sectors as well.

10 years ago, the veterinary business was financially rewarding. This changed dramatically with the covid pandemic. Back then, more than 50% of vets were from the European continent. Many of them went back home during the pandemic and not many returned after Brexit, leaving us short of about 1000 - 2000 vets, according to some sources.

As a result, and in accordance with the rules of supply and demand, veterinary staff was either impossible to source or had become unaffordable, especially for small practices, and many of us ruined our physical and mental health by soldiering on, working 50-60 hours a week, trying to stay afloat. I am sure you are aware of the high stress and suicide rate amongst vets.

In the last 12 month the staffing situation has relaxed for us, mainly due to despondent vets wishing to leave the corporate employes and work for us independent vets instead.

However, other costs have not come down. Running a veterinary business is very expensive. Apart from paying for qualified staff including vets and nurses, we have to acquire and replace machinery like blood testing machines, x-ray generators and developers, ultrasound, autoclaves and anaesthetic machines. These also require yearly services at considerable costs.

On top of this there is insurance, Health and safety, fire alarm testing, electrical equipment testing, practice management systems contracts and the usual utility bills.

Also, we must not forget, that many of us have mortgages on the veterinary premises. These mortgage payments are not tax deductible (apart from the interest), but have to be paid from profit.

I assume that the sales of medicines of a lot of small independent practices is about 20% of total turnover. We can probably predict with some degree of confidence that this might easily drop by 10% or more. This will be catastrophic for many of us.

We are already understaffed and desperately need a replacement for a nurse, who left. With ever increasing staff costs, we have been delaying to fill the role. With your remedy proposals this delay will be permanent, increasing workload and stress for our existing staff.

The whole idea of providing free advertising for our competitors feels preposterous to me, especially considering the existential threat it poses to so many of us.

Why don't we ask the restaurant owner to put a note on their menu that diners can get their drinks cheaper in the corner shop next door? Or maybe get Morrisons to put up big placards to tell their customers to get their groceries cheaper at Aldi's.

As we cannot afford the loss of revenue from sales of drugs, several things will have to happen:

Firstly, we will have to increase the charges of our other services. This might not look like a problem to the CMA, as their main aim seems to be to increase competition for the sake of it, not a more affordable service for pet owners. I guess, in the first few months not much will change, with every vet keeping a nervous eye on the prices of their competition (price lists will help – thank you) not wanting to be the first to increase their service fees. But this will change once the financial loss will become apparent. The corporates are of course in a good position as they can just increase their fees evenly in all of their branches. We are not allowed to discuss our fees with our neighbouring independent practices.

Secondly, with an increase in service fees, some pet owners might not even get a diagnosis now. Some conditions are cheap to treat or there might be cheaper options, some conditions might not require treatment at all, but diagnosis might have put the owner's mind at rest. Not being able to afford diagnostics to arrive at a diagnosis and therefore a treatment plan is upsetting for the owner, arguably disastrous from a welfare point of view for the animal.

Thirdly, as a small independent practice, we feel part of the community. Owners and their pets are not just a number for us. Many we have known for years. We have a laugh with them when things are well, sometimes we share a tear when a husband or a wife has been poorly or passed away. There are stories behind our clients' faces. As a small independent vets, with a small team of local employees and no business manager looking over our shoulders, we are, or at least have been, in a unique position to use discretion in our pricing, much more so than the corporates, I feel. The old dear with her small pension, who is worried sick about her little Shih Tzu, but there is actually nothing wrong with it, would not get charged for the consult. Or the mum with the crying kid, whose hamster has to be put down, might just get the euthanasia procedure for free, just to save her from waiting to pay so she can take the kid home to console it. These are small, but, in my opinion, important gestures to support the community we care about. Will this still happen when we have to fight for survival?

Vets are not good business people. Most of us, I claim, did not chose to become vets to make money. And business is not taught at vet schools. This is probably one of the reasons why we have got so much debt owed. The client with the large pregnant Rottweiler that needs a caesarian section and where we are dubious if the owner will pay. We save the dog and her eight puppies, the owner promises to pay next week and is never seen again.

Maybe from now on we will have to insist on payment upfront and if the finances are not available and the bitch is too poorly to sort out referral to a charity, euthanasia to relieve suffering might be the only option. I feel sick at the thought.

People reading this can be forgiven for saying: "Ah, just another vet moaning about not making enough money" But this is just the point. I am not just another vet. I am an owner of a small independent veterinary surgery, who has been lumped together with the big corporates, who, and correct me if I am wrong, are the main offenders. And the corporates are in a much better position to ride this out. We are not.

The corporates are even going to benefit from it, would you believe, at the cost of us small businesses, with some of them owning online pharmacies.

The gentleman on the webinar hosted by the CMA explained, regarding this, that owners will be informed that these online pharmacies belong to the corporates, by branding and so on. That will not make a difference. Most owners just want to get the drugs as cheaply as possible. Many of them have no idea how a business works and that turnover does not translate into profit. If the CMA (with all due respect) with all their resources struggle to understand our situation, what chance have our clients got.

It was also mentioned in the webinar that vets should investigate if buying groups were an option for independent vets. We are already a member of a buying group, without which I do not think we would be able to operate. But even as a member of a buying group the discount we achieve depends on how much medicine we buy.

In particular, the wholesaler discount is very individual. And we are not only buying medicines through our wholesalers, but also consumables, like syringes, needles, suture materials, surgical instruments, cleaning products, stationary, hygiene products, animal food, animal bedding, bandages, etc. We will need to buy less medicine as we are selling less, leading to lower sales for the wholesaler. The discounts will get smaller, medicines and consumables will get more expensive for us and we will have to put our prices up again.

And then the point of issuing the written prescriptions. I have got no problem doing this. I am already doing this often during a day at £13.60, less than what the CMD proposes.

I might lose a bit more weight as I will have to run to reception more often where the printer is, but all in all I do not have a problem with it.

What I will not be able to do is do them at the end of the day. Whoever came up with this? A veterinary surgery is not a 9-5 job. We work, average, from 830 – 1900. The list of phone calls requested by clients by the end of the day is long. Owner's giving progress reports, wanting to discuss blood results, referral results, change in medication etc. All part of the job, done during what should be time spent with our families, at no additional costs. Now you want to add writing prescriptions to the list.

And what about after the client has purchased the medicine elsewhere and wants to discuss the drugs, again, their side effects, change in dosages, how to store, how to best administer, return of unused medication and so on. Mabe we can reply:” Please ask your friendly pharmacist”

Concluding, some of my points might come across as a bit harsh and I was momentarily contemplating adding that it was not my intention to shoot the messenger.

However, on reflection it occurred to me that the CMA is not the messenger, but the proposer and possibly enforcer of these remedies. And I see this particular remedy as a threat to my business, me and my family's livelihood, the livelihood of my employees and their families, the livelihood of other small independent vets and their families and not to forget a potential threat to animal welfare. This is serious and I feel I need to get this across to the CMD in the strongest possible way. As I mentioned at the beginning, I am in agreement with most of the other proposals, but this one will not work the same for vet businesses of different sizes.

Please do not make the small independent vets pay for the mess that (mostly) the big players created.

Please feel free to contact me if you have any questions.

