

## Response to the CMA's Provisional Decision Report, October 2025

I am a vet and a partner in a five-site independent small animal veterinary practice in the south of England. I would like to express my approval of some aspects of the proposals you have made and my extreme alarm at others. The decisions made by the CMA in the coming months will have as much or more of an impact on me, personally, than on nearly anyone and I strongly feel my voice, and voices like mine, should be heard above others, regardless of the money that may have been spent by other businesses on interacting with your investigation. I urge you to reconsider and refine your proposals.

I grudgingly admire your psychological strategy of publishing May's interim document, filled as it was with even more extreme remedies than in October's. This, as was presumably the intention, has meant that the profession reads the October document with a sense of relief that, well, it could have been worse. The truth, however, is that these proposals remain shockingly radical. It is difficult to find an example of an industry that has been subjected to anything like this proposed level of upheaval from a CMA review.

As your investigation has discovered, independent vets are not the source of the problems you have diagnosed in the market. On the contrary, they have been the businesses providing lower prices for consumers and, presumably, were the LVGs not in the market then there would have been considerably less need for a CMA investigation in the first place. It seems extraordinary to me that the CMA should opt to introduce a raft of measures that is, firstly, so business-model-shatteringly drastic, and, secondly, so brazenly favourable to LVGs at the expense of smaller independent businesses. Surely your measures should be aimed at supporting the part of the market which is functioning better, not trying to destroy it.

The one, solitary, throwaway sop you have given the small independent sector in comparison to the LVGs is an extra 3 months to comply with some of your remedies. This is welcome but, in the grander scheme of things, meaningless. It does not change the fact that you have upended the market completely and, as I will argue below, made it even more favourable to the LVGs. In my opinion it does little to mitigate the damage you are causing to small independent vets. If you specifically harm this sector of the market, which seems to me to be the likely result, if not the intention, of these measures, then competition will diminish and prices will rise.

I cannot emphasise enough how drastic the combined effect of your remedies is likely to be. This is not a subtle adjustment. This is explosive.

The only previous similar intervention in this market was the Competition Commission's (CC's) in 2003. I remember it well. I was someone who predicted that their actions would ultimately make things worse. They made a relatively moderate adjustment and we've since seen that things did indeed get worse in spite of, or because of, or possibly independent of it. Perhaps their remedy was insufficiently powerful to hold back the tide of price rises stemming from other circumstances. Perhaps their remedy significantly contributed to the problem. Both hypotheses are reasonable and neither can be easily discounted. My conclusion from this historical lesson would be that it is necessary to keep an open mind and make cautious adjustments in future and carefully monitor their effects in case of accidentally causing further damage. Your conclusion is that they just didn't use a big enough hammer in 2003 and so you've taken out a bazooka, closed your eyes, crossed your fingers and pulled the trigger.

When the CMA's investigation was announced, I naïvely believed that the response would be some thoughtful, targeted tinkering around the edges of the market, with pauses to assess the results, to rectify some of the issues we can all recognise and to concentrate efforts on updating the regulation of the profession, arguably the root of many of our problems. Instead, you have opted to set a bomb off under the entire industry, tearing up the business models of hundreds of small and medium sized businesses, and to stand back and see where the pieces end up falling, hoping they might eventually coalesce into a better functioning market.

My business model is rooted in obtaining some of my profit from sales of medication and some from providing services. Your proposals aim, essentially, to cut off one of these roots overnight. It is hard to give an adequate analogy. It's like telling Alton Towers that, because Chessington have been overcharging, from next April they can no longer sell food or souvenirs and they have to rely on entrance ticket sales alone. It's like telling a cinema that from tomorrow they have to sell popcorn and drinks at wholesaler prices. It's like telling the National Trust to close all their cafes next year. It's all feasible and, don't worry, Alton Towers will probably survive, but the new landscape will be wildly different and, because your remedies are pitched in favour of the LVGs, you will have made competition worse, not better. And prices will have risen.

I would like to take each of your remedies and briefly critique them and predict the result of them. I will try to explain why, overall, I believe they will result in higher costs of veterinary treatment for clients and why I judge some of them to favour LVGs at the expense of the independent sector.

### Remedy 1

I agree with and welcome this remedy. There is an increasing groundswell of public awareness of the benefits of seeking out an independent practice in terms of service and value and we, as an independent, are recognising an influx of new clients from our LVG neighbours citing our independence as reason. This has been particularly noticeable in the last twelve months. Requiring LVG practices to be transparent about their ownership models would certainly be helpful to clients and, perhaps, encourage the LVGs concerned to try to protect their wider brand reputation, which they currently do not seem to have sufficient motivation to do. I note that IVC conveniently chose a name which included the word 'Independent'. I would hope they would be prevented from using this word to obfuscate their actual ownership model.

### Remedy 2a

This remedy is perfectly reasonable. I would encourage you to include a requirement for practices to declare what provision there is for animals to stay on the premises of the practice overnight or at weekends. In other words, practices should declare what their in-patient care provision is. This is different from their OOH provision which relates to who will treat new cases, not those which are already on the premises. Some practices require sick animals to be transported to a different practice for overnight care while some will look after the animal on-site, irrespective of their staff's availability for new patients. I believe it to be an important point of difference between practices, one which is often overlooked.

### Remedy 2b

This remedy is perfectly feasible to put in place and your analysis of the implications to the businesses concerned, in terms of the logistics and expense of complying, is reasonable. Obviously, as with many of your remedies, the LVGs will benefit from diluting the administration burden across hundreds of sites and independents will be, as usual, disadvantaged.

This remedy plays to the strengths of the LVGs. Historically, my observation has been that their practices typically have kept prices of routine services, such as vaccinations and consultations, low and competitive, but have increased prices of their non-routine services (when clients have fewer options) disproportionately. Your list will help them in this strategy.

The list also encourages a race to the bottom in terms of standards of care. As an example, pain relief after routine neutering varies. A straight price comparison will only push pain relief provision in one direction. There will be a downwards pressure on standards of animal care and welfare towards a minimum of what is just about ethically acceptable.

My biggest criticism of this remedy is that it is going to be a very complex set of prices and information for a lay-person to navigate. I am dubious that it is going to be particularly helpful to anyone. The temptation will be for a practice to publish as low a figure as possible for each item as the headline number and then use lots of text to explain why this might vary. Since there is such a huge amount of complexity and variance between cases, this is not actually unreasonable but will make the table an unnavigable mess.

### Remedy 2c

The logistics of implementing this remedy are considerably more disruptive than your analysis suggests, though not insurmountable.

It might be worth you understanding that in my business, as in many others, the prices of medications are automatically set by our PMS adding a percentage mark-up to the wholesale price. Our PMS live updates our price list from the wholesaler list. We have prices for approximately 150 parasiticide products out of several thousand medication items. Obviously, we do not set all these thousands of prices by hand each day but rely on the automated system. This means that these prices potentially change on an hourly basis as our wholesaler changes their price. For example, so far in 2025, the price for Felpreva Medium, one of the three cat parasiticide products we would be required to publish our price for under this remedy, has changed price nine times, three times just between April 1<sup>st</sup> and April 4<sup>th</sup>.

In my experience, it takes approximately five years for a PMS company to set up a new feature on the software and they have a more robust/ paranoid/ realistic approach to cybersecurity than the CMA seems to want the profession to adopt. They are, sensibly, resistant to websites accessing our secure system to extract data and so we would not be able to automate quickly. The LVGs, naturally, would be front of the queue for this process.

It will therefore take considerably more time and money than you appear to imagine to automate this system such that our website and the RCVS are updated on the same daily basis as our price list currently is. Our alternatives will be to manually check all the relevant prices every day and update the website and the RCVS each time there is a price change or, alternatively, to bring these prices out of the automated system and keep the price constant for long periods at a time, hoping the wholesale price doesn't fluctuate too much. Both options are laborious and a backwards step.

The LVGs own the biggest online pharmacies. The effect of this style of remedy will be punitive for their veterinary practice part of their business but lucrative for the pharmacy part of their business. This increase in profits from their online business will soften the impact for them in comparison to

independent practices who don't own online pharmacies. You are driving out the independents from the market and rewarding those who you have identified as the source of higher vet fees. This strikes me as being unfair (not that that should necessarily worry you) but also counterproductive in terms of competition.

Your intention from this remedy is to reduce the sale of parasiticides (and other drugs) from FOPs to as close to zero as possible. It is simply not possible to supply drugs from a practice at a price that is competitive with online sources – have you noticed how the high street is getting on? You are attempting to take away as much as you possibly can of the income that I currently obtain from medication sales and you may well be successful.

This remedy (and others) is analogous to the CMA finding that, primarily because of the behaviour of a chain of Amazon-owned bookshops (let's pretend they're a thing and that they're excessively charging for books), there was a problem in the book-selling market and the CMA's suggested fix was to require all the independent bookshops to speak to every customer once they get to the till and recommend that they stop to think and check the online price of the book on Amazon before they take the money. The independent bookshops would presumably close and Amazon would flourish. The only bookshops left in existence would be the Amazon-owned ones which they could run at zero-profit if they needed to, at least until all the competition was wiped out, because their on-line arm would be so strong. I do not believe that this would be a net benefit to society, or indeed to competition, but I guess, if you are the CMA, you little care about greater goods or longer term thinking as long as prices are lower in the short term.

You dismiss the 'waterbed effect' as not being sufficiently significant for the increased fees for veterinary services to become high enough to counteract the decreased cost of medications for clients. So said the CC in 2003. They were proved wrong. Presumably your theory is that the CC did not push down hard enough on the waterbed in 2003.

#### Remedy 2d

This is an interesting remedy and I will be keen to observe its outcome, more in the wider world than in terms of competition. I suspect it will lead to a somewhat lower uptake of the pet care plans (which presumably is your intention). Human nature being what it is, I do not think this will be matched by a corresponding increase in sales of vet-prescribed parasiticides by other means. I think supermarket-sold parasiticides will take up some of the slack. Part of the benefit of the veterinary plans is that they automatically remind people to use the medications on a regular basis where otherwise they would forget or skip doses. Less parasiticide use overall may be a net good for the

world. A shift from veterinary products (potentially less environmental harm) to supermarket products (potentially more environmental harm) may be a net loss.

Pet care plans are a steady and reliable source of income for a business but this remedy is not in itself as worrying as others and at least doesn't single out independent practices for special punishment. Perhaps the remedy should require a practice to compare the care plan price to the price available from any online pharmacy price that the practice happens to own.

### Remedy 3

This is a remedy that relies on clients finding and interpreting the data on the 'RCVS Find a Vet' or other websites. Comparing vets by use of this data will be flawed. I have identified some of the problems in my comments above. In summary, the figures can and will be manipulated, the set of comparison prices is inherently incomplete, it encourages the 'publish low prices and sting the clients once they're trapped' strategy championed by LVGs, it encourages a 'race to the bottom' in terms of clinical standards, etc etc.

Further to this I have concerns that large corporates will have the ability to own and run the approved third parties' comparison sites. I would be reassured if there was provision that third parties were not allowed to be approved to use the data if they had any form of shared ownership with a veterinary business.

### Remedy 4

This is a remedy which purports to give clients a means to compare my practice with a LVG practice but over which I have no power of influence. My practice is to be judged and compared to my neighbouring practice as an 'average independent'. Maybe that will reflect well on my practice. Maybe that will reflect poorly. I have no means of changing that assessment, no means of influencing how the data is presented and no means of recourse to ask for the publication of what could, potentially, be misleading and damaging to my business, to be removed. While independents are currently on average significantly superior to LVG practices (one supposes), there is no guarantee that this will remain the case in years to come, even while my practice remains superior.

### Remedy 5a

As you indicate from your discussion of this remedy, there is a financial cost of increasing a vet's administrative load. It remains to be seen how significant this is and there is insufficient detail in the report to fully judge the impact. My practice's current approach is to always supply an estimate in the form of a range rather than as a specific figure. This has the advantage of emphasising how

difficult it is to know in advance exactly how much a treatment will be and is a fairer and more honest approach for the client. It has the further advantage of taking approximately 5% of the time to produce.

As an experiment, I set myself the task of producing two written estimates, one in my style with a range, and one in your style with an itemised list of prices for a lump removal I am performing tomorrow. I really did this. I timed myself doing it both ways. My method produced this:

*The cost of Fluffy's operation tomorrow, including all medication, laboratory tests and aftercare, is likely to be between £800 and £950 depending on the complexity we find during the surgery.*

It took me 17 seconds and is, I promise, accurate and genuine (apart from the name). I know that this type of lump will be removed by us, tomorrow, for about this amount of money because I know roughly in advance how much things are going to be without laboriously itemising every last pack of suture material and bottle of medication.

I next produced an estimate your way with an itemised list of what I anticipate will be required. I regularly do this and am quite adept at navigating my system, which is one of the commonly used practice management systems. I produced a list of items on the system (26 of them), most of which will probably be meaningless to my client (would you spend £15.60 on a pack of monocryl or would you opt for vicryl instead at £18.72?), and the figure at the bottom was £817.38. I then copied and pasted this list onto a document and wrote a line or two underneath to emphasise that this was an estimate and not a quote because the one thing I do know for sure is that it won't be exactly £817.38.

It took me 5 minutes 58 seconds.

I believe my first effort (in my style) is more honest and accurate and took no significant time out of my day. If you were to require a more thorough breakdown, for example in terms of the rough cost of anaesthesia, hospitalisation, lab fees for histopathology, then I could probably devise a pre-populated template which the vet just had to write in the numbers in the cost range. It is the bespoke nature of your approach which takes the time and is, ultimately, misleading. It promotes the idea that it is possible to predict what is going to be necessary. It is simply not possible to so predict.

Six minutes is a significant investment of vet time, the most expensive resource the practice has. Are you really claiming that your approach is so superior to mine that it is worth five minutes (£20, say) of vet time, every third consult? Nearly every estimate made in your style will be inaccurate

because you can never predict exactly what is going to be required for a case whereas nearly every estimate in my style will be accurate because the eventual cost will fall within my range.

It would be entirely reasonable to require the range to be sensibly narrow, no more than 20% of the lower bound, say, and require the client to have an updated estimate if the cost was likely to rise above 110% of the upper bound.

Surely this is a better approach for clients and vets alike?

The element of your remedy that will be most difficult for me to provide is an estimate for an external referral. It is not clear what form of written estimate I am meant to provide nor what level of detail it should have nor where I am to obtain that information nor who gets the blame if it is incorrect. It seems unfair for me to get blamed for another practice deciding on a different treatment path than I predicted. Most of the referrals I make are for cases where I do not know what is going on (that's often why I am referring the case!) and the best I would be able to provide is an estimate for the cost of the referral consultation (about £300, say) and then it depends entirely on what the specialist opinion is but further costs will be somewhere between about £10 and about £10,000 but probably somewhere in the middle. If I knew in advance what was going to be required I might well be able to do it myself and I wouldn't be referring. I guess I could spend the requisite fifteen minutes (and charge the client another £60 for my time) to obtain the latest itemised price estimate from the referral centre but this seems wrong-headed – "I'm sorry, Mrs Smith, I am being forced to charge you an extra £60 by the CMA who are trying to reduce vet fees."

I consider a better option is for the referral centre to be responsible for the 'pause for thought' after the consultation and before the major treatment begins, once they have provided the client with their own estimate.

#### Remedy 5b

This seems a strange remedy to include in your package of measures. I am unaware of any evidence but I would guess that the number of FOPs who do not already comply with this requirement is well below 5%, probably below 2%.

#### Remedy 6

This remedy is well-intentioned in theory. Until the regulation of the profession changes I am sceptical about its impact in practice.

## Remedies 7 to 11

This set of remedies is aimed at reducing medication sales in FOPs to as close to zero as possible. In the 'ideal' market, as defined by the CMA, no customer would purchase their medication from a FOP. LVGs, who own their own online pharmacies, will lose profit from one part of their business but gain profit in another part. Independent vets will simply lose profit. Worse, independent vets will be required to literally advertise the LVG's businesses on large posters in their waiting rooms, which, thanks to remedy 1, will be branded with the same signage as their FOPs, giving the false impression that the LVGs are the cheaper option across the board. It is the equivalent of making every corner shop in the country display large posters at every one of their checkouts instructing their customers to check the prices at Tesco and Aldi online before they buy because they'll be cheaper there. Even more than that, it is like requiring the independent corner shop owner to verbally ask every single customer who regularly pops in for a pint of milk whether they wouldn't prefer to get a cheaper milk delivery set up via Asda online and to help them navigate to Asda's website in order to do so. But in the vets' case it's worse still. We will be required to actively phone up or email our customers at home on a regular basis to check whether they really still want to buy from us when it is cheaper from our direct competitors. If we can't make contact, we will be required to assume they want to buy from the competitors. And, at the end of the day, contrary to my analogy, in the vet world, the 'cornershop' is actually cheaper than 'Aldi'.

You are literally making me spend time and money to actively go out of my way to steer my customer's money away from myself and into the coffers of my direct, down the road, competitors as a direct consequence of the historical anti-competitive actions of those very competitors. This is not fair competition. You are rewarding the businesses that you identified as the more expensive, less competitive ones. You are punishing the very sector of the industry that least deserves it, can least afford it and is currently already providing clients with lower, more competitive prices across the board. Why are you patently trying to hamstring the independent sector and help the LVGs?

The result? I predict that independent practices will be forced to increase their prices for the services they offer in order to partially replace the loss of profit you have caused them from reduced medication sales. This will make them less competitive and give LVGs, who won't be as hard hit, disproportionate advantages in the market. The independent sector will wane further, the anti-competitive practices of the LVGs will increase and the problems the CMA has identified will get worse.

Please look at these remedies again and take account of the fact that independent vets will be disproportionately disadvantaged by them.

Finally, choosing the figure of £16 for a prescription, the lower quartile of the market, is hugely undervaluing the time a vet must spend on the task. You are simultaneously increasing the administrative burden on the vets (remedies 7, 8 and 10) in their production. This cost has taken no account of the geographical area a practice is within. My current prescription price is £18.50. This is well within the lowest 10<sup>th</sup> percentile in my area and will still need to be reduced. Obviously, the intention of this measure is to maximise the income and profit of the LVG's online pharmacies and I believe you will be very successful in supporting these businesses and eroding the independent sector.

#### Remedy 12

This is a perfectly reasonable response to a complicated sector of the market but I suspect it will make little difference to what happens on the ground.

#### Remedy 13

I am surprised that you have identified this as a problem. I would be deeply disappointed in the profession if this remedy was actually necessary and remain sceptical that it is.

#### Remedy 14 to 16b

I have no substantial objection to these remedies but, under the current statutory framework, I am doubtful of their impact. Until a regulator can punish a business for their actions rather than a vet for clinical decision-making, there will be no significant pressure on businesses to change their habits. Adding further pressure on individual vets via the current RCVS framework, which threatens people's career rather than looking for ways for systems to improve, is unhelpful for improving standards and erosive to the fragile mental health of the profession.

#### Remedy 17

We have been in desperate need of new regulation for decades and decades. I was aware of it being talked about as being urgent and overdue in 1995 and it was not a new subject then. It was a damaging and foreseeable error to change the regulations to allow non-vets to own veterinary practices without also changing the surrounding legislation. Prior to that change, the profession acted like a profession. The problems in the market identified by the CMA can all be traced back to this error.

My only issue with this remedy is that I am doubtful that a new act will find parliamentary time in the near future. This is the fix we need but it is not likely to be quick. I would love to think that once

the new regulation has been put in place that there would be a mechanism for some of the unfair remedies the CMA are bringing in could be removed.