

Response to the CMA Review Provisional Remedies Proposed by [REDACTED], an independent small animal veterinary practice with three branches in [REDACTED]

Measures to increase consumer engagement and choice of most suitable FOP

1. This seems like a good and transparent intervention
2. Points a and b are also good information for consumers and helps transparency.

Point 2c, however, unfairly sways consumers towards a specific market, undermining competition in the veterinary sector as a whole. This is in no small part due to the significant ownership of online pharmacies by Large Veterinary Groups (LVGs). Current buying group discounts available to smaller independent practices do not come close to those available to the online pharmacies. This seems anti-competitive. Furthermore, it is important to note that the prescribing of parasiticides should be done based on clinical assessment and risk assessment of each individual animal for reasons of environmental protection (VMD guidelines). Effectively advertising an online pharmacy drives owners to make decisions on paraciticide treatment based on an online catalog and pricing rather than assessment of the pet's needs.

2d. Makes sense, we already publish the savings on the cost of our health plan versus purchasing the items from us separately but would be happy to specify those prices in more detail.

3. This will be complex to realise. Health Plans vary massively from practice to practice with various discounts on services etc. It is difficult for vets to compare the pricing on other practice's health plans, let alone the client/consumer. Price comparison on core services could be straightforward but Health Plan's will cause more confusion and at the worst, clients will make the wrong decisions for their pet's care by over-relying on a complex comparison site that cannot hope to distill all the relevant information into a single format.
4. As you have found marked differences in the client satisfaction and the inflation of veterinary fees between LVGs and independent practices this seems useful.

Measures to help consumers choose the most suitable treatments, referrals and diagnostics and to support vets to provide appropriate and timely advice.

5. 5a+b This seems very reasonable and something that we already do.
6. Again this sounds very reasonable

Measures to open the medicines market to greater competition and help consumers get the best prices

7. Displaying this information that 'Prescriptions are available on request' sounds reasonable. However, any mention of recommendation of sourcing medications from online pharmacies on cost grounds would be anti-competitive for the reasons discussed in point 2. There is also the consideration of animal welfare that waiting for a delivery of medication from an online pharmacy would delay treatment and so a blanket policy would not be in the best interests of the patient and as such would be unlikely to be endorsed by the RCVS.
8. Attempting to enforce vets to write prescriptions for all consultations as a blanket rule would not be in the interests of animal welfare as stated for point 7. It would also not be a good service for clients who may wait 'days' for medication. There is a reasonable argument that for chronic medication, clients could source this from an online pharmacy to save money but they should also have the option of obtaining it from their registered veterinary practice and receive the product support and guidance from their local vet should there be any adverse reactions. Therefore, the obligatory provision of a prescription drives client decision making on medication purchase away from their registered veterinary practice. Whilst this may be appropriate in cases where financial restrictions are present and I would welcome ways to save clients money to better afford other beneficial therapies, the provision of a prescription should follow an informed discussion, not as a blanket measure. I have included in Appendix I some financial figures of the impact on our practice financially in losing a significant amount of revenue from prescription medication sales. As you will appreciate from the figures, as a small business this remedy disproportionately affects smaller practices versus LVGs who will actually benefit from the growth of their online pharmacy sales. This seems anti-competitive which in the long term is likely to lead to increasing prices to consumers where competition is reduced. Small independent veterinary practices will lose their discounts from smaller medication purchasing and will actually have to increase their medication fees, further driving consumer purchasing to online pharmacies. The short term effect for our practice will be that we would need to increase prices elsewhere in our services to remain a profitable business and please note from Appendix I that our profit margin is not excessive currently. In the last year we have written 382 prescriptions for purchase of medications from online pharmacies. If we are required to issue prescription for the majority of our consultations then this figure could increase to 3624. With almost 10x more prescriptions to issue this will inevitably increase the

duration of our consultations and this cost will have to be passed on the client/ consumer. Written prescriptions cannot be automated completely, a veterinary surgeon has to sign to confirm all details are correct including descriptions of administration, consideration of drug interactions with other medications and dose rates. If the remedy is to save money on the cost of medications for consumers then this will not have the desired effect.

9. We do not sell own-brand medications
10. This decision to buy online or in-clinic needs to be based on the urgency of prescription. However, informing clients that 'prescriptions are available to purchase medications online' on invoices etc gives clients a choice without it being a blanket recommendation one way or the other. It is not clear why veterinary practices are being targeted with this remedy when other industries operate in exactly this way. For example, you would not expect a high street shop to prompt their customers to purchase goods online, you would not expect a shop selling Nurofen to instead recommend a generic alternative. Removing these choices in veterinary practices will actively drive sales of medication to online pharmacies owned in several instances by LVGs.
11. What is the £16 prescription fee based on? This does not reflect that veterinary surgeon time is required to write a prescription. Our current price is £24 for the first prescription and £17.60 for additional prescriptions, being in mind there has to be a separate prescription written and wet signed for each medication to be accepted by a pharmacy. Veterinary practices are currently allowed to charge fees reasonable to the time, expertise and resources used. Why should the RCVS or DEFRA change this professional guideline? As it has been found in the CMA review that LVGs charge significantly more than independents and this is not in proportion to their investment in their practices, then should there be a differential approach to the remedies to be fair to the independents? I have used the £16 including vat figure in the calculations in Appendix I and you can clearly see the impact of lost revenue that this would cause.
12. We provide our own OOH service so this does not apply to us.
13. We already provide these options on our consent forms
14. This seems reasonable
15. Who will carry the financial cost of arranging mediation? There is already a robust system in place whereby clients can raise a complaint to the RCVS if they are unsatisfied with a complaints procedure from a veterinary practice/business. Here the legislation does need reviewing because the RCVS can only hold

veterinary surgeons accountable but many LVGs are managed and owned by non-vets.

16. 16a – I understood that there is already a robust system in place as described under point 15. 16b sounds reasonable but how much detail required? Costs to the RCVS which will need to be covered ultimately by its members.

17. Yes this is good but ensure that LVGs are required to divest their online pharmacies and protect the choice of consumers to be able to access a viable pharmacy at their local veterinary practice to protect animal welfare in cases where urgent medication is required; protect the viability of small independent practices which in turn, you have shown offer better client satisfaction and lower prices for their veterinary care and thus maintain a competitive market.

#### Appendix I

[Redacted content]

[REDACTED]

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