14 November 2025

CVS Response to CMA Provisional Decision Report

1 Executive summary

CVS welcomes the opportunity to comment on the CMA's Provisional Decision Report published on 15 October 2025 ("**PDR**") and looks forward to the market investigation coming to a timely close in March 2026.[1]

CVS has worked constructively with the CMA throughout this investigation and has been very clear in its support for measures that CVS considers would enhance standards across the entire veterinary profession. CVS will continue to do so as the investigation nears its close and provides, in **Annex 1**, detailed comments on each of the CMA's remedy proposals.

However, at the outset, CVS believes it is critical to highlight that, despite the CMA's very extensive information-gathering and analysis – which the CMA decided warranted an extension to the timetable – the CMA's evidence that challenges in the market are *competition* issues (as opposed to the result of broader factors) is weak. In CVS' view, the evidence is insufficient to ground any finding of an adverse effect on competition ("**AEC**"). But even if the CMA takes the opposite view, the (lack of) strength of the underlying evidence of consumer detriment has direct implications for what kinds of remedies could be even putatively "proportionate". In particular, CVS notes: (i) the lack of findings as to local concentration – demonstrating that pet owners have choice, (ii) the significant limitations to, and deficiencies in, the CMA's economic evidence which does not clearly evidence any consumer harm, (iii) the low barriers to entry and ease of customer switching and (iv) CVS' (and other FOP providers') business model which prioritises investment in new practices in order to enhance the quality proposition, which a rational commercial entity would only do in response to real competitive pressure. As such, CVS respectfully submits that the remedies package as proposed by the CMA in the PDR is not justified or proportionate.

As CVS has previously explained, it welcomes the fact that the CMA's work to date has brought to the fore a number of challenges faced by the veterinary services sector. Central to those challenges is the inherent difficulty in ensuring that consumers can make effective, informed choices when they are presented with a range of complex medical options, particularly in the face of ongoing cost-of-living challenges. Veterinary care in the UK has evolved considerably over the last 10-15 years – primarily due to societal changes, most notably the so-called "humanisation" of pets, alongside the significant investments in animal healthcare made by CVS and its peers that have led to a broader range of higher quality treatments/services being available for small animals. This means that household pets in the UK can now expect to live longer and healthier lives than at any time in the past, but of course, access to veterinary care comes at a cost. A situation where treatments are available that could help pets, but the owner cannot afford them, is a difficult situation for both owner and vet, but is not a competition problem.

CVS recognises that the veterinary services market is not a "perfect" market, but it is uniquely characterised by the professionalism and dedication of vets, veterinary nurses and those who support them – something that the CMA has rightly recognised through its work. The CMA has correctly identified structural factors in the market which complicate how it operates. Many of these relate to the regulatory framework, but the recruitment and retention crisis in the profession is also a critical aspect. The CMA also rightly highlights the difficulties around how best to communicate complex clinical options to non-vet customers.

[1] As contemplated by the CMA in the current administrative timetable.

These challenges have not been caused, or exacerbated, by inadequate competition, nor are they related to increased corporatisation in the sector. Rather, CVS sees itself as part of the *solution* to many of the challenges facing the sector, particularly through contributing to the training and retention (through improved pay and working conditions) of high-quality veterinary professionals.

CVS appreciates that the CMA has received an unprecedented level of response to its calls for consultation and information, which demonstrates the strength of feelings about these issues (from vets and customers alike). It is important that the CMA acknowledges this broader context, and assesses its evidence carefully to ensure it clearly identifies whether respondents' disquiet is in fact because of an AEC or if it is caused by other market features, many of which might be unrelated to competition and more related to broader societal, medical and economic developments.

While CVS has openly supported regulatory reform and enhanced transparency measures throughout this investigation, CVS has serious concerns that a number of the proposed interventions risk doing significantly 'more harm than good' – this is critically important where unintended consequences could adversely affect animal welfare.

Having carefully considered the CMA's provisional findings and supporting evidence, CVS submits that: (i) the CMA's PDR does not establish an AEC in any market: the evidence relied upon is weak and a comparison with the CMA's own well-functioning market ("**WFM**") benchmark reveals a picture inconsistent with an AEC; and (ii) in any event, the proposed package of remedies – which includes some extremely interventionist measures such as a price control – are disproportionate to the AECs identified by the CMA (even on their face). This is particularly concerning in the context where the CMA does not have any clear evidence that the issues it identifies are causally linked with any material consumer harm. The CMA seeks to rely on a number of individually flawed pieces of economic/financial analysis and/or anecdotal and survey evidence. This evidence base is entirely insufficient to robustly ground any intervention by the CMA, let alone the broad package of measures currently proposed.

CVS expands on each of these points in the following sections, and in **Annex 1** has set out its response to each of the remedies proposed by the CMA in Part B of the PDR.

2 The CMA's provisional view on AECs is not well-founded and is undermined by the CMA's own evidence

The CMA fails to recognise that many features of its WFM counterfactual are in fact present – and this is supported by the CMA's own evidence

Any assessment of an AEC needs to consider the status quo against the CMA's definition of what a WFM would look like. If the market already demonstrates many of the features of a WFM, this would be a *prima facie* indication there is *not* a competition issue in that market, which would imply a high evidential threshold for a finding of AEC.

By the CMA's own definition,[2] a WFM for veterinary services for household pets (including FOPs and OOH provision) would be one in which: (a) pet owners have a good trust-based relationship with vets; (b) there is a level of transparency of information to make reasonably informed choices; (c) pet owners have choice; (d) vet businesses and practices compete to win customers; (e) diverse types of FOPs are available to pet owners; and (f) an effective regulatory framework ensures minimum standards of competence and quality.

[2] CMA's PDR: Part A, paragraph 5.15.

The CMA's own evidence base shows clearly that these factors are all present today:

- The CMA recognises at multiple points in its PDR that **pet owners trust vets** and rely on them to provide appropriate and timely information about their options and prices. Vets are already required to do so under the RCVS Code of Conduct, and in CVS' experience, the veterinary profession is also characterised by a strong sense of ethical obligation – to act in the best interest of both pets and their owners. This is reflected in the high level of trust placed in vets – 88% of respondents in the CMA's own survey agreed their vet focused on the highest standard of care and 61% said they trusted their vet's decisions as a reason for not seeking other options.

- Vets **already ensure that pet owners have the key information they need to make informed choices** on both treatment and price (including options, recommendations based on the vet's professional opinion and the owner's circumstances, the provision of detailed estimates etc.)[3]. CVS considers that existing industry-wide initiatives aimed at improving customer communications (such as the continued focus on a "contextualised care" approach) are effective, although it also recognises that further transparency (on ownership, price and quality measures) could help to further improve customer decision-making.

- The CMA's analysis demonstrates that **pet owners clearly have choice** between a range of FOPs – this is evidenced by the CMA's own concentration analysis which (even though it likely overstates the number of potential mono/duopoly sites due to deficiencies in the CMA's dataset) shows that the supply of FOPs is not generally concentrated: even on this partial view, at least 73% of FOPs have more than six competitors in the relevant catchment area (by fascia count) and 96% of FOPs have more than three. While the switching rate is on the lower side, this likely better reflects customer satisfaction and the value placed in their relationship with their vet, rather than an inability to switch. This is demonstrated by the CMA's own survey evidence, which found that of the respondents that chose a FOP in the past 10 years and only considered one practice: less than one in four felt that they did not have a choice of practices to compare (which represented just 9% of all respondents to the survey), and the majority (66%) said they felt they did have a choice, and gave a wide range of reasons for their lack of comparison, the most popular being "*I was happy with my choice*" (50%).[4]

  The same is true for pet owners purchasing veterinary medicines with 57% of pet owners being aware that they could obtain a prescription from their vet and purchase the medication elsewhere.[5] 80% of pet owners still chose to purchase medication from their vet practice, half of those pet owners doing so as it was the most convenient option.[6]

- There is **considerable competition between vet businesses**. This is clearly evident from the fact that:

  - as the CMA has recognised – there are low levels of concentration in FOPs and the majority of customers feel they do have choice – this means all veterinary businesses feel the natural pressure of competition;

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[3] CMA's PDR: Part A, paragraphs 2.52, 10.45-10.47, 10.52, 10.63, 10.69, 10.106(a) and 11.247.

[4] CMA's PDR: Part A, paragraph 8.79(b).

[5] Vet Users Survey, Final Report, Accent for the CMA, ("**Vet Users Survey**") January 2025, published 6 February 2025, page 73.

[6] Vet Users Survey, page 76.

- as further explained in the response to the CMA's Profitability Paper prepared by CVS' economic advisors CRA dated 14 November 2025 ("**CRA Response**" attached at **Annex 2**), contrary to the CMA's assertion that there were c.£1 billion of excessive profits made between 2020-24, the CMA has not established any robust basis to claim that market players are making excessive profits. In the case of the CMA's analysis of CVS's profits, the CMA fails to properly value the costs involved in setting up a new FOP. Even the CMA's own sensitivities show that once reasonable alternative assumptions are made on these costs, it is not reasonable to view CVS' profits as reflecting a failure of competition over the relevant period. Even in its base case, the CMA's findings suggest highly variable outcomes across participants in terms of profitability, across both LVGs and independents, which is more likely to reflect the difficulties of properly measuring the elements that drive profitability, rather than any systematic failure of competition;

- CVS feels strong competitive pressure to invest in its FOPs (both existing and newly acquired) in order to continue improving and broadening its offer, in turn to retain and gain new customers. CVS makes substantial investments in its people (training), facilities (including new clinical equipment and IT) and its premises, in order to attract the best talent and enable it to provide high quality clinical services to its customers. CVS has also submitted a CRA econometric analysis demonstrating that where NPS is lower at its sites, it experiences higher levels of customer switching – explaining the commercial rationale to ensure that sites are modernised and benefit from investments in staff wherever possible;[7] and

- There are low barriers to entry – which is clearly demonstrated by the large number of new entrants that supply FOP services, with 259 FOP sites opening since 2020.[8] This was also confirmed in the CMA's roundtable with independent vets, who told the CMA that it was relatively straightforward to open a new practice.[9]

- There is **diversity in the types of FOP** available to pet owners, which reflect different pet owner preferences and circumstances e.g. charitable offerings, community pet clinics (such as Jollyes community pet clinics[10]) and social enterprises (such as Animal Trust[11]) as well as mobile vets or telemedicine providers, as well as "regular" practices offering higher and lower levels of facilities and services.

The fact that so many of the characteristics the CMA itself defines as reflecting a WFM are present on the market today should give the CMA pause over its AEC analysis and points towards a high evidential threshold for remedies – particularly those with a high risk of unintended (and detrimental) consequences.

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7 The CMA has raised a number of concerns in relation to this analysis, which do not undermine the finding – these are addressed in detail in **Annex 1** in relation to Remedy 4 (Survey), which also touches on issues relating to the NPS.

8 CMA's PDR: Part A, paragraph 2.20(f).

9 CMA's PDR: Appendix A - Local concentration analysis and barriers to entry and expansion, paragraph 2.17.

10 Jollyes community pet clinics provide vaccination, microchipping and flea and worming services. See https://petclinic.jollyes.co.uk/ for further information.

11 Animal Trust is a community-interest company funded by its clients that offers FOP, referral and OOH services. See https://www.animaltrust.org.uk/about-us for further information.

The CMA has not met the evidential threshold for any AEC finding

In order to find an AEC, the CMA must be satisfied that it is *more likely than not* that features of the relevant market prevent, restrict or distort competition when measured against a well-functioning (but not perfect) market.[12]

In order to support its provisional findings of AECs in the retail supply of FOP services and supply of outsourced OOH services, the CMA relies on economic analysis of local concentration, the impact of corporate acquisitions on price and profitability, in addition to anecdotal evidence provided through its pet owner survey. We consider each of these in turn but in summary, CVS considers that each piece of evidence relied upon is flawed and/or insufficient. While CVS recognises that the information gathered is not entirely irrelevant, and indicates issues in the market, the material deficiencies outlined below should affect the weight the CMA attributes to them when concluding whether there is an AEC, and if so, what a proportionate remedies package looks like.

(i) Local concentration analysis

The CMA has considered the degree of local competition in FOPs, OOH care and referral centres. While there are deficiencies in the CMA's analysis that CVS has previously identified (for example, in terms of the quality of data and approach to catchment areas, which mean it is in fact likely to materially overstate concentration) – by the CMA's own admission, this assessment does not raise any material concerns.

(ii) Impact of acquisitions analysis

While the CMA has carried out extensive economic analysis considering any link between price and corporate group acquisition, its economic evidence base is weak as its analysis and data suffer from significant deficiencies. Key among them is the fact that: (a) the CMA's analysis does not take account of the quality of service provided (which the CMA itself recognises as "*the most important limitation*") and is particularly significant for CVS given its baseline acquisition business case involves significant investment, in order to align with its high quality value proposition; and (b) the CMA's analysis does not compare "like-for-like" due to inherent differences in treatment/services mix. These, coupled with the other issues CVS has identified previously (e.g. the major disconnect between the results found for CVS in relation to claim values versus first year treatment costs, which remains unexplained), raise serious questions regarding the CMA's conclusion that corporate acquisitions lead to significant price increases. Ultimately, as supported by the detailed analysis prepared by CVS' economic advisors CRA, it is not possible to draw any meaningful conclusions from the CMA's analysis. These issues have not been meaningfully addressed in the CMA's updated econometric analysis, despite being flagged in previous submissions.[13] CVS notes that despite these fundamental flaws, the CMA and media outlets have used this analysis to justify both the market investigation itself, as well as the proposed remedies package.[14] As a result, public reliance on such deficient evidence has further damaged the trust of pet owners in veterinary professionals, which is essential for the delivery of contextualised care, and therefore has negatively impacted consumers as a result.

(iii) Profitability analysis

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[12] Section 134 Enterprise Act 2002 (as amended) and CMA's Market Investigation Guidelines, paragraph 319.

[13] See CRA's response on the econometrics working paper, submitted on 23rd May 2025.

[14] CMA's press release published 15 October 2025 - Major reforms would require vet businesses to make fundamental changes to the way they support pet owners - GOV.UK; The Guardian's article published 15 October – Vets could be made to cap prescription prices after UK watchdog investigation | Competition and Markets Authority | The Guardian.

The CMA asserts that the scale of consumer detriment caused by those AECs includes c. £1 billion of excessive profits between 2020-24.[15] CVS strongly disputes these figures and considers that the CMA has not presented clear evidence of any significant consumer harm caused by the market features it identifies. CVS submits the CRA Response at **Annex 2** detailing the issues with this figure but summarises the key issues here.

CVS is disappointed to see that the CMA's base case profitability analysis remains relatively unchanged from its original position, despite the serious concerns put to it in CVS/CRA's previous submissions, which have not been meaningfully dealt with. However, CVS welcomes the adjustments that the CMA has made to its sensitivities, which are closer to its own view of relevant capital values and replacement costs.

Even on the CMA's own sensitivity assessment, there is no pattern of sustained high profits. For instance, in their analysis[16], CRA show that combining two key CMA sensitivities already reduces the average ROCE for CVS to [✂] (only very marginally above the CMA's WACC range of 7.5%-10.5% and in line with or below CVS' actual audited pre-tax WACC at [✂]). Further incorporating the CMA's sensitivity on shortened useful economic life of assets results in an even lower average ROCE for CVS of [✂] – below any reasonable estimate of CVS' WACC.

The CMA's interpretation of these results also fails to take account of the exceptional upward demand shock caused by Covid-19, and the normalisation of CVS' profits in 2024.[17] The fact that the market was able to respond so quickly to that surge in demand (largely through incurring additional costs to improve facilities, hire and retain staff, as well as working to remain locally competitive on the increasingly sophisticated medical interventions that many customers want for their pets), bringing CVS' ROCE back down to normal levels in 2024, is in fact encouraging evidence of a market working well to respond to seismic shifts in the demand landscape, even in the face of staff shortages post-Brexit.

In the CRA Response, CRA sets out their more detailed concerns with the CMA's assessment, showing several respects in which the resulting profitability is overstated. In short:

- **Tangible asset valuation:** The CMA dismisses CVS' actual tangibles costs in favour of a proxy based on a sample of different LVGs. It asserts that CVS' higher fit out costs are likely due to inefficiency without any evidence to support this assertion, or rationale for why a publicly traded company would spend inefficiently on fitting out new FOPs. By contrast, the CMA's sensitivity comes much closer to CVS' actual fit out costs, and in our view should become the base case for CVS.
- **Intangible asset valuation:** The CMA continues to use a highly partial and unsubstantiated approach to value intangibles in its base case, and provides no evidence to support key assumptions (particularly in relation to the very small degree to which staff costs are capitalised, and the complete lack of capitalisation of other start-up phase costs relating to premises, in particular). By contrast, the CMA has made some welcome changes to its "start-up-losses" sensitivity (to take a more economic rather than purely cash-based approach to

[15] An alternative estimate from the CMA based on acquisition analysis puts this at £600 million to £700 million in additional customer expenditure over five years – which is also unreliable due to e.g. the lack of control for quality improvements and changes in product mix in the underlying acquisition impact analysis, as set out above.

[16] CRA Response, page 16.

[17] Share of households owning a pet in the UK increased from 40% in 2019 and 41% in 2020 to 59% in 2021, 62% in 2022 and 57% in 2023 according to https://www.statista.com/statistics/308235/estimated-pet-ownership-in-the-unitedkingdom-uk/.

assessing such losses) which yields a more reasonable estimate of start-up costs. Nonetheless, this still only goes part way to recognising the full value of CVS' intangibles.

Finally, the CMA continues to assert incorrectly that CRA's own cost-based approach suffers from circularity, or reflects inefficiencies, and has not addressed (indeed, does not even mention) CRA's previous submission demonstrating that this is incorrect.

- The CMA continues to make assumptions in relation to RDEC, EBIT and WACC that overstate the extent of industry profits.

Once reasonable sensitivities on these points are accounted for, there is no clear evidence that CVS made excessive profits at all – and certainly not on a sustained basis. This must be taken into account in judging the proportionality of remedies.

(iv) Survey evidence

Given the clear issues with placing significant reliance on the economic evidence[18], the CMA is effectively reliant on qualitative input from pet owners which – while informative to a degree – also suffers from methodological issues meaning that on its own, it is not sufficient to ground interventionist remedies that will add further costs to veterinary businesses and as a result, will likely increase costs to consumers. It has not substantiated any clear harm to consumers as a result of how the market currently functions. The CMA has therefore not presented a robust evidence base upon which it is reasonable to conclude that the market features are anticompetitive, on the balance of probabilities.

(v) Anecdotal evidence

CVS recognises that the CMA has carried out extensive information-gathering with market participants on both the demand and supply side, talking to members of the public and (both independent and LVG) vets throughout the market investigation process (including via a series of roundtables and site visits) and has sought specialist input from the CMA's vet advisory panel. While this is an important part of the process – to ensure that the CMA hears and understands a range of perspectives, such information-gathering inevitably tells a complex picture which, by its nature as anecdotal evidence, does not give a clear view on the causal relationship between issues experienced by pet owners and vets and the broader structural aspects of the market (from regulation and changes in consumer behaviour and demand, to intrinsic links between services and the level of local competition). Without robust evidence of cause-and-effect, this evidence is clearly insufficient to ground an AEC finding and certainly is not of sufficient weight to ground interventionist remedies with significant risk of adverse unintended consequences.

In summary

As this demonstrates, many features of the CMA's definition of a WFM are already clearly present – and this is supported by the CMA's own evidence. Against the CMA's own benchmark, the market is already functioning effectively and by definition, is already benefitting from the results of effective competition. When combined with the clear deficiencies in the evidence the CMA purports to use to substantiate its provisional AEC finding, this further undermines the CMA's provisional decision. While CVS is enthusiastic to work constructively with the CMA on its remedy proposals where they could lead to raising both professional standards and the consumer experience across the profession, the CMA has not established that it is more likely than not that the features of the market

[18] CMA's PDR: Part A, paragraphs 7.4, 7.21, 7.26, 7.35, 11.193, and footnote 1617.

prevent, restrict or distort competition, and certainly not sufficiently robustly to justify interventionist remedies.

3 Many of the proposed remedies are disproportionate and risk unintended consequences, both in terms of consumer and pet welfare but also market efficiencies

The proposed package of remedies is wholly disproportionate

Remedies implemented in a market investigation must be effective and proportionate to the AEC identified. By the CMA's own guidance, a proportionate remedy is one that (a) is effective in achieving its legitimate aim; (b) is no more onerous than needed to achieve its aim; (c) is the least onerous if there is a choice between several effective measures; and (d) does not produce disadvantages which are disproportionate to the aim.[19]

Notwithstanding CVS' views on the presence of any AEC, it considers that the proposed remedy package is disproportionate, particularly in light of the weak, largely anecdotal evidence that the CMA relies upon to support its provisional findings. Many of the remedies aim to alleviate the same feature(s) of the market that the CMA considers to be causing an AEC, but when taken in combination, are clearly disproportionate and will almost certainly lead to worse outcomes for consumers (in terms of higher costs and/or less choice) than clear benefits, as well as risking adverse outcomes for the health and welfare of their pets. In accordance with the CMA's own guidance,[20] to be proportionate, its remedy proposal must be no more onerous than needed to achieve its aim and must not produce disadvantages that are disproportionate to that aim – that test is not met with this package.

That said, CVS is keen to work constructively with the CMA where there are clear opportunities to enhance standards in the sector and effectively enable better consumer understanding and choice. However it is important to ensure that any remedy package is appropriate in terms of scope and scale, and does not go beyond what is necessary to alleviate the concerns identified (particularly given the limited evidence substantiating them). To do otherwise will ultimately increase costs for pet owners and lead to worse animal welfare outcomes.

CVS sets out its views on each remedy in turn in **Annex 1**. In summary, while CVS is supportive of a number of measures that enhance transparency for consumers (as CVS competes on merit) and regulatory reform, CVS has serious concerns with the following:

- **Price cap on prescription fees** – price regulation is one of the most interventionist remedies the CMA has available to it, and is simply not justified by the CMA's analysis – particularly when considered in combination with other transparency remedies (such as the price list which includes prescription fees). In any event, the proposed level is too low to account for the professional time and skill required of vets[21] and the costs incurred by FOPs to issue prescriptions (especially as it includes VAT) and presents a clear risk of detrimental unintended consequences.
- **Scope of price list** – while CVS welcomes the CMA's refinement of the proposed list of services/treatments (from that set out in the Remedies Working Paper), CVS still has serious

[19] CMA's Market Investigation Guidelines, paragraph 344.

[20] See for example, the CMA's Market Investigation Guidelines, paragraphs 344 and 353, and the CMA's recent Market Works Guidance at para 4.13(d) which notes the CMA's aim *"to ensur[e] remedies are proportionate and avoid unnecessary burdens on businesses"*.

[21] As outlined in section 4 of the Supporting Guidance for the Code of Professional Conduct for Veterinary Surgeons.

concerns with the current scope, which will capture hundreds of price points, and covers a number of services that are either not commonly used, or are so complex and/or variable that their inclusion on the list is likely to confuse and overwhelm consumers, rather than help them to make an effective choice.

- **Referral estimates** – it is not practical or proportionate to require FOPs to provide a detailed, itemised indication of the cost of referral treatment, even with specialist input and guidance. With the exception of a small number of clinical presentations, referral clinical work is, by its nature, extremely complex and these cases face ongoing uncertainty during investigations once admitted. Such a requirement would require vets to provide an inaccurate and misleading estimate, which could dissuade a pet owner from seeing a referral specialist, despite the fact that in many cases, doing so leads to less or no medical intervention, which can actually mean a lower cost to the customer. A broad range estimate should be acceptable in most cases with the exception of routine procedures such as TPLO, where a more accurate estimate can reasonably be provided.

- **Handling of written prescriptions** – while CVS already makes its customers aware of their ability to request a written prescription and source their veterinary medicines elsewhere[22] (and indeed, this is often encouraged by CVS vets in respect of chronic conditions), CVS has grave concerns with the CMA's proposal to issue all written prescriptions directly to the pet owner. This is because of the growing prevalence of prescription fraud which raises very serious animal welfare concerns. It should be, and has been demonstrated to be, possible for prescriptions to be sent direct to the pharmacy when the owner has selected this option; this is the method many FOPs already use to prevent fraud. It should also be noted that fraudulent use of prescriptions at multiple online pharmacies can be a significant risk to the safeguarding of pet owners in the case of prescription of controlled medications or medications of addiction.

- **Pet owner survey** – while CVS recognises that this measure is likely aimed at trying to give consumers a sense of quality (which CVS agrees is a key parameter of competition), the proposed approach is highly likely to be misleading and distortive rather than helpful. Having any such survey assess consumers' perception of cost is also particularly misleading, and wholly unnecessary given the other price/estimate transparency measures proposed.

CVS also has concerns with the staggered implementation timeline, which differentiates between LVGs and independent FOPs. For example, the CMA currently proposes that LVGs publish their price lists three months before independent FOPs. Such an approach could clearly have the unintended consequence of dampening natural price competition, as independents would have a considerable window of time in which to adjust their pricing and potentially align with the LVGs. In CVS' view, all remedies should be implemented for all parties, on the same timeline.

The CMA's approach to remedies cannot undermine consumer and investor confidence

As the CMA is aware, the market review and subsequent investigation has had a huge impact on veterinary businesses and veterinary professionals alike. CVS has been very concerned by the swathe of negativity directed at its vets and veterinary nurses in the wake of the CMA's work. Its share price has also been significantly impacted, dropping by around 36% when the initial market review was launched in 2023, and again by around 20% when the market investigation was announced last year. Against this backdrop, it is of paramount importance that the CMA's approach to any remedies package provides as much certainty as possible – so (i) pet owners can understand

[22] As is required under the RCVS Code of Conduct and Practice Standards Scheme.

the measures being adopted and their trust in their vet is maintained, (ii) investor confidence in the UK veterinary sector can be effectively restored, and (iii) students considering a career in veterinary medicine are not dissuaded from entering the profession (which would further exacerbate the recruitment/retention crisis in the sector).

In this regard, CVS is aware that the CMA has new statutory powers that provide greater flexibility to vary remedies imposed as part of a market investigation for a period of up to 10 years. CVS understands that this power is aimed at ensuring the continued effectiveness of any remedies that are imposed – and would naturally support the revocation of costly/burdensome remedies that are no longer considered necessary. However, given this is the first market investigation that may result in the imposition of remedies since these powers came into force, and the impact that the uncertainty of the investigation has already had on the sector to date, CVS urges the CMA to signal clearly in its final decision that while any remedies will be kept under review, it does not intend to use this flexibility to re-open its investigation or impose more interventionist remedies (including, for example, divestments). This is even more important in this case, given we have seen the potential for misunderstandings around CMA powers and processes play out very publicly – for example, in respect of the CMA's standard confidentiality ring process, which caused considerable confusion and consternation across the industry. Without this clarity, the sector would be under a "cloud" of uncertainty regarding further regulatory intervention for up to a decade, which would naturally dampen trust in the profession (for pet owners and veterinary students alike) and further erode investor confidence.

CVS therefore respectfully requests that the CMA sets out clear parameters in the final decision on how it may expect to use this power in practice (including how the scope of any remedies can also be *reduced* as a result of the CMA's ongoing review). Such an approach would also be consistent with the CMA's plan more generally to drive growth and investment through promoting predictability.

14 November 2025

Annex 1 – CVS comments on proposed remedies

This document provides CVS' detailed comments on the remedies outlined in the CMA's Provisional Decision Report ("**PDR**"). The comments here are without prejudice to CVS' position that the CMA has no reasonable evidentiary basis for a finding of an AEC and that in any event, the overall package of measures proposed is fundamentally disproportionate to the AEC identified by the CMA.

Proposed Remedy 1: Requirement to clearly display common ownership on websites, in premises and in communications

CVS supports proportionate and workable transparency-based measures that would address the CMA's concern that pet owners might not understand that FOPs and other veterinary businesses form part of the same corporate group. As CVS has explained previously, it has already taken steps to enhance consumer understanding that its practices are part of the CVS Group.

Presently, CVS uses common branding of "The Vet Collection" across its FOPs. The fact that the "The Vet Collection" brand belongs to CVS Group appears online[1], on signage in practices and on all written communications received by pet owners. CVS does not apply this brand to its referral centres, online pharmacy (which operates under the brand Animed) and its laboratory business, though the fact that they are part of the CVS Group is generally available.

CVS aims to ensure that pet owners can easily recognise that its FOPs, referral centres, Animed and its laboratory business are part of the same group and will take further measures in line with the CMA's direction to enhance the clarity of this. CVS already has plans in place to discontinue the common branding of "The Vet Collection" in favour of joint branding across its website, marketing materials, and client communications. The joint branding will clearly refer to CVS (along the lines of: *"[FOP brand] & CVS"*) and will cover FOPs, referral centres, Animed and CVS' laboratory business.

CVS welcomes the fact that the CMA does not intend to be prescriptive about how veterinary businesses market themselves or manage their branding, given this is primarily a commercial decision.

CVS notes that the proposed deadline for implementing the common ownership branding is three months from the CMA's Final Order. CVS expects that large veterinary businesses such as CVS may need additional time to implement co-branding across its network, or some flexibility to implement temporary measures if permanent changes would take longer than the permitted time under the Final Order. For example, physical branding such as signage may require a longer period of time to replace. However, CVS expects it would be workable to use temporary means (such as stickers) to ensure customers are aware of common ownership links within the original timeframe envisaged by the CMA.

Proposed Remedy 2a: Requirement to publish basic service information including out-of-hours (OOH) provision, staff qualifications and accreditations on websites and in premises

CVS is, in principle, supportive of this proposed remedy. As stated in previous submissions to the CMA, CVS does not object to measures that address concerns regarding a lack of clear, transparent information that allows pet owners to make better informed decisions.

[1] The Vet Collection: Where Pets Always Come First | The Vet Collection (www.vetcollection.co.uk).

The information required under this proposed remedy refers to qualifications held by practice staff, but it does not expressly state whether FOPs would need to disclose the personal information of the practice staff with these qualifications (such as names). CVS believes it is important that it does not, given that in certain cases, it would not be appropriate to publish this information, for example where there are safeguarding concerns around disclosing an individual's identity online.

The PDR is silent on the frequency at which FOPs will need to update the information provided. CVS notes that the information published online will periodically be subject to change where there are changes to practice staff, and it would be administratively unmanageable to update this information every time someone leaves or joins a practice. Rather, CVS proposes that FOPs verify the accuracy of the published information in a timely manner (i.e. once a year). CVS would also appreciate clarity from the CMA as to whether locums and advanced practitioners who practise at a FOP but are not an employee are within the scope of this proposed remedy. CVS notes that some customers will not necessarily understand the difference between these and permanent staff, particularly if they are all listed on the same page.

Regarding the timing of implementation, it is unclear why there is a difference between large and small veterinary businesses, particularly as the CMA does not consider this proposed remedy "*would be unduly burdensome for most veterinary businesses.*"[2] By virtue of the difference in size, CVS expects that implementing this remedy is likely to take just as long, if not longer, for large veterinary businesses. CVS therefore proposes that all FOPs (regardless of size) should have six months to comply, particularly given that this remedy is designed to give consumers more information to enable better choices, and having the same implementation horizon for all FOPs would level the playing field in that regard.

Proposed Remedy 2b: Requirement to publish a list of prices for standard services on websites and in premises

CVS welcomes the CMA's refinements made to the proposed price list as compared to the original version set out in the Remedies Working Paper. However, CVS considers there are still several issues with the proposed list which mean it will not achieve the CMA's stated aim of supporting more effective price competition.

CVS remains of the view that any standardised price list must focus on a short and simple set of routine, easy-to-understand services that are relevant to all pet owners. The price list should focus on services that allow pet owners to meaningfully compare and pick their vet practices and treatments. In its current form, the proposed price list will still capture hundreds of price points (given the need to differentiate between animal species and weight), and such a broad and detailed approach (covering many services that are not easily understood by pet owners, with details as to equipment used etc.) is likely to confuse and overwhelm consumers, rather than enable them to make a more effective choice of FOP and service. CVS notes that the CMA has proposed four standardised "*characteristic categories*", but weight categorisation typically varies by practice and e.g. in relation to different medications, so this is very unlikely to map onto how FOPs offer and price their services. It is also not practically feasible to display such an extensive price list in practice (particularly where additional information is provided in terms of what is included in the service e.g. equipment used).

The proposed list would not be "*understandable*" or "*comprehensible*" given the scale of items covered (many of which are not "*commonly taken up by pet owners*") and the potential variability

[2] CMA's PDR: Part B, paragraph 3.41.

(meaning they are not meaningfully "*standardisable*"). While CVS supports the inclusion of standard services (such as consultations, microchipping, vaccinations, prescription fees, and neutering), it sets out below specific comments in relation to the services and treatments that are not suitable for inclusion on any standardised list. In relation to weight categorisation, CVS considers the better approach would be to price by set size – e.g. 10kg, 20kg – rather than setting rigid bands that are unlikely to reflect FOPs' approaches to administering and pricing their services/treatments. This is particularly relevant in relation to certain flea and worm products where weight bands for dosing vary between products treating the same parasites, such that weight bands of, for example, 10-20kg would require at least two different doses and costs to be listed but these bands may not be comparable to other similarly effective products e.g. Credelio vs Bravecto. In relation to weight banding for anaesthetics, there is no standard banding across the profession as the method of charging for anaesthetics (for example on weight, per minute, per procedure, among others) is a commercial decision for each business and therefore may not allow for meaningful comparison.

Finally, CVS has concerns with using the term "specialist treatments and procedures" to describe the sixth category of services. This is because "specialist" status is regulated by the RCVS[3] and requires a vet to demonstrate (among others) at least a minimum level of postgraduate qualifications and an active contribution to the relevant speciality. As such, use of this phrasing could be misleading if it were to appear in FOP price lists.

Category	Service, product, treatment or procedure	CVS Comments
Consultation and preventative care	Out-of-hours consultation	CVS notes that some FOPs are reliant on third party providers of OOH services. Clarification is needed on how FOPs could comply with the requirement to update the price list as soon as reasonably possible after a price change where the third-party provider does not provide updated pricing information in a timely fashion.
	Nail clipping	CVS notes that the cost can vary depending on whether the procedure is carried out by a vet, RVN, or SVN. Without delineation (which would further expand the list), this could be misleading to pet owners.
	Anal gland expression	CVS notes that the cost can vary depending on technique and whether the procedure is carried out by a vet or RVN. Without delineation (which would further expand the list), this could be misleading to pet owners.
Prescription, dispensing and administration	Dispensing fees	CVS notes that dispensing fees are not uniform due to variables that will influence the final cost (e.g. whether the medication requires cold storage) – as such, it should be noted that this is not a single fee.
	Administration fees/Injection fees	CVS notes that the cost can vary depending on the route of administration, so again this is not a single fee.
Surgeries and treatments	Anaesthesia and sedation	This is an incredibly broad category – naturally, the cost of anaesthesia or sedation can vary considerably based

[3] See RCVS website at: Specialist status - Professionals.

Category	Service, product, treatment or procedure	CVS Comments
		on species, weight, existing health conditions etc. Realistically, this variability means FOPs would only be able to specify "prices from £[xx]", which could be highly misleading for customers. Including this in the price list could also encourage customers to request cheaper options, which could conceivably compromise an animal's safety or result in avoidable pain and distress for the pet.
	Spay (traditional)	In principle, this is possible provided that sufficient detail can be provided in terms of what pre-operative checks, intra-operative monitoring, and post-operative care and checks are included, as well as the qualification of the relevant veterinary professional that will carry them out.
	Spay (laparoscopic)	
	Physiotherapy session	CVS reiterates the concerns raised in its response to the Remedies WP[4] – many practices may not have a fee for such treatment and those that do may or may not have trained/experienced physiotherapists or nurses with this experience. As such, a physio session will be markedly variable between practices, making price comparison meaningless. In addition, it is likely only offered at a limited number of FOPs, which makes its inclusion on a list of "*commonly offered*" services slightly misleading.
	Laser therapy session	CVS strongly reiterates the concerns raised in its response to the Remedies WP.[5] There is significant variation within the profession as to whether this type of treatment, as part of rehabilitation, has sufficient evidence to support its use. CVS has serious concerns with including it on a price list that is designed to cover "*commonly offered*" services. Its inclusion would suggest that this is a supported treatment, however there is no suitably powered clinical evidence that demonstrates that laser therapy results in tangible improvement in patient outcomes. In such circumstances, this could be tantamount to advertising and would have a significant influence over clinical decision-making, which would be wholly inappropriate.
Diagnostics and laboratory tests	X-ray (including sedation and images)	CVS reiterates its previous comments (both in its hearing and in response to the Remedies WP[6]). While an x-ray appears simple on its face, the price can vary depending on various factors including number of x-

[4] CVS Response to the CMA Remedies Working Paper, page 11.

[5] CVS Response to the CMA Remedies Working Paper, page 11.

[6] CVS Response to the CMA Remedies Working Paper, page 11.

Category	Service, product, treatment or procedure	CVS Comments
		rays taken (which will depend on the clinical judgement of the vet[7] and the owner's needs) and the need for sedation or general anaesthetic (and in turn, variation depending on size and medical history of the animal – which may determine the level of monitoring required etc.). Providing a cost "per view" would be extremely misleading to consumers, as a single x-ray typically does not provide an accurate diagnosis. It would therefore be preferable to use a "bundle" price, although this still has the potential to be misleading. Only including sedation would also be confusing and potentially misleading to pet owners, as a general anaesthetic is typically required for some x-rays (e.g. thoracic/chest views). As such, if the CMA still considers it appropriate to include x-rays, an alternative could be to provide some sample prices for specific exams, such as an "elbow assessment" which would usually require three views (lateral flexed, lateral extended and cranio-caudal) per elbow.
	Ultrasound (full abdominal)	While CVS considers it may be plausible to provide a price for a specific ultrasound, the diagnostic success of an ultrasound is dependent on the quality and specification of the equipment used and the experience and expertise of the ultra-sonographer. These variations can occur even within the same practice. CVS also queries the usefulness of this price without including the cost of interpretation of the results (which is typically included in CVS' ultrasound pricing but may be charged separately by other FOPs). As a result, consumers would be unable to compare prices with confidence, unless multiple variations are provided (which would further complicate the price list). In addition, CVS notes that the incorrect terminology has been used in relation to cardiac ultrasound. Echocardiogram is the correct term, ECG stands for electrocardiogram which is not related to ultrasound. Echocardiograms are highly variable as detail is even more dependent on the quality of the ultrasound machine, whether it has cardiac specific capabilities and whether the user has cardiac specific training.
	Ultrasound (echocardiogram/ ECG)	
	Ultrasound (POCUS)	

[7] For example, best practice in respect of a chest x-ray is three views (dorsoventral, left lateral and right lateral) but many vets may do two views (dorsoventral and left lateral), so even this specific example would be misleading.

Category	Service, product, treatment or procedure	CVS Comments
	Cytology (fine needle aspiration)	While it is plausible to provide a price for in-house cytology via an ear swab, and CVS welcomes the CMA distinguishing between ear swabs and FNA, CVS is concerned that FNA is much more complex and variable, depending on the expertise of, and equipment available to, the vet. Including this on a standardised price list may encourage owners to request FNA in circumstances where their vet might recommend a different approach. This could influence clinical decision-making, diagnostic accuracy and treatment outcome (including overall cost), with associated animal welfare concerns. In addition, this will not be helpful for pet owners because this is not a service consumers typically seek out.
	CT scan per body part (including sedation and images)	CVS would need more clarity on whether this item will include the cost of the interpretation of the results, whether the CT scan is external or internal and whether contrast studies are performed – all of which would impact the cost of the scan.
	MRI scan per body part (including sedation and images)	The variability issues raised above are even more prominent with respect to MRIs. The diagnostic success of an MRI is highly dependent on the quality and specification of the equipment used and the experience and expertise of the radiographer. For the best patient outcomes, the most important factor for customers is whether the practice's equipment and capabilities are suitable for the condition being assessed. On that basis, CVS believes this should be removed from the price list, as it would be very misleading to suggest that the price of an MRI should be used for customers decide where to receive care for their pet.
	Routine blood profiles	This category would need further clarity as 'routine' is too broad of a description to be useful to consumers. There is a significant variation in what is included in a 'standard' blood profile as this is dependent on a machine's specifications. This is complicated further by the market variation in machine quality and confidence in results. There are also multiple tests that could fall within scope, with increased complexity and variability depending on whether testing is carried out in-house or by an external laboratory. For example, if this category includes haematology assessments, the different blood machines available for testing are not comparable and

Category	Service, product, treatment or procedure	CVS Comments
		therefore consumers cannot make decisions based on price differences alone. It should also be stressed that blood tests should be chosen by practitioners based on the pet's specific presentation. This means that routine blood profiles may be misleading if chosen based on price (e.g. a cheaper panel of bloods may result in missing a critical test, leading to an overall higher diagnosis and treatment cost). In theory, including this category could have the unintended effect of encouraging loss-making prices for routine blood profiles and consequential increased prices for 'non-routine' testing. CVS considers this category should be removed due to the issues raised above. Alternatively, this category should be limited to pre-anaesthetic blood profiles.
Specialist treatments and procedures		CVS would appreciate clarification as to whether this category would apply to all practices or be limited to referral centres.
	Tibial Plateau Levelling Osteotomy (TPLO)	While it is plausible to provide a price for these procedures, CVS notes that TPLO and lateral suture procedures combined are expected to affect only 0.56% of canine patients per year across general practice (and wouldn't impact feline patients). In CVS' view, consumers are highly unlikely to be aided by the prices for a procedure that does not affect c.99% of patients, particularly given this list is intended to focus on "*commonly offered*" services. This will also not assist consumers in understanding whether the prices for other, more common procedures are reasonable.
	Lateral suture	
	Cataract surgery	The inclusion of prices for these procedures is highly unlikely to help consumers in comparing FOPs as they are even less common than TPLO and lateral suture procedures. As above, this will also not assist consumers in understanding whether the prices for other more common procedures are reasonable.
	Patella Luxation	
	Hip replacement	
	Lateral Condylar Fracture surgery	
	Total ear canal ablation	
	Brachycephalic Obstructive Airway Syndrome (BOAS) surgery	In addition to these being uncommon procedures, CVS' view is that this would not provide a meaningful comparator for consumers as there are too many variables that apply (e.g. in terms of technique used;

Category	Service, product, treatment or procedure	CVS Comments
	Prolapsed nictitans gland repair ('Cherry eye')	use of local or general anaesthetic etc.), meaning at best this would need to be expressed as a range. In respect of the 'Cherry eye' procedure, CVS notes that some vets advocate for the ethically questionable option of removing the gland altogether to reduce costs to the customer. Publishing this price may have an unintended effect of increasing the likelihood of controversial treatments without adequate protections in place to mitigate this. As above, this will also not assist consumers in understanding whether the prices for other less discrete procedures are reasonable.

As acknowledged in the PDR, pet owners rely on a relationship of trust with their vet to help them make clinical decisions about their pets. CVS is concerned that this could be undermined if consumer decisions are unduly focussed on price information that is unlikely to meaningfully assist them (for example, by including services or treatments with a high degree of variability).

Finally, CVS does not see any rationale for the staggered implementation schedule – whereby larger FOPs would be required to publish their price lists three months before smaller FOPs. In fact, this rases a risk of dampening natural price competition as the smaller FOPs would have a three-month window to consider and possibly adjust their prices to align with FOPs that belong to an LVG. It would clearly be more effective for *all* FOPs to have a six-month deadline for implementation.

Proposed Remedy 2c: Requirement to publish prices for parasiticide (i.e. flea, tick and worming) medicine products on websites and in premises, along with a link to a list of approved online pharmacies

CVS does not object to this proposed remedy, although it notes that this will likely require some categorisation based on weight. CVS also reiterates its concern that the use of antiparasitic treatments should not be chosen on cost alone, but on a risk-benefit basis to ensure appropriate usage, consideration towards environmental impact and parasite drug-resistance risks. The caveat that pet owners should speak to their vet to understand the appropriateness of a treatment is, in CVS' view, not robust enough to fully alleviate this concern.

As with Proposed Remedy 2a, CVS welcomes clarification from the CMA as to the frequency at which prices would need to be updated after their initial publication.

For the same reasons set out under Proposed Remedy 2b, CVS believes that *all* FOPs should have a six-month deadline for implementation.

Proposed Remedy 2d: Requirement to publish information about what services are included in pet care plans, how frequently they are typically used, and price if paid separately - on websites and in premises

CVS works hard to ensure all information required to make an informed decision about its pet plans is communicated clearly to customers and supports the objective of ensuring this is the case across the market, so that pet owners can make more meaningful comparisons and as a result, better informed choices.[8]

CVS already clearly publishes: (i) all services included in its Healthy Pet Club ("**HPC**") plans for customers; (ii) the total price of the plans; and (iii) the benefits of the plans, including how savings are calculated. This is – in CVS' submission – more than sufficient information to ensure customers can understand the product and if it would represent good value for them.

While it is in principle possible for CVS to extend this further by publishing the standalone price of each treatment included in the pet care plan, CVS reiterates its previous concerns that providing cost savings information may create an expectation that these treatment plans are recommended for every pet, which could undermine vets' autonomy in recommending the appropriate (and often bespoke) course of action and in turn, potentially erode the trust between vets and pet owners. In addition, CVS encourages the CMA to exercise due caution around the potential promotion of antiparasitic treatments, for the reasons already outlined in respect of Proposed Remedy 2c above. For example, this should not promote monthly treatments as this may not be appropriate for all pets.

Finally, CVS objects to the suggestion that information should be published on typical use of plans. This information would be difficult to gather and present in a reliable and meaningful way, and in any event is not relevant to the question of whether the plan represents good value for the individual.

For the same reasons set out under Proposed Remedy 2b, CVS believes that *all* FOPs should have a six-month deadline for implementation.

Proposed Remedy 3: Requirement to provide the information set out in remedies 2a-d above plus ownership and basic practice information directly to the RCVS; an undertaking from the RCVS to collect the information set out above, make it publicly available on its Find a Vet platform, enhance the platform's functionality and share data with approved third parties

Without prejudice to CVS' comments in respect of Proposed Remedies 1 and 2a-d above, at a level of principle, CVS supports the CMA's proposals for the RCVS to collect and publish key practice information from FOPs and referral centres on the Find a Vet platform. It remains CVS' view that an independent third party such as the RCVS is the appropriate body to be responsible for maintaining this resource for consumers.[9]

However, CVS retains its earlier stated concerns about publication of price lists on such a service, especially in circumstances where those price lists are provided "cold" and without any context that would enable a customer to get a sense of quality. The CMA's proposed approach – which places the key focus on price – does not include adequate safeguards to avoid the unintended

[8] CVS Response to the CMA Remedies Working Paper, page 18.

[9] CVS Response to the CMA Remedies Working Paper, page 17.

consequence of this leading to a "race to the bottom" on pricing, to the potential detriment of the breadth and quality of services currently available, and ultimately to pet welfare.[10]

CVS believes a simple and effective solution to this would be for the RCVS website to simply "link out" to a FOP's online price list, where consumers would see pricing information in the context of the overall value proposition. A compromise position would be to publish only a very short list on the RCVS website – e.g. consultation fees, the prices of regular vaccinations, microchipping and to have a link out to the full list.

More broadly, given the quality of service offering is a key parameter of competition, CVS reiterates the importance of including an appropriate quality metric on the Find A Vet platform in addition to staff qualifications. For example, PSS accreditation and awards are relatively easy for consumers to understand and would help ensure that undue focus is not given to pricing information without proper context of the quality proposition (to the extent that practices choose to participate in the PSS).

The CMA's proposed remedy also requires the RCVS to make the data it receives accessible to third parties, to "*enable a broader ecosystem of comparison tools and services*".[11] CVS has already stated its concerns that third party price comparison websites could inappropriately influence customer choice if the third party has incentives to distort the presentation of options (which is likely, in order to enable such third party to monetise its offering).[12] This has been explicitly acknowledged in the CMA's proposal to develop an approval process for any such third parties.[13] CVS considers that this approval process should be designed in close consultation with FOPs, given the potential significant impact it could have if the approval process is not sufficiently robust, practical, or effective. Furthermore, a clear process should be created for monitoring third-party recipients' use of data and compliance with the agreed standards.

CVS notes the CMA's provisional finding that some elements of this remedy would likely require the RCVS to incur greater time or financial costs.[14] This could ultimately result in an increase in membership fees for vets and nurses, and this increase could be unsustainable depending on the magnitude.

CVS also requests clarity on the expected timing in which a newly opened practice would be expected or required to supply its practice information to the RCVS.

Proposed Remedy 4: Undertaking from the RCVS to commission and publish the results of a pet owner survey which compares each Large Veterinary Group (LVG) and independents (as a group), once every two years; and LVG FOPs to publish results on websites and in premises

CVS understands the CMA's desire to make indicators of quality more transparent and accessible to customers. CVS believes that it delivers high quality care and service to pets and their owners and would welcome initiatives to better measure indicators of quality and make them more transparent. Quality is a critical parameter of competition and as noted above, an undue focus on price could lead to worse outcomes for pet owners and their pets.

[10] CVS Response to the CMA Remedies Working Paper, page 16.

[11] CMA's PDR: Part B, paragraph 3.139.

[12] CVS Response to the CMA Remedies Working Paper, page 17.

[13] CMA's PDR: Part B, paragraph 3.140(a).

[14] CMA's PDR: Part B, paragraph 3.144.

However, in CVS' view, it would be misguided and disproportionate to commission a new survey covering quality and cost metrics as proposed. Critically, the proposed design would hinder the effectiveness of a survey and compromise its ability to add any value to the existing methods consumers use (in particular, word-of-mouth about local practices). This could in fact raise the risk that the results are actively misleading. In short:

- **Granularity:** Because the proposed survey is conducted at a national average level, it could be seriously misleading if used to guide consumers' local choices, and is unlikely to have a major impact on LVGs' or independent FOPs' incentives to improve quality at individual local sites (which will continue to be driven more strongly by local reputation and word of mouth). If consumers mistakenly believe that these quality perceptions apply specifically to their local area, then the proposed survey could even undermine their incentive to use the approaches currently relied on to assess which FOP they should choose (e.g. word of mouth, local reputation, online reviews), potentially resulting in worse outcomes.
- **Cost perceptions:** CVS is concerned that including questions on cost perception could confuse consumers and undermine the usefulness of the other remedies the CMA is proposing in relation to cost/price transparency (and in any case are not necessary in light of those broader remedies on cost/price). This is particularly the case given that most consumers only experience the cost of their own practice, and may well judge the price/cost of their practice based on e.g. the quality of the front of house experience, or the range of services offered, rather than on the basis of any comparison with rivals. As such, focusing on *perceptions* of price, rather than the reality (as the other price transparency remedies attempt to do) could be actively misleading.
- **Quality questions:** Although there is less risk of cutting across alternative quality remedies (given that quality is inherently more a question of perception than something that can be readily quantified), the reliability of results will depend critically on the precise questions asked. Therefore, great care needs to be taken to ensure that questions are not leading and capture elements of quality that consumers can both accurately perceive and place weight on. An NPS-type question (of whether consumers would recommend their practice) provides a simple and well-tested approach to attempting to effectively weight across different elements of quality (as in answering such a question, consumers will naturally focus on the elements of their FOP offer that matter most to them) – and already exists for many FOPs.
- **Other concerns on survey design:** There are also a number of more technical issues that will need to be resolved, particularly if the CMA goes down the currently proposed route of a relatively detailed and bespoke survey. These include at what point smaller chains will become an "LVG" and start contributing to costs, what counts as a "practice" for the purposes of allocating costs across LVGs[15], and ensuring that some of the weaknesses of the Accent pet owner survey are not carried over into the regular RCVS exercise.

These issues are discussed in greater detail in the **Appendix** to this **Annex 1**, prepared by CVS' economic consultants, CRA.

For all the reasons set out above (and further explained in the **Appendix**), CVS would urge the CMA to reconsider this remedy, which would come at significant cost to LVGs. Not only would it be disproportionate to the limited evidence of an AEC put forward by the CMA, but it would also be disproportionate when considered against the potential benefits to consumers – for all the reasons

[15] For example, there are five large national vet businesses which have ten or more practices but would be regarded as independent (CMA's PDR: Appendix C, paragraph 1.7).

presented, the survey results risk misleading consumers about the choices they make between FOPs at a local level.

A workable alternative – which could be rolled out at a FOP-level – would be the publication of customer net promoter score ("**NPS**") feedback, which (i) CVS understands is commonly gathered across the industry and (ii) provides an effective metric on individual practice quality given it is not overly prescriptive (which can be distortive), and ensures that respondents focus on what really matters to them when scoring a FOP. While CVS believes it is critical that most of the CMA's remedies should have market-wide application in order for them to have the desired consumer benefits, CVS would not be opposed to this alternative remedy being mandatory only for LVGs, if the CMA considers this would otherwise be too onerous on independent FOPs. Limiting this alternative to LVGs would still be more effective than the CMA's proposal, as a survey conducted at a national average level for all FOPs is unlikely to assist a consumer's local decision on choice of FOP.

To the extent that the CMA still considers a survey to be appropriate, it should not cover cost, as *consumer perception* of cost is not a meaningful measure, particularly when considered together with Proposed Remedies 2b and 3 (and the written estimate requirements in Proposed Remedy 5), which (subject to CVS' comments) would require the publication of *actual* costs and provision of bespoke price estimates, and which is clearly the most effective means of enabling more informed consumer choice based on price.

Finally, CVS would welcome clarity from the CMA as to whether the results of the survey would have any impact on the CMA's 10-year remedies monitoring. While it would be appropriate for the CMA to monitor and consider whether the RCVS is complying with a form of survey remedy, CVS believes that the survey results should not provide a 'backdoor' for new interventions that extend beyond the scope of the remedies considered during this market investigation.

Proposed Remedy 5a: Requirement to provide pet owners with a written estimate of the total cost of any treatment which is likely to be £500 or more (including VAT) and give them an update if the estimated cost increases by 20% or £500 (whichever is lower), and recommendation for the RCVS to reflect this in Codes and Guidance

As noted above, CVS is fully supportive of the provision of clear and accurate information to pet owners. This is a core element of a vet's role, in accordance with their professional and ethical standards. CVS FOPs already provide written estimates for agreed treatment plans as part of their consent forms under the RCVS Code of Conduct. In practice, CVS' customers are therefore already given a written estimate in advance for any material in-FOP treatment/service that is outside of an ordinary consultation. CVS does this on a consent form routinely provided, discussed, and signed at the time of admission for a procedure (e.g. on the morning of a scheduled surgery). CVS believes this is a practical and clear way to communicate the relevant information.

While CVS does not object to providing written estimates for non-urgent treatments provided by FOPs, it is not practical or proportionate to extend this requirement to treatments that are the subject of a referral. CVS does not believe that this would enable customers to make better informed referral choices. The open-ended nature of referral services makes it very difficult for a first-opinion vet to provide a meaningful "reasonable indication" of the cost if this must be a detailed and itemised estimate. In the vast majority of referral cases, a vet can provide a broad estimated range based on their previous experience in similar cases. With the exception of orthopaedics, it would be practically impossible to give a detailed itemised estimate. This is particularly true for complex cases where it is common to have multiple minor changes to a treatment plan as more information about a case is

established. If this proposed remedy were to be implemented, in most cases vets would have no choice but to provide a 'finger in the air' estimate, which in many cases will be high. This could dissuade pet owners from seeking care at referral centres, which may lead to worse animal welfare outcomes. As was demonstrated during the CMA's site visit to CVS practices on 31 July 2024, in some circumstances a specialist referral review leads to less or no medical intervention – which can mean a lower overall cost to the customer than might be the case absent such referral.

If the CMA were to continue to include referral treatments in this proposed remedy, it would need to set out a clear delineation between the responsibilities of FOPs and referral centres, so that it is clear to vets (and pet owners) who is responsible for providing a written estimate and when it should be provided.

Proposed Remedy 5b: Requirement to provide pet owners with itemised bills for their pet's treatments and other services they receive and recommendation for the RCVS to reflect this in Codes and Guidance

CVS already provides itemised bills for treatments and other services, although it notes that occasionally treatments/services that are cheaper when provided as a bundle (as opposed to when priced individually) or that are not typically provided on an individual basis are presented as a package on invoices. For example, RVN aftercare that is priced into a surgery, or provision of fluids that is priced into a general anaesthetic. It is important that the framing of the final remedy allows for this: amending this approach is likely to require significant changes to CVS' practice management system ("**PMS**") (and doubtless similar for its competitors), which would be disproportionate given the fact it would not lead to any material additional clarity for consumers.

Proposed Remedy 6: Requirement to have in place written policies and processes to ensure that vet professionals are able to act in accordance with relevant provisions of the RCVS Codes and Guidance including giving pet owners independent and impartial advice and a range of treatment options where appropriate

Ensuring compliance with the ethical and professional standards of vets and RVNs is core to CVS' ethos. CVS does not have any incentives in place which would inhibit or influence vets' clinical freedom to provide or recommend a choice of treatment. The RCVS Code of Conduct already requires vets to provide independent and impartial advice, and advise customers of any conflict of interest. As such, CVS broadly supports this proposal as it reflects CVS' existing practice, along with the Code of Conduct and associated guidelines. CVS considers that its existing training for practice staff would comply with this remedy if implemented.

Proposed Remedy 7: Requirement to make pet owners aware they can get a prescription and buy medicines online more cheaply through standardised notices in waiting rooms and by including standardised messages in a range of communications. Vets would need to tell pet owners about written prescriptions in consultations. Undertaking from the RCVS to produce and distribute standardised notices and information about the written prescription process and for it to host a copy of literature on its website

CVS notes that its FOPs already make pet owners aware that they can get a written prescription (e.g. via prominent signage in receptions), as is required under the RCVS Code of Conduct and Practice Standards Scheme, and that they can purchase veterinary medicines via other channels,

including online pharmacies (particularly in respect of medicines for chronic conditions). As such, CVS does not object to this proposed remedy in principle, but does have concerns regarding the messaging. CVS notes that the CMA intends to conduct consumer research in respect of the precise wording for the message to consumers about potential online savings. CVS strongly asserts that any such message should be drafted in a way that does not potentially mislead consumers about the magnitude of the savings available – particularly as prices can change and rigid wording could undermine price competition from FOPs (e.g. by changing "*Medicines are often available significantly cheaper online*" to "*Medicines can be available cheaper online*").

For the same reasons set out under Proposed Remedy 2a, CVS believes that *all* FOPs should have a six-month deadline for implementation.

Proposed Remedy 8: Requirement to give pet owners written prescriptions by end of consultation (hard copy) or end of day (digital)

CVS has serious concerns about this proposed remedy – specifically the handling of written prescriptions – due to the unintended consequences that will arise if the CMA does not place due weight on the growing prevalence of prescription fraud. Both CVS and the VMD have already emphasised this risk to the CMA.[16]

In its current form, this proposal would require FOPs to issue all requested prescriptions directly to the pet owner. However, in response to the increasing fraud risk, numerous CVS FOPs now email prescriptions directly to (bricks and mortar or online) pharmacies. If these remedies are implemented in their current form, CVS considers it would likely lead to an increase in prescription fraud, which would have clear adverse effects on animal welfare and the safeguarding of pet owners (in the case of prescription of controlled medications or medications of addiction).

For example, CVS understands that the VMD received just under 900 reports regarding prescriptions in 2024 (a significant increase from 700 in 2023), of which roughly 75% related to the tampering of a prescription, and most of the remaining 25% related to fraudulent prescriptions. The VMD expects the figures for 2025 to be similar to 2024. CVS also notes that the issue could be on a greater scale in practice, as these figures only account for instances reported to the VMD.[17]

CVS' view is that this proposed remedy should preserve the ability for vets to transmit prescriptions to a pharmacy of the customer's choice where it is practicable and feasible to do so. In order to ensure that this is capable of effective implementation in practice, CVS also proposes that digital prescriptions are provided within 24 hours of the consultation (as it may not be possible to transmit the prescription on the same day, for example where the owner is unsure of which online pharmacy they wish to use). The CMA should also clearly outline how this requirement would apply where the customer does not choose a pharmacy within that 24-hour period.

For the same reasons set out under Proposed Remedy 2a, CVS believes that *all* FOPs should have a six-month deadline for implementation.

[16] See, for example, CVS Response to the CMA Remedies Working Paper, page 24 and VMD Response to the CMA Remedies Working Paper (pages 1 and 4).

[17] Prescription fraud was also referenced in VMD's response to the CMA's Remedies Working Paper.

Proposed Remedy 9: Requirement to be clear that there are alternatives to own-brand medicines and provide information on active ingredients so those alternatives can be found

CVS does not have any objection in principle to the active ingredient and the name of branded equivalents being provided both on the *labelling* of veterinary medicines and the associated invoice. CVS notes that its own-brand medicine range (MiPet) already lists the active ingredients on its packaging (and notes this is a requirement for all veterinary medicines). However, the precise method of providing the additional information on branded equivalents has important implications and this should be clarified further by the CMA:

- Any change to the *packaging* of veterinary medicines requires formal variation of the market authorisation from the VMD. The PDR does not consider the impact of this on the timing for, and costs of, implementation of this proposed remedy. CVS therefore considers that changes to the packaging for its own-brand medicine range (MiPet) are wholly disproportionate (particularly given existing stock levels).
- CVS considers a more reasonable and proportionate interpretation of the CMA's proposal is that details of the active ingredients in own-brand medication (which is already the case for MiPet) and names of branded equivalents would need to be *affixed to the packaging via a label*, and that no changes to the packaging itself would be needed. This would comply with market authorisation requirements, and also enable CVS to update the list of other brands to reflect new entrants etc.
- Regarding the inclusion of the names of branded equivalents, CVS considers it would be wholly disproportionate to require the names of *all* equivalents in circumstances where some generic medicines will have multiple branded equivalents (sometimes 10 or more). This would place a very significant burden on vets, who will not necessarily know the safety profile for medications their practices do not routinely stock. CVS requests that the CMA clarifies that vets can select the branded equivalents based on their clinical knowledge. In CVS' view, the most proportionate approach, which would also be most appropriate from the prescribing vet's perspective, would be to specify only the white-labelled branded equivalent of the MiPet product.
- CVS believes the CMA should also explore with the VMD whether there is a risk of this proposed remedy being construed as advertising of veterinary medicines, which is strictly regulated.
- It is not clear whether the information set out on labels and associated invoices would need to be updated each time a new branded equivalent enters the market or its licensing expires. CVS believes it would be disproportionate and disruptive to require this, and highlights the point made above in respect of the number of branded equivalents that would need to be listed. To the extent the CMA still considers it appropriate and proportionate to include this requirement, CVS proposes that the information is reviewed on an annual basis.

Proposed Remedy 10: Requirement to contact customers at specified times to ask for their default preference for repeat prescriptions - whether to buy online or in-clinic

While CVS does not object in principle to this proposed remedy, it notes that there will be practical challenges to implementation, and related costs. As the CMA is aware, many veterinary businesses use practice management systems to digitally manage their practices. Implementing this remedy would require changes to existing systems in order to add this functionality, and CVS considers this would likely take longer than the time currently proposed. There are related challenges e.g. in the case of dosage changes, which would require changes to the prescription and in turn would trigger a more cumbersome administrative process.

CVS also considers that it would be more appropriate for this remedy to refer to "recurring" prescriptions instead of "repeat" prescriptions. This is because repeat prescriptions can include situations such as when a pet owner needs a previously prescribed medication after a break.

Regarding the exceptions to this proposed remedy, CVS proposes that the 'emergency' exception applies in circumstances where the pet owner requires the medication immediately (rather than urgently) and that 'immediately' is defined to an appropriate period such as two working days. This would better reflect the scenario envisaged by this exception.

For the same reasons set out under Proposed Remedy 2a, CVS believes that *all* FOPs should have a six-month deadline for implementation.

Proposed Remedy 11: Requirement to charge no more than £16 for providing a written prescription and put in place policies and procedures on the duration of prescriptions and charging a single prescription fee per consultation

CVS has significant concerns with this proposed remedy. A price cap is one of the most interventionist remedies the CMA can impose, and it has not demonstrated sufficient evidence of an AEC that could possibly justify such an extreme measure. In particular:

- **No price control is justified:** CVS continues to consider that the implementation of a price control on prescription fees is not a proportionate remedy to address concerns identified by the CMA, particularly when considered in combination with Proposed Remedy 2b which would require the publication of prescription fees, Proposed Remedy 7 which will continue to ensure that pet owners have full visibility of the relevant cost, and their ability to purchase veterinary medicines from alternative sources. By way of analogy, CVS notes that the CMA did not consider it proportionate to pursue price controls in the private healthcare market investigation, on the grounds that such measures would be ineffective at addressing the AEC identified there.
- **In any event, the proposed cap is disproportionately low:** The proposed level is too low, and presents a clear risk of unintended consequences. While CVS notes that the PDR does not refer to VAT, CVS understands from the webinar held by the CMA on 29 October 2025 that the proposed fee cap of £16 *includes* VAT. As such, the cap is in fact £13.33. CVS has multiple concerns in this regard: (i) this is not a proportionate or appropriate maximum price point for a legal document that could conceivably cover an unlimited number of medicines; (ii) the cap has not been set by reference to any robust cost assessment, given the difficulties in disaggregating costs associated with prescriptions, which are inherently intertwined with

other FOP costs[18] – this means that there remains a clear risk of FOPs trying to recoup relevant costs elsewhere; and (iii) the CMA appears to have chosen a figure at the lower end of the *current* prescription fees charged by FOPs, but this does not take into account the additional costs that will result from the CMA's other proposed remedies (including the timing of the provision of prescriptions under Proposed Remedy 8, the PMS changes that are necessary to implement Proposed Remedy 10 etc.) – this will further exacerbate the concern outlined in (ii).

For these reasons, CVS strongly urges the CMA to reconsider the imposition of a price cap, and in the alternative, the level of the price cap. At the current proposed price cap level, CVS considers it would be unable to cover its existing associated costs. CVS notes that its current prescription fee is already based on its cost of delivery (such as a vet's time involved in reading and interpreting the clinical notes, selecting the appropriate products to prescribe, and calculating dosage etc.).[19] It is therefore CVS' view that the appropriate minimum price cap level should be its current fee of [✂] (including VAT). In addition, to the extent a price cap is imposed, it is critical this is *per prescription* rather than *per visit*, given the costs associated with writing prescriptions multiplies with the number of drugs prescribed.

Regarding the timeline for implementation, CVS believes that *all* FOPs should have a six-month deadline for implementation. The CMA's reasoning for a three-month deadline for larger veterinary businesses fails to consider the additional financial impact faced if the other proposed remedies are implemented at the same time as the price cap.

Proposed Remedy 12: Requirement not to use for new (or enforce for existing) out-of-hours contracts notice periods which are longer than 12 months, with no payments required unless a FOP stops using the services before the notice period expires

CVS' OOH notice periods are already less than 12 months, and it does not impose any financial penalties for early termination of an OOH contract.

Proposed Remedy 13: Requirement to offer communal cremations, make pet owners aware of all available end of life options, publish individual and communal prices and observe 'cooling off' periods

CVS' 'Direct Pet Cremation' process already ensures that communal cremations are offered and that pet owners are made aware of all available options. It puts customers directly in contact with crematoria to make pet aftercare arrangements (rather than feeling pressured to make immediate decisions in the consulting room). This process helps to ensure that clients do not make rushed choices at a vulnerable time, and allows them adequate time to assess various services on offer, to enable an informed decision.

While CVS does not object to the CMA's proposed 'cooling off' period, it notes that vet practices using a crematoria without a 'Direct Pet Cremation' service may have administrative issues due to the short length of time of the proposed 'cooling off' period. This could result in incorrect processing or misplaced remains, which clearly would be a very poor outcome for pet owners.

[18] For example, it does not take into account the associated costs of the professional time and skill required for prescribing medicines under the RCVS Code of Conduct for Veterinary Services.

[19] CVS RFI2 response, 25 October 2023, question 19. CVS' current prescription fee has been applicable since 1 June 2023.

CVS also welcomes the inclusion of individual and communal cremation prices on the price list discussed above.

For the same reasons set out under Proposed Remedy 2a, CVS believes that *all* FOPs should have a six-month deadline for implementation.

Proposed Remedy 14: Requirement to publish and provide pet owners with an in-house complaint process which meets specified minimum criteria, and for a sample of veterinary businesses to share a log of complaints with the RCVS

Proposed Remedy 15: Requirement to engage in mediation in good faith where the pet owner's complaint is not resolved in-house and the pet owner wishes to take the complaint to mediation

CVS has an effective complaints procedure in place, and welcomes these proposed remedies which aim to ensure all owners can access redress mechanisms where they are not satisfied with the service they have received. However, it will be important to understand the practicalities of these proposals to avoid unintended consequences – particularly around funding the costs associated with RCVS monitoring compliance and the VCMS process (which is also funded via RCVS fees), the nature of VCMS decisions (i.e. whether they are binding), and what level of complaints would be reported (given the inherent risk of underreporting where the parameters are not sufficiently clear).

Proposed Remedy 16a: Undertaking from the RCVS (or requirement by CMA Order for it) to develop and publicise a decision tree to help pet owners navigate the different routes to redress

CVS welcomes this proposed remedy – ensuring that pet owners feel comfortable to and capable of seeking redress will help support the trusted relationship between owners and their vets, which is a fundamental element of the profession.

Proposed Remedy 16b: Undertaking from the RCVS (or requirement by CMA Order for it) to collect, analyse and publish on an annual basis data and insights on complaints in the veterinary market for household pets

CVS has significant concerns about the material unintended consequences that would arise from the CMA's proposal for RCVS to publish collated complaints data. It is therefore very important to understand how the RCVS will collect data on complaints and how this will be presented. If this is not handled appropriately, there is a real risk of vet practices under-reporting to the RCVS the number of complaints they have received, particularly where that results in them appearing to have a low complaint rate when the data is published.

CVS' view is that this remedy could compromise the extent to which practices ensure they maintain good record keeping and cultivate a safe environment for learning and development. It would be more proportionate to require the RCVS to monitor, collate, and publish a report on whether practices have a robust and effective complaints mechanism in place, together with industry-wide recommendations for suggested improvements. This would achieve the CMA's ultimate aim of ensuring pet owners have effective means of redress, without unintentionally compromising the training provided within vet practices (which in part relies on the open sharing of lessons learned).

Proposed Remedy 17: A recommendation to government to establish a replacement statutory regime for the regulation of veterinary services for household pets, including: regulating veterinary businesses and the practices they own; regulating the professional conduct of vets and vet nurses; robust and effective monitoring and enforcement; an effective complaints and redress system; statutory duties to promote competition and further the interests of pet-owners; and an independent and effective veterinary regulator

CVS is, in principle, supportive of this proposed recommendation, much of which reflects calls for reform made by CVS prior to and during the Market Investigation. CVS looks forward to engaging constructively and proactively with government on potential proposals.

Appendix to Annex 1 to CVS Response to CMA Provisional Decision Report

14th November 2025

1. OVERVIEW

The CMA's proposed survey remedy has several issues which need to be addressed for it to be an effective tool to measure and communicate quality, and in particular for it to add any value to the existing methods consumers use to determine their choice of FOPs (in particular word-of-mouth about local practices). In its current form, the survey risks actively misleading customers. As set out in **Annex 1**:

- **Granularity:** Because the proposed survey is conducted at a national average level, it could be seriously misleading if used to guide consumers' local choices, and is unlikely to have a major impact on LVG or independents' incentives to improve quality at individual local sites.
- **Cost perceptions:** Including questions on *perceptions* of cost, which are likely to be influenced not by actual cost comparisons but rather by other aspects of service quality, could confuse consumers and undermine the usefulness of the other remedies the CMA is proposing in relation to cost/price transparency.
- **Quality questions:** Although there is less risk of cutting across alternative quality remedies (given that quality is inherently more a question of perception than something that can be readily quantified), the reliability of any survey- based results will depend critically on the precise questions asked. In our view there is a benefit to simplicity in this respect, as we set out below.
- **Other concerns on survey design:** There are also a number of technical issues related to survey design, that will need to be resolved, particularly if the CMA goes down the currently proposed route of a relatively detailed and bespoke survey. These are set out at the end of this paper.

These issues are discussed in greater detail below.

2. NATIONAL AVERAGE RESULTS ARE UNLIKELY TO ADD MATERIAL VALUE TO CONSUMERS IN CHOOSING A LOCAL FOP – PARTICULARLY IN RELATION TO INDEPENDENT VETS

As it currently stands, the CMA's proposed survey is designed to be carried at an overall LVG level and as such, will not pick up material variations in quality offered between individual FOPs. Each LVG group has on average ~440 sites, while independents collectively comprise 1,767 sites.[1] As the CMA acknowledges in the PDR, there is natural variation in the quality and cost offering across FOPs within each category, particularly amongst independent FOPs, but even for LVGs.

1 CMA's PDR: Part A, Table 2.1.

A national average survey at a group level therefore would not capture the quality offering at the individual FOPs available to any individual pet owner, whether they are LVGs or independents. This seriously undermines the utility of such a survey for customers in choosing an FOP.

Local competition already provides strong incentives for CVS (and presumably other LVGs) to improve performance at sites that currently have a lower NPS. These locally driven incentives are likely to continue to be much stronger in driving local investments and improvements to its network than a national average score (where any individual site's performance will have a negligible impact). Specifically, in response to the CMA's Working Papers, CVS submitted a CRA analysis that established a relationship between NPS and customer switching. Higher NPS was associated with a lower switching rate, showing that individual FOP quality matters to customers.[2] Muddying these existing signals with a national average score that bears no relation to any individual FOP's quality offering does nothing to increase CVS's incentives to invest in individual practices.

Moreover, such incentives to improve performance in order to bring up the average national score will clearly not exist at all for independents, where those with a high-quality offering will risk finding their reputation tarnished by responses relating to entirely unrelated independents that do not offer the same high-quality service, which they have no ability to influence, and where their own contribution to the average is insignificant. Similarly, the availability of these average survey results could even result in lower-quality independents having a reduced incentive to invest or improve the quality of their services if the average survey results drive an unduly positive view of their quality, based on the performance of entirely unrelated businesses.[3]

The existence of an "official" quality rating based on a national survey that is communicated locally is also likely to mislead many consumers into believing that the quality rating published at local practices will reflect local quality levels – and therefore may well put them off making the efforts required to gather actual word-of-mouth evidence on the quality of the local FOPs in their area – which would have better guided their decision.

Overall, it is highly unclear what value a *national* level average survey gives to customers in choosing a *local* practice than their current approaches to assessing quality (i.e., visiting a practice, speaking to local friends and family about their experiences, looking at online reviews, etc.) which would be

2 See Section 2 of Annex 4 Consumer perceptions of quality submitted (on 24th March 2025) in response to the CMA's WPs, which shows the correlation between NPS and switching. In response to our analysis on the relationship between NPS and switching rates, the CMA claims to have identified a "staggered treatment problem". However, this criticism is mainly valid for difference-in-difference specifications where the treatment "switches on" or "off". That is not the case here, as CRA's analysis is a two-way FE regression where the treatment (NPS) is a continuous variable that varies both across time and across FOPs. Rather than being a difference-in-differences analysis, it is a standard "within" estimator. In any case, the CMA appears to broadly accept the results of the analysis despite its (mis-placed) critique. The CMA attempts to minimise the implications of the results by claiming the results are "not economically significant". This claim is incorrect and appears to be based on an assumption that a [✂] percentage point change in response to a [✂]-point increase in NPS must be small. In fact, a [✂] percentage point decrease in switching is highly economically significant when compared to the mean switching rate across FOPs of [✂]%, implying that a [✂] percentage point increase in NPS reduces switching by [✂]%. Lastly if, as in the CMA's view, NPS was an imperfect measure of quality, the true relationship between quality of care and switching is much larger than estimated in CRA's analysis. See, e.g., Fuller, W. A. (1987). Measurement Error Models.

3 The CMA's proposal in paragraph 3.179 of the PDR Part B to accompany the averaged results for independents with an explanation of the methodology and a recommendation to interpret results seems unlikely to be read by all pet owners – and those who do would likely draw the conclusion (correctly) that they should not place much if any weight on these results in guiding their local choice of FOP.

supplemented by other remedies that ensure accessible and consistent non-price information at the FOP level to pet owners (such as on ownership, RCVS or PSS accreditations or awards, qualifications held by practice staff etc). To the extent that the existence of such a survey reduces consumer incentives to undertake such local research, and/or misleads them into a false impression of the quality of their actual local providers, it could be actively harmful to outcomes. As such, if the CMA nonetheless goes ahead with a survey remedy, it is at the very least critical that it is clearly communicated to consumers that these are national average results, and that the performance of their local FOP may vary substantially from the average. The PDR acknowledges that a survey undertaken at the FOP-level would be more effective to inform pet owner choice and drive competition between the different types of businesses,[4] but instead proposes a group level survey as a second-best alternative due to (valid) concerns around practicality and proportionality of running an FOP-level survey. While CVS fully agrees that a site-level survey would be onerous and disproportionate, a national average survey could be actively misleading in driving local decision making.

3. COST/PRICE QUESTIONS ARE LIKELY TO UNDERCUT OTHER ELEMENTS OF PRICE TRANSPARENCY

The PDR indicates that the CMA intends to capture perceptions of cost/price as well as quality with the survey. It is unclear why the survey would need to cover cost/price perceptions, and *perceptions* of price/cost risk being misleading and would in any event be unnecessary given the extensive cost transparency remedies that the CMA is also proposing.

Indeed, in our view a survey question on cost could easily cut across these other remedies and make them less effective. Remedies to either improve transparency or directly control costs and prices include publishing of price and service lists online (Proposed Remedies 2d and 3), caps on prescription fees (Proposed Remedy 11) and provision to provide a written estimate for treatments (Proposed Remedies 5a and 5b). Subject to CVS' feedback on their precise scope, these remedies will effectively achieve cost transparency via published prices that consumers can easily and effectively use to inform their own particular choice, rather than based on an average *perception* which (a) may not be accurate in general, (b) will very likely in any case not be accurate for their local area (given that even LVGs do not price uniformly nationally), and (c) will not reflect their particular pet or requirements.

Given that pet owners tend to only be aware of and experience the price charged by their particular FOP, and not what they would have been charged anywhere else, any survey response on price will typically not be based on factual evidence, but rather on a "sense" of whether their practice is expensive or not, or perhaps on comparisons with friends' experiences that may or may not actually be comparable. This means for example that groups that offer a wider range of more sophisticated services may appear in a survey to be more expensive than groups that have a more basic offer – but for any particular customer obtaining a "like-for-like" service, that would be misleading.

Indeed, given the lack of direct information on comparative prices (beyond those that all customers will be able to access directly through the CMA's other proposed transparency remedies), customer perceptions on cost will instead be driven by other factors (e.g. customers may perceive a vet that offers high quality front of house facilities as being high cost, on the assumption that a better consumer-facing offer must also be more costly, when in reality the price of treatments may be equivalent to other FOPs with lower quality front of house facilities). Any "perception" of cost would be highly subjective to the

4 CMA's PDR: Part B, paragraph 3.173.

respondent and as such, would not be a useful metric to guide other potential customers (for example, what is perceived as a higher cost offering by one consumer is relative to their circumstance and may in fact be the preferred option for another, with a different circumstance).

The objective of price/cost transparency and comparability is already addressed through the CMA's other price-transparency remedies, which would enable customers to compare actual prices across the FOPs that are actually available in their local area, and focusing on the treatments that they actually expect to need for their particular pet. Providing an estimated national average "perceptual" measure is likely to be misleading and result in worse, rather than better, decision making by consumers.

4. QUESTION DESIGN WILL BE CRITICAL TO AVOID MISLEADING RESULTS

As the CMA is aware, survey results are highly dependent on the specific questions asked. How the question is framed can make a material difference to how customers answer the question. The PDR is unclear on which elements of quality should be captured – only suggesting that this should focus on areas that consumers experience directly (e.g. customer service or satisfaction with outcomes) rather than clinical quality.

Having too many questions on different aspects of quality (and/or cost) risks placing equal weight on aspects that the customer may not find at all important and those that they see as critical. One way to manage this would be to ask a single simple question (similar to the question used to assess NPS – "*how likely are you to recommend this practice to a friend or relative?*" on a scale of 1-10). This would ensure that the respondent places weight on the aspects of quality (and cost) that they actually care about, rather than having to respond to multiple questions. An NPS-style question also has the advantage of being effectively "pre-trialled" as it is already used in the normal course of business by many companies across different sectors (including veterinary services), suggesting that it is considered to generate results of some objective meaning and value in assessing customer satisfaction. It would also short-cut arguments about potential bias being introduced in the design and structure of the questions asked. However, given many FOPs already monitor and publish their NPS[5], it is not clear what a survey remedy would then add in this context.

If the CMA nonetheless determines that it is important to capture different elements of quality, it will be necessary to find another way to capture which elements of quality are actually of importance to consumers and/or to focus only on those elements that are generally considered important.

Restricting the survey to a single simple question (or a small number of questions) could also substantially reduce costs by allowing the question to be included within a broader omnibus survey, rather than incurring the overheads associated with a custom/bespoke survey with multiple questions, and therefore would achieve the aims of addressing the identified concern (i.e. a lack of transparency on how effectively different corporate groups on average meet customer requirements) at a proportionate cost and with less risk of generating misunderstanding.

Of course, even in relation to quality, and even if a single simple question is employed, a national average survey result would still be less reliable in assisting customers to choose a particular local FOP than the methods they currently use, as set out above, and therefore we would still question the

5 CMA's PDR: Part A, paragraph 8.68.

necessity, proportionality and effectiveness of even this relatively more proportionate and effective survey approach.

5. OTHER ISSUES AROUND SURVEY DESIGN

5.1. Definition of an "LVG"

Given that there are a number of smaller veterinary chains that do not yet qualify as "LVGs" based on the CMA's definition, and that further consolidation is likely to occur in the future, it will be essential to identify the threshold at which veterinary groups become an "LVG" and therefore take part in any survey on the same identified basis as the current LVGs (and bear the appropriate costs). For instance, in paragraph 3.175 of the Part B of the PDR, the CMA states "*We propose that if other veterinary businesses were to grow sufficiently large that survey results could be separated out for them, then they would at that time be included in this remedy*." The CMA would need to carefully consider potential incentives to stay just below the relevant threshold if becoming an "LVG" were to have material cost or reputational implications for such groups, potentially resulting in the "independent" average being skewed by a number of groups that are large – but not large enough to qualify as "LVGs".

5.2. Definition of "Practice"

It will also be important to define what is meant by a "FOP" in terms of funding the survey and identifying the threshold at which a site is identified as a "practice" and in turn, when growing groups of vets become "LVGs" rather than "independents". As the CMA will be aware, CVS (and others) have many small and part-time offices that operate entirely as satellites with respect to a broader practice/hub site, and may not be viable as stand-alone FOPs.

5.3. Critical insights from the CMA pet owner survey

The PDR suggests that the proposed survey would have a similar design to the pet owner survey conducted by the CMA to inform its market investigation. As set out in CVS' response to the CMA's working papers, we have already raised a number of concerns about this survey, some of which are reiterated below.[6]

- First, the pet owner survey had a low response rate (only c.10% of pet owners that received a letter responded to it). A lengthy survey would result in a similar issue of a low response rate. A smaller number of questions asked within a broader omnibus survey is likely to have a higher response rate.
- Second, the previous survey suffered from engagement bias. Hence, the CMA needs to be careful in how it intends the RCVS to distribute any bespoke survey and ensure that incentives are structured in the right manner to avoid only surveying those pet owners who visit the vet more frequently. Otherwise, it might lead to biased results which may not be informative for the purposes of measuring quality experienced by (and the elements of quality important to) the typical/average customer.
- Third, the survey suffered from a deprived area bias. The distribution of surveys was weighted towards more deprived areas to achieve a balance in the sample of respondents. However, it resulted in an overall higher response rate from these more deprived areas. Hence, care must

6 See Annex 1 CMA Analysis of survey evidence submitted (on 24th March 2025) in response to the CMA's WPs.

be taken as to how the survey is distributed to ensure that the sample of respondents is representative of the demographic distribution across pet owners.

Furthermore, using a small pilot or user testing of questions would lead to unnecessary costs that would likely have to be funded by RCVS members (including vets and nurses). It would be more proportionate to implement a remedy that is relatively simple and does not result in the concerns already identified to the CMA.

There are therefore a number of serious concerns over whether any such consumer survey would actually help customers to select the best FOP to meet their needs – or rather might actually mislead them in the attempt to do so.