

Competition watchdog launches probe into £2bn vet industry

The competition watchdog is to launch a review into the UK's £2bn veterinary industry following concerns that pet owners are not getting value for money.

The Competition and Markets Authority (CMA) said it would examine if the takeover of smaller practices by big chains had reduced choice and made the sector more expensive for consumers.

Almost 90% of vets in the UK were independents in 2013.

But that had shrunk to around 45% by 2021, according to latest figures from the regulator.

The CMA said the cost of care for household pets had also soared faster than inflation – putting an extra strain on households amid the [cost of living crisis](#).

It follows concerns in recent years [about an increase in the number of animals being abandoned](#), which charities suspect is because many owners can [no longer afford to look after them](#).

Some pet owners have [even cut back on their own creature comforts and essentials in order to fund care for their pets](#), according to vet charity the PDSA.

The CMA said it was worried owners were also not being given easy access to information about pricing and treatment options when deciding which vet to use – and that it is sometimes unclear whether a practice is part of a bigger group.

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Sarah Cardell, chief executive of the CMA, said: “Caring for an ill pet can create real financial pressure, particularly alongside other cost-of-living concerns.

“It’s really important that people get clear information and pricing to help them make the right choices.

“There has been a lot of consolidation in the vet industry in recent years, so now is the right time to take a look at how the market is working.”

She added: “When a pet is unwell they often need urgent treatment, which means that pet owners may not shop around for the best deal, like they do with other services.

“This means they may not have the relevant information to make informed decisions at what can be a distressing time.”

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The CMA, which has urged pet owners and vet practitioners to

contribute to the review by visiting its website, said it would provide an update on its findings in early 2024.

News of the probe prompted a 12% fall in the share price of listed Pets at Home, which has a 24% market share in the pet services sphere and includes veterinary services.

CVS Group saw its stock plunge by more than a quarter.

Sophie Lund-Yates, lead equity analyst at Hargreaves Lansdown, said of the hits: "The size of the market's reaction shows how much of a hurdle this investigation could be for companies focused on pets.

"For the likes of CVS Group, whose main business model centres around buying up smaller clinics and vet groups, the announcement could have direct and profound implications for its operations.

"Pets at Home, although a retail giant, also has a substantial vet business, and it won't be immune to scrutiny."