Corporate-owned veterinary practices have been around for roughly 30 years, ever since VCA Animal Hospitals acquired its first independently owned companion animal clinic in 1987. Currently, VCA operates over 800 clinics throughout North America.

The success of VCA led to the formation of several national and regional chains, such as Banfield Pet Hospital, BluePearl, and Heartland Veterinary Partners. Analysts put the number of corporate veterinary practice groups at now just over 40. Private equity firms, which see companion animal practice as a relatively safe investment offering respectable returns, are funding many of the acquisitions by corporate groups.

Depending on the source, the number of veterinary practices in the U.S. ranges from 28,000 to 32,000, according to the 2017 AVMA Report on the Market for Veterinary Services. Brakke Consulting tracks corporate purchases of veterinary clinics and estimates that about 3,500 are company-owned. John Volk, an analyst with Brakke, says corporations own about 10 percent of general companion animal practices and 40 to 50 percent of referral practices.

What’s occurring in veterinary medicine is a common business strategy applied to many industries made up of multiple, small, independently owned companies. “It’s called roll up,” Volk explained. “What happens is a larger company comes in and buys up the smaller companies and builds a bigger firm.”
What the larger company looks for is a multivetarian business generating at least $1.2 million annually. “Over the years, what companies have found is that if they buy small practices or fixer-uppers, they don’t do very well with them,” he said. “And less than half of independent veterinary practices fit that category.”

Within recent years, Mars Inc. has emerged as the top corporate owner of veterinary practices. The privately held company known for M&Ms as well as Pedigree, Iams, and Nutro pet foods has dramatically grown its Petcare subsidiary with acquisitions such as Banfield, BluePearl, Pet Partners, and most recently VCA, purchased for $9.1 billion in September 2017.

Marta Monetti, vice president of Mars Veterinary Health, said the company owns more than 2,000 veterinary hospitals in the United States and Europe and employs over 50,000 veterinary professionals, making it the world’s largest practice owner and employer of veterinary professionals.

The question is how the corporate presence will affect veterinary medicine. It’s not just veterinarians asking, either. From software manufacturers to practice management companies, businesses that market to the animal health industry want to know what it means to their bottom line.

The short answer is no one truly knows. “As a profession, we’re behind in our understanding of some of these trends because it’s been happening faster than anyone anticipated,” said Matthew Salois, PhD, director of the AVMA Veterinary Economics Division.

Dr. Salois says the AVMA has a much greater understanding about the economies of independently owned veterinary hospitals than it did prior to the division’s creation in 2011. The same can’t be said for corporate-owned practices.

“We need to gather more and better information on corporate practices, but it’s difficult,” Dr. Salois said. “We can survey private practices because they are AVMA members, but corporate entities are more protective of their data.”

Anecdotes about the downside of corporate ownership abound. Yet there is no evidence that corporate-owned veterinary practices are inherently worse—or better, for that matter—than independently owned practices in terms of efficiency, patient care, staff salary and benefits, or client satisfaction. Many corporate practices have been in business long enough that, by now, institutional deficiencies in these areas would be apparent.

“Corporate practices have obviously got enough clients that they’re surviving,” said Dr. Karen Felsted, president of Felsted Veterinary Consultants Inc. “You hear all the complaints, but clearly the corporates aren’t so bad that they’re driving all the clients back to independently owned practices.”

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Condensed from Dec. 1, 2018, JAVMA News

**Lowering hurdles of licenses**

Government and veterinary leaders are trying to make it easier for professionals to keep working when they change states.

James Penrod, executive director of the American Association of Veterinary State Boards, said association staff are trying to simplify the process of licensing veterinarians and veterinary technicians.

The association is building on its Veterinary Information Verifying Agency database, which gives licensing boards background information on veterinarians and veterinary technicians, by developing the Veterinary Application for Uniform Licensure Transfer program, which is intended as a single source for license application information.

The National Conference of State Legislatures, Council of State Governments, and National Governors Association also are examining state licensing rules in a three-year project backed by $7.5 million from the Department of Labor. In the project, elected officials and staff representatives from 11 states are studying how state rules vary for 34 jobs, including veterinary technicians.

Suzanne Hultin, director of the Employment, Labor & Retirement Program for the National Conference of State Legislatures, said the project of examining state licensing rules helps policymakers research effects of license requirements on people such as military veterans and their spouses, immigrants who have work authorization, and people with criminal histories.

Federal Trade Commission officials published a policy paper this fall that encourages state authorities to improve license portability for a wide spectrum of professions. Licensing of many professions protects the public, but state-by-state job licensing requirements burden people who want to sell services or live in another state, the document states.

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Condensed from Dec. 15, 2018, JAVMA News
The continuing conundrum of feline injection-site sarcomas

Veterinarians would much rather talk with cat owners about all the advantages of vaccination for cats rather than the extremely rare occurrence of feline injection-site sarcomas. Estimates suggest that the risk of sarcoma development following vaccination is well below one per 10,000 doses of vaccine, according to the 2013 vaccination guidelines from the American Association of Feline Practitioners. The problem is, as noted by Dr. Apryl Steele, 2019 AAFP president, “There are currently no known management options to prevent or cure FISS.” Nevertheless, practitioners and researchers have continued working on answers for this aggressive form of cancer ever since a 1991 letter to the editor in the *JAVMA* suggested a potential association between vaccination of cats for rabies and development of sarcomas. Recent studies have examined areas such as incidence, pathophysiology, diagnostic imaging, prognostic markers, and treatment.

The AAFP guidelines recommend vaccination sites low on the legs rather than in the interscapular region “to facilitate complete tumor removal by limb amputation in the event that FISS develops.” University of Florida researchers published a pilot study soon afterward suggesting that administering vaccines in the distal part of the tail is as effective as administering vaccinations at traditional sites (*J Feline Med Surg* 2014;16:275-280).

Dr. Karen Stasiak, veterinary medical lead for pet care biologicals at Zoetis Inc., said of FISS, “It is the topic in veterinary medicine that evokes the strongest emotion and opinion, yet the science of it remains muddled at best, and our understanding of even the pathophysiology of the disease state still eludes us.”

The 2013 AAFP vaccination guidelines recommend regions in green as injection sites for cats. “Those in red are key sites that should be avoided,” according to the guidelines.

Research awards conferred

The following individuals are winners of the 2018 Zoetis Award for Veterinary Research Excellence. The Zoetis award recognizes researchers whose innovative studies have advanced the scientific standing of veterinary medicine.

Nicole Baumgarth, DVM, PhD, University of California-Davis
Jeremiah Easley, DVM, Colorado State University
Manuel Martin-Flores, MV, Cornell University
Christopher J. Martyniuk, PhD, University of Florida
Chad W. Schmiedt, DVM, University of Georgia
William H. Witola, BVMed, PhD, University of Illinois
Karin Allenspach, PhD, Iowa State University
Weiping Zhang, PhD, Kansas State University
Paul L. Wood, PhD, Lincoln Memorial University
Rebecca Christofferson, PhD, Louisiana State University
James Luyendyk, PhD, Michigan State University
Ashlesh K. Murthy, PhD, Midwestern University
Bruce Walcheck, PhD, University of Minnesota
Barbara Lee Faubert Kaplan, PhD, Mississippi State University
Rajiv Mohan, PhD, University of Missouri
Ke Cheng, PhD, North Carolina State University
Andrew S. Bowman, DVM, PhD, The Ohio State University
Clinton Jones, PhD, Oklahoma State University
Natalia Shulzenko, PhD, Oregon State University
Nicola J. Mason, BVMed, PhD, University of Pennsylvania
Jean Stiles, DVM, Purdue University
Patrick Kelly, BVSc, PhD, Ross University
Dave Marancik, DVM, PhD, St. George’s University
M. Katherine Tolbert, DVM, PhD, University of Tennessee
Jay Ramadoss, PhD, Texas A&M University
Cheryl London, DVM, PhD, Tufts University
Deepa Bedi, PhD, Tuskegee University
John H. Rossmeisl Jr., DVM, Virginia-Maryland College of Veterinary Medicine
John Wyrick, PhD, Washington State University
Brian Oakley, PhD, Western University of Health Sciences
Marulasiddappa Suresh, DVM, PhD, University of Wisconsin-Madison

Condensed from Dec. 1, 2018, *JAVMA* News

Condensed from Dec. 15, 2018, *JAVMA* News
Mind the pay gaps

Wage gaps among various groups of veterinarians are best thought of as a Rubik’s Cube, according to Clinton L. Neill, PhD—there are a lot of factors and moving parts involved in identifying and solving the gaps.

The gender pay gap has received the most attention because women comprise a majority of the profession. But other gaps exist. For example, male or female, veterinarians who are parents make less money than veterinarians who are not. And, although minority groups likely also experience pay gaps, data are lacking.

Speaking at the 2018 AVMA Economic Summit, Oct. 22-23 in Rosemont, Illinois, Dr. Neill said it appears the gender wage gap is relatively small among new veterinarians. However, the gender pay gap grows over time and is most prominent among veterinarians with incomes over $100,000 across all practice types. There is a 2 percent to 20 percent disparity, depending on experience level, between men and woman in the upper income brackets.

While women may be paid less than their male counterparts, minorities across all industries are paid even less on average.

In veterinary medicine, some experts report not having enough responses within data sets to make conclusions about pay gaps for minority groups within the profession because of the small number of ethnic minorities working in the veterinary industry. According to the 2017 BLS report “Labor Force Characteristics by Race and Ethnicity,” about 92 percent of the veterinarians in the U.S. are white.

Salaries, debt for new graduates continue to increase

The latest figures on salaries and debt for the Class of 2018 show increases in both categories.

In 2014 dollars, the real mean debt of all 2018 graduates from U.S. veterinary colleges including those without debt, was $143,111, an increase from $133,086 in 2017 and $138,151 in 2016.

Among 2018 graduates with debt, about 35 percent had borrowed $10,000 to $40,000 more than the total cost of education plus interest. Twenty-one percent had borrowed $50,000 to $90,000 above that level, and strikingly 44 percent had borrowed $100,000 or more over the cost of attendance plus interest.

The information was presented by Charlotte Hansen, statistical analyst in the AVMA Veterinary Economics Division, during a talk on the “Supply of Educational Services” at the 2018 AVMA Economic Summit, held Oct. 22-23 in Rosemont, Illinois.

Salaries among graduates also continue to increase. In 2014 dollars, real mean starting salary for 2018 U.S. graduates finding full-time employment prior to graduation (weighted to account for changes in gender, practice type, and region) was $76,633, up from $73,626 in 2017 and $72,187 in 2016. Household incomes have risen, so there’s more spending on veterinary services, which has resulted in the increase in starting salaries, Hansen said.

The overall debt-to-income ratio among 2018 graduates was 2.26:1, up from 1.85:1 last year. Hansen added that the inclusion in the data set of the two new veterinary colleges at Midwestern University and Lincoln Memorial University contributed the most to the sharp increase.
The heated topic of raw milk

The AVMA supports laws requiring pasteurization of all milk, but unpasteurized milk has a devoted following despite the safety concerns and varying legality among states.

For fans, raw milk is bucolic and natural. At All Grass Farms outside Chicago, cows and calves munch on a pasture of grass, clover, and blue-flowered chicory. Customers come to the farm store to buy various products, including raw milk at $6 per half-gallon.

Cliff McConville, the farm owner, is a convert himself to unpasteurized milk, which many people believe to taste better and provide health benefits. He argues that people should be able to weigh the risks and benefits for themselves.

The interstate sale of raw milk is illegal, but state laws on raw milk are a patchwork. Some states prohibit the sale of raw milk. Other states allow retail sale, on-farm sales, herd shares, or sales of raw milk ostensibly as food for animals.

Dr. Megin Nichols of the Centers for Disease Control and Prevention presented “Multistate Outbreak of Listeriosis Linked to Interstate Shipment of Raw Milk” at AVMA Convention 2018. She said the United States had 30 outbreaks linked to raw milk from 2007-09, increasing to 51 outbreaks from 2010-12.

Dr. Danelle Bickett-Weddle of the Iowa State University Center for Food Security and Public Health presented “Raw Milk: It Doesn’t Do a Body Good ...” at AVMA Convention 2018.

“We are a food-rich nation. We are allowed financially to make decisions that other countries would dream to do,” she said. “I try to have these conversations with people any chance I get about what the risks are. Some of them you’ll never convince, even with the science.”

LMU still working toward full accreditation

Lincoln Memorial University College of Veterinary Medicine in Harrogate, Tennessee, will continue its provisional accreditation status. The veterinary college was working toward potentially receiving full accreditation from the AVMA Council on Education as early as this fall. The decision is based on a comprehensive site visit from March 25-29 and came during the COE’s Sept. 23-25 meeting at AVMA headquarters in Schaumburg, Illinois.

The council did not release any further information, and the veterinary college declined to comment at this time on the COE decision.

When a student graduates from a veterinary college that is operating under any classification of COE accreditation, the student is considered a graduate of an accredited school for purposes of licensing examinations or other certification that requires graduation from a COE-accredited institution as a prerequisite, according to the council’s FAQ. Provisional accreditation means LMU must file reports at six-month intervals to demonstrate its progress. Provisional accreditation may remain in effect for no more than five years, which will be fall 2019 for Lincoln Memorial. If the program has the status for a longer period or does not provide evidence that its program will comply, it will be placed on terminal accreditation.
Midwestern receives accreditation answer from COE

A gathering of students and staff at Midwestern University College of Veterinary Medicine in Glendale, Arizona, erupted with cheers as the news was announced that the veterinary college had become the 29th U.S. institution to receive accreditation from the AVMA Council on Education.

“It is an incredibly good feeling. It’s a very difficult thing to accomplish, and it should be difficult, as far as I am concerned,” said Dr. Thomas K. Graves, dean of the veterinary college. “It was a true team effort here, and that makes it really rewarding.”

The decision came down during the COE’s Sept. 23-25 meeting at AVMA headquarters in Schaumburg, Illinois.

Midwestern University announced in March 2012 that it would create Arizona’s only veterinary school at its 144-acre central Arizona campus. In 2013, the program received a letter of reasonable assurance of accreditation after a COE site team conducted a comprehensive site visit in January of that year.

Reasonable assurance is not a preaccreditation action by the AVMA COE. Rather, for a new institution seeking initial accreditation, such a letter indicates there is reasonable assurance of future accreditation if the program is established according to plans presented to the COE and if the institution is able to demonstrate a realistic plan to comply with the standards of accreditation.

U.S. Department of Education review of AVMA Council on Education underway

The U.S. Department of Education’s National Advisory Committee for Institutional Quality and Integrity has begun its periodic review of the AVMA Council on Education, the official accrediting agency for veterinary colleges.

NACIQI’s main job is to vote to recommend to the education secretary whether the accrediting agencies it reviews, such as the COE, deserve the department’s recognition. The Department of Education then determines whether to recognize those agencies as qualified to evaluate the education and training provided by higher education programs and to provide accreditation or pre-accreditation when appropriate.

Recognition must be renewed every five years.

At the start of the 2012 renewal process, department staff identified issues that needed to be addressed by the COE. The council retained its recognition as an accreditor while addressing those issues.

In response to input from the public and members of the veterinary community, the COE has made substantial changes in its policies and procedures in recent years.

In 2016, NACIQI recommended that the COE retain federal recognition at least through December 2017, which the USDE secretary approved. The five-year recognition renewal cycle restarted in 2018. The comment period ended Sept. 30.

A public hearing during which interested individuals will have an opportunity to provide oral comments will be held on Feb. 5, 2019, in the Washington, D.C., area. Additional information about registering for that event is available in the Sept. 4 Federal Register.