



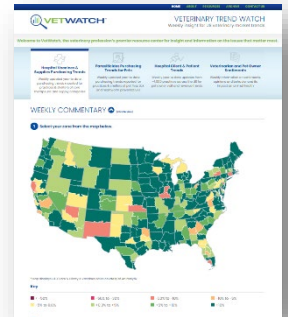
VetWatch™ Commentary For Week 26 - thru July 2, 2022

Overview:



Helping veterinary hospitals and the animal health industry stay on top of the ever-changing landscape being impacted by current events using real time data.

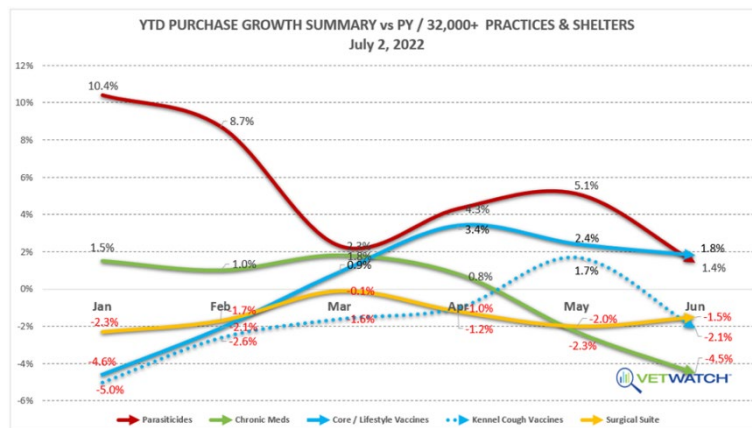
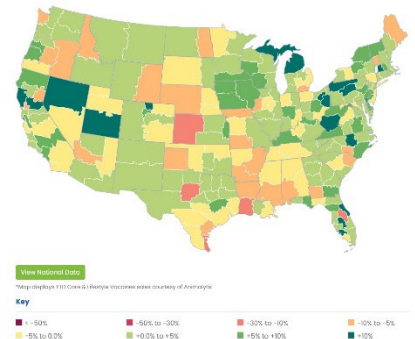
Animalytix has teamed up with NAVC, Animal Care Technologies, Circa Healthcare, M/A/R/C Research, and Packaged Facts along with our sponsors to provide VetWatch™ and Vet Watch™ Insights. The goal of VetWatch™ is to deliver the critical information needed by practices and those supporting the veterinary profession to better assess the scope, velocity, and significance of developments in the veterinary care sector across the United States: www.vetwatch.com



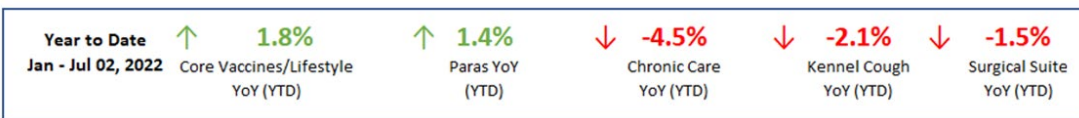
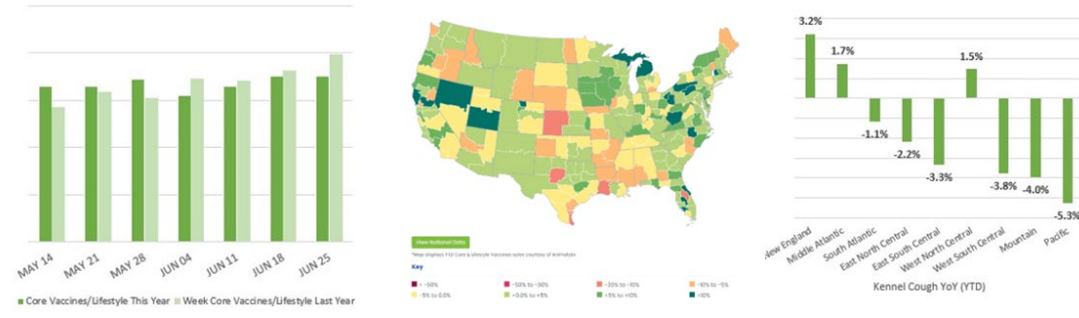
Hospital Vaccines, Supplies and Parasiticides Purchasing Trends

Weekly purchasing trends reported for practices & shelters of core therapeutic and supply categories.

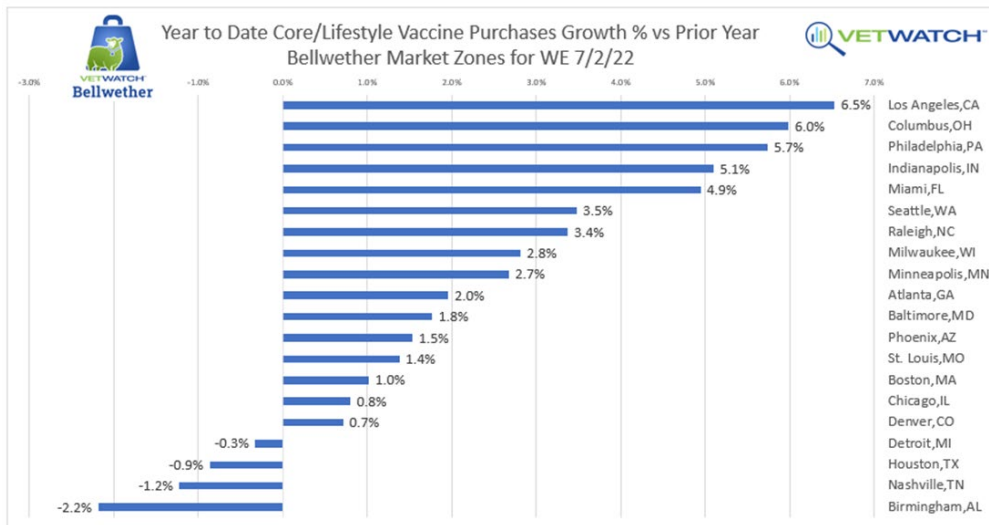
For the week ending July 2, 2022, year over year reporting showed changes from the previous week's results among the respective categories ranging from (-1.1%) to 0.5%. Core and Lifestyle vaccine indices for canine and feline patients were at +1.8% growth across the 32,000+ practices and shelter locations in the Animalytix Marketplace. YTD Kennel Cough vaccine purchases, which provide a measure of the pet mobility, were at (-2.1%)



growth. Purchases of chronic care medications and surgical consumables were (-4.5%) and (-1.5%) respectively while parasiticide growth is positive at +1.4% YTD compared to PYTD.



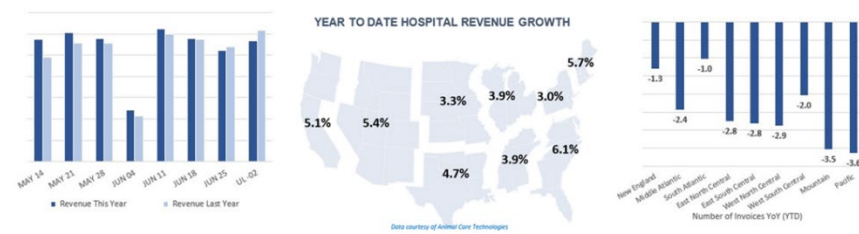
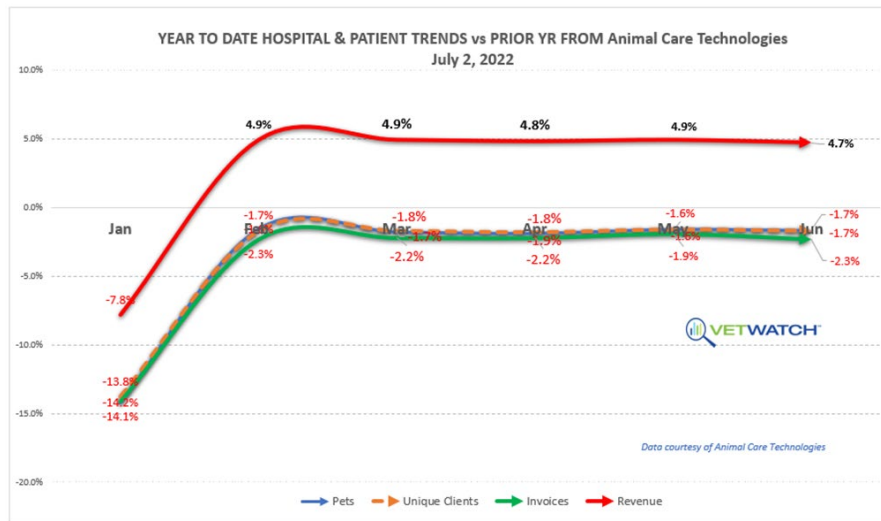
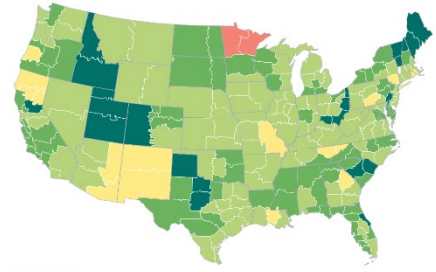
Among the VetWatch™ Bellwether reporting zones for Core/Lifestyle Vaccine Purchase growth vs PYTD, the Los Angeles, CA zone leads all markets with +6.5% growth. Growth for the Columbus, OH zone performance was notable at +6.0% while Birmingham, AL was the laggard in the group at (-2.2%) growth vs PYTD.



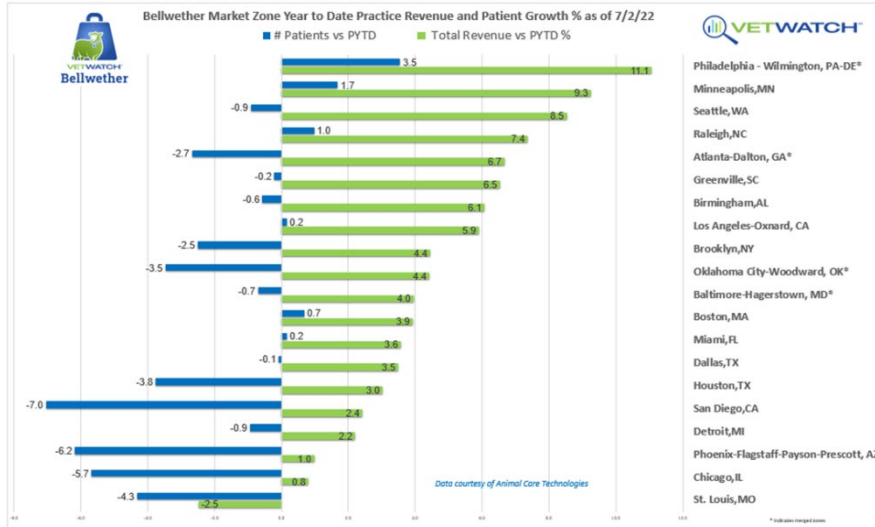
Hospital Client and Patient Trends

Weekly updates from ~3,000 practices across the US for pet owner visit and revenue trends.

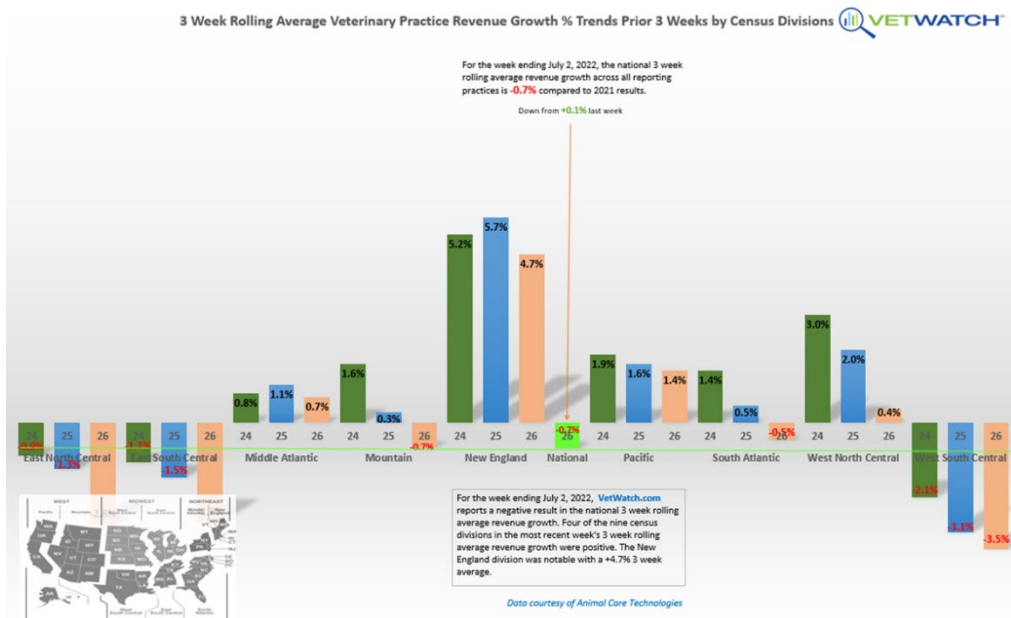
For the week ending July 2, 2022, aggregate YTD practice revenues are at +4.7% net growth versus YTD 2021 for the ~3,000 reporting practices. Period performance growth in unique patients(pets) remains at (-1.7%). Unique client and invoice growth posted (-1.7%) and (-2.3%) growth respectively vs PYTD results.



Among the listed “Bellwether” market zones, Philadelphia, PA lead with +11.1% YTD revenue growth while unique patient growth was at +3.5%. St. Louis, MO was notable among the laggard zones, finishing at (-2.5%) revenue growth and (-4.3%) growth in unique patients vs PYTD.



Following more current trends, the national 3-week rolling average for practice revenue growth was at (-0.7%). Four of the nine Census Divisions posted positive revenue growth for the current rolling 3-week average. The rolling 3-week average revenue growth index is designed to provide a more immediate view of growth trends (e.g., market velocity). A positive value indicates rolling revenue growth vs the prior year reported 3-week period.



Veterinarian and Pet Owner Sentiments

Weekly insights as reported by veterinarians and pet owners sourced from M/A/R/C Research, Cleveland research Company, and Packaged Facts.

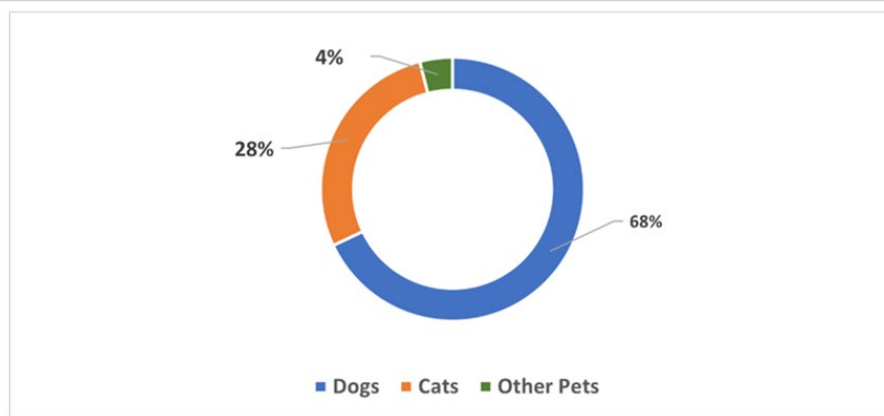
Packaged Facts reports on a variety of topics that impact pets and the veterinary industry from their U.S. Pet Market Outlook (March 2022) report, based on Fall 2021 MRI-Simmons National Consumer Studies.

Share of Veterinary Revenues by Animal Type

Packaged Facts estimates that dog expenditures accounted for 68% of overall veterinary sector revenues in 2021 compared with 28% for cats and 4% for all other pets—the same distribution as in 2020.



Veterinary Sector Sales and Share by Animal Type, 2021
(percent)



Source: Packaged Facts, U.S. Pet Market Outlook (March 2022)

Vets and Non-Medical Pet Services

Veterinary Spending: Dogs vs. Cats

Packaged Facts estimates veterinary sector revenues in 2021 at \$24 billion in dog services and products, and nearly \$10 billion in services and products for cats. (Other pets are excluded from these figures.) Per pet, these numbers translate to average annual vet expenditures of \$284 per dog, up from \$260 in 2020, and \$167 per cat, up from \$155 in the prior year.



Packaged Facts



Topline U.S. Veterinary Sector Revenues by Type of Pet: Dog vs. Cat Expenditures, 2021 (in millions of dollars and dollars)		
	For Dogs	For Cats
Total	\$23,979	\$9,874
<i>Sales/per pet</i>	<i>\$284</i>	<i>\$167</i>
Services	\$16,826	\$6,928
<i>Sales/per pet</i>	<i>\$199</i>	<i>\$117</i>
Products	\$7,152	\$2,945
<i>Sales/per pet</i>	<i>\$85</i>	<i>\$50</i>

Source: Packaged Facts, U.S. Pet Market Outlook (March 2022)

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Sponsors

