



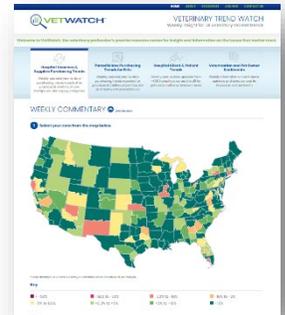
## VetWatch™ Commentary For Week 20 - thru May 21, 2022

### 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.

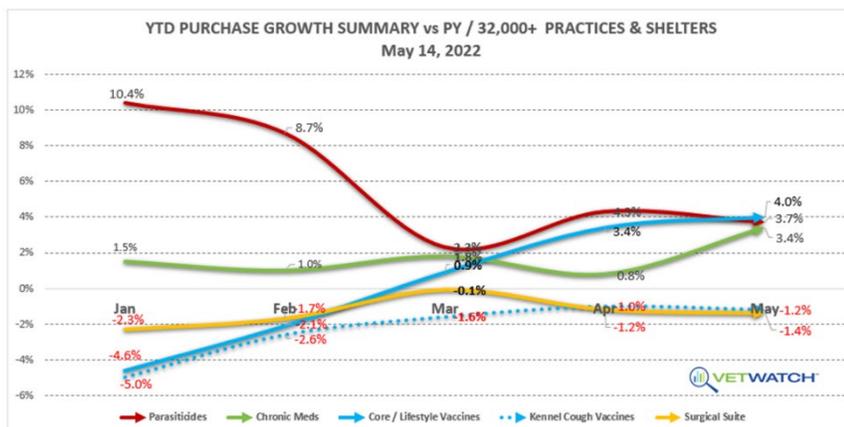
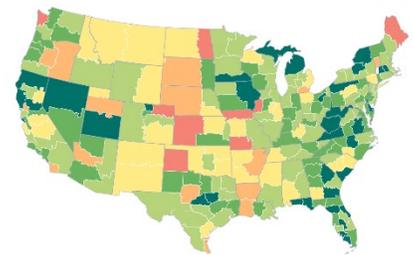
Animalytix has teamed up with NAVC, Animal Care Technologies, Circa Healthcare, M/A/R/C Research, and Packaged Facts along with our sponsors to provide VetWatch™ and Vet Watch™ Insights. The goal of VetWatch™ is to deliver the critical information needed by practices and those supporting the veterinary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



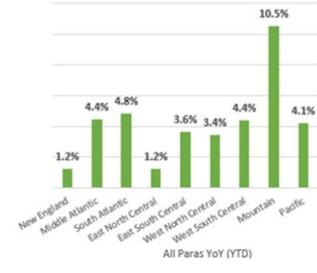
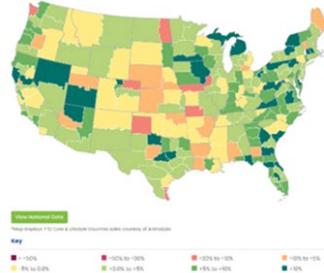
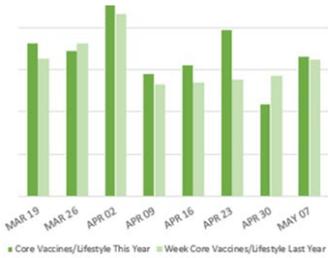
### Hospital Vaccines, Supplies and Parasitocides Purchasing Trends

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

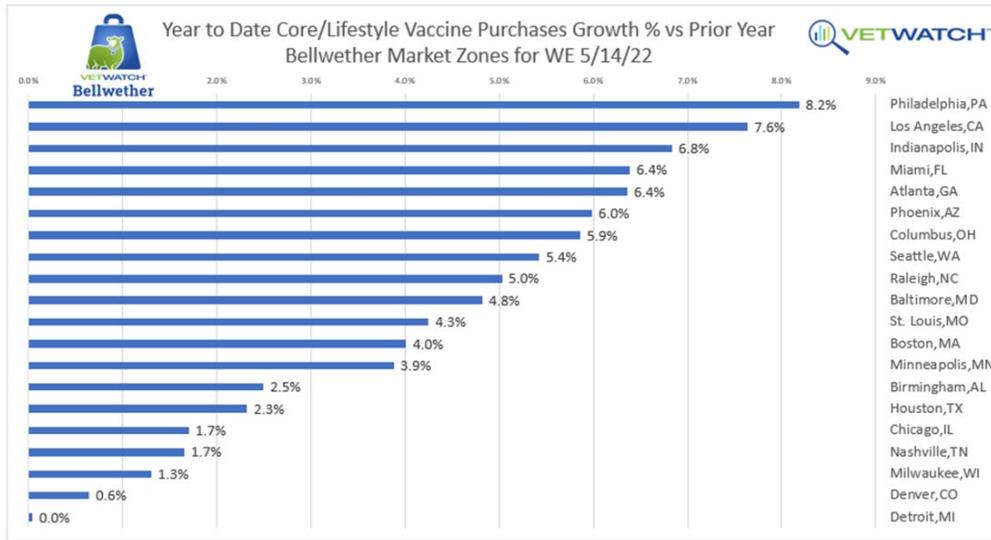
For the week ending May 21, 2022, year over year reporting showed changes from the previous week's results among the respective categories ranging from (-0.5%) to 0.8%. Core and Lifestyle vaccine indices for canine and feline patients were at +4.0% growth across the 32,000+ practices and shelter locations in the Animalytix Marketplace. YTD Kennel Cough vaccine purchases, which provide a measure of the pet mobility, were at (-1.0%)



growth. Purchases of chronic care medications and surgical consumables were +4.2% and (-1.9%) respectively while parasiticide growth remained positive at +4.4% YTD compared to PYTD.



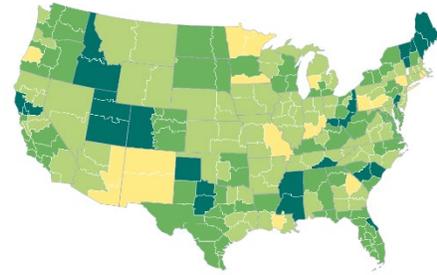
Among the VetWatch™ Bellwether reporting zones for Core/Lifestyle Vaccine Purchase growth vs PYTD, the Philadelphia, PA zone leads all markets with +7.7% growth. Growth for the Indianapolis, IN zone performance was notable at +7.2% while Detroit, MI was the laggard in the group at (-0.7%) growth vs PYTD.



## Hospital Client and Patient Trends

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

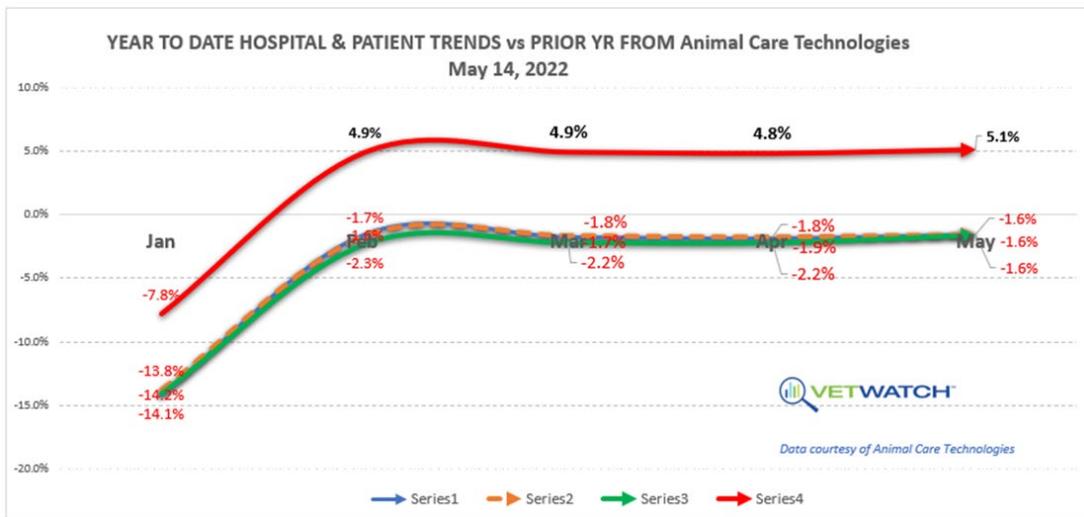
For the week ending May 21, 2022, aggregate YTD practice revenues are at +5.0% net growth versus YTD 2021 for the ~3,000 reporting practices. Period performance growth in unique patients(pets) was at (-1.5%). Unique client and invoice growth posted (-1.5%) and (-1.6%) growth respectively vs PYTD results.



**View National Data**  
Map displays YTD total hospital revenue courtesy of Animal Care Technologies  
\*Holistic merged Zone Group

**Key**

- 50%
- 5% to 0.0%
- 30% to -10%
- +0.0% to +5%
- 10% to -5%
- +5% to +10%
- +10%

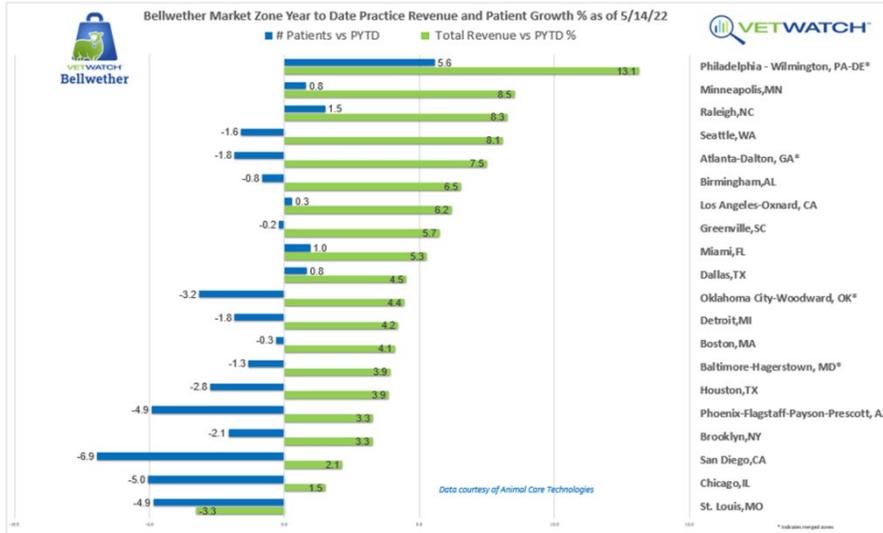


<b>Month to Date</b> May 14, 2022	↑ <b>2.4%</b> Revenue YoY (MTD)	↓ <b>-4.9%</b> Invoices YoY (MTD)	↓ <b>-5.4%</b> Clients YoY (MTD)	↓ <b>-5.3%</b> Patients YoY (MTD)
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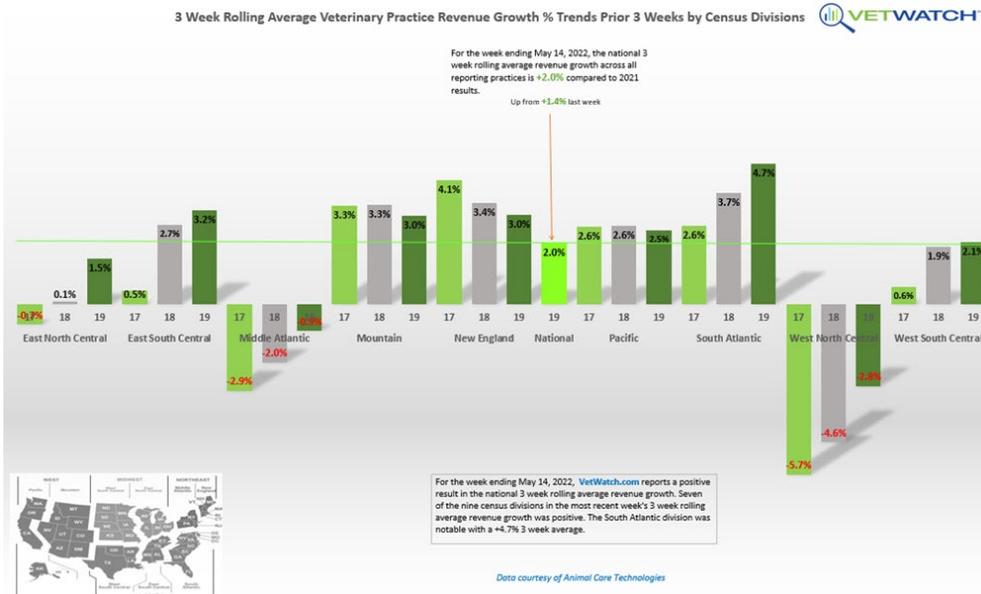


<b>Year to Date</b> Jan - May 14, 2022	↑ <b>5.1%</b> Revenue YoY (YTD)	↓ <b>-1.6%</b> Invoices YoY (YTD)	↓ <b>-1.6%</b> Clients YoY (YTD)	↓ <b>-1.6%</b> Patients YoY (YTD)
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Among the listed “Bellwether” market zones, Philadelphia, PA lead with +13.4% YTD revenue growth while unique patient growth was at +5.5%. St. Louis, MO was notable among the laggard zones, finishing at (-3.1%) revenue growth and (-4.5%) growth in unique patients vs PYTD.



Following more current trends, the national 3-week rolling average for practice revenue growth was up at +2.2%. Seven 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.

**Braving the New World of Millennials/Gen Z**

The veterinary industry has one foot in the medical field and the other in the consumer market, and it's a plain demographic fact in any consumer market that the future of the business hinges on Millennials and Gen Z involvement. In terms of the pet/vet industry, these two generations, currently translating into adults aged 18 - 41, account in combination for 55% of dog owners and 43% of cat owners. Inevitably, these two demographics drive many of the pet industry's most significant and even transformational trends.

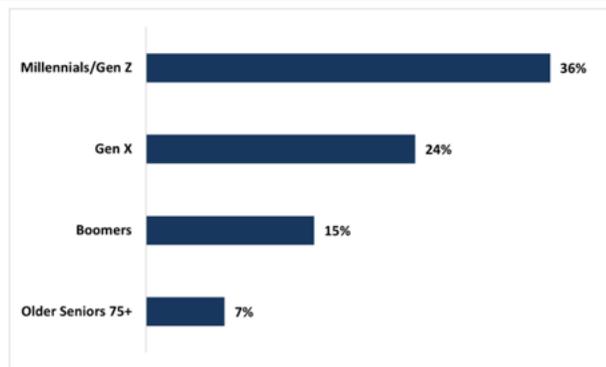
Because the stages of life are stubborn things, Millennials and Gen Z are far more likely to be new pet owners, and therefore long-term customers. Packaged Facts survey data show that 36% of Millennials/Gen Zers increased their pet ownership in 2021, compared with 15% of Boomers, and 7% of older seniors age 75+.



Packaged Facts



Share of Pet Owners Who Increased Pet Ownership in 2021: By Generational Cohort (percent)



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

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