



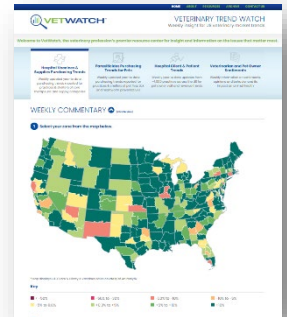
## VetWatch® Commentary For Week 34 - thru August 31, 2022

### 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.

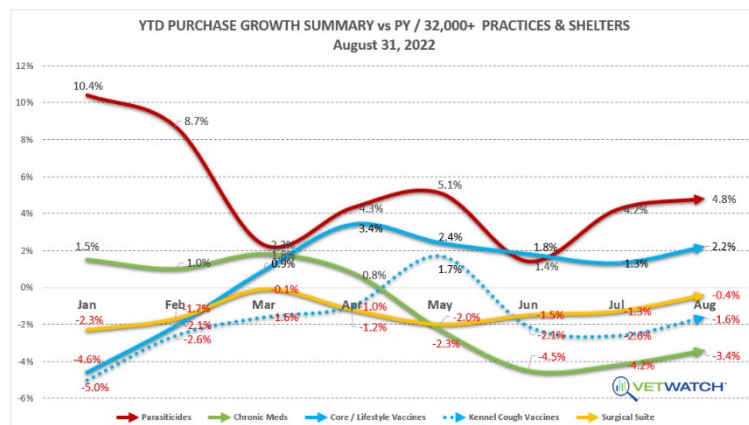
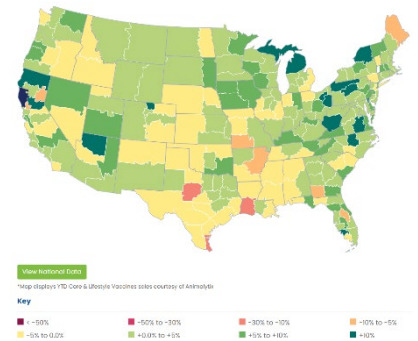
Animalytix has teamed up with NAVC, Animal Care Technologies, Circa Healthcare, M/A/R/C Research, and Packaged Facts along with our sponsors to provide VetWatch™ and Vet Watch® Insights. The goal of VetWatch® is to deliver the critical information needed by practices and those supporting the veterinary 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)



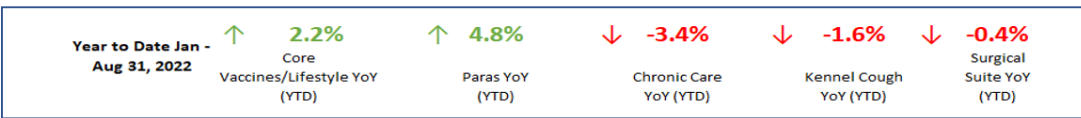
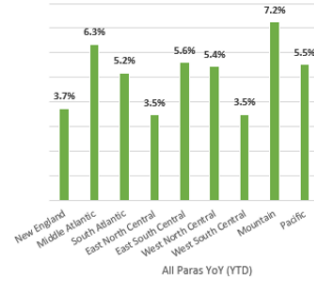
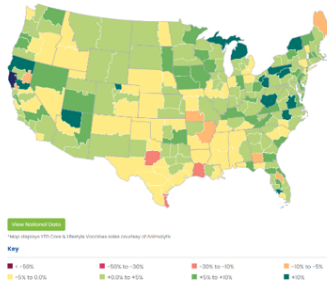
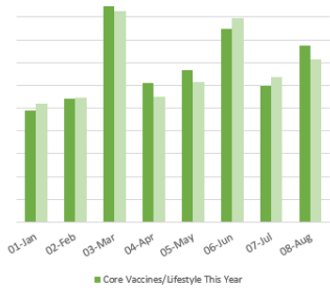
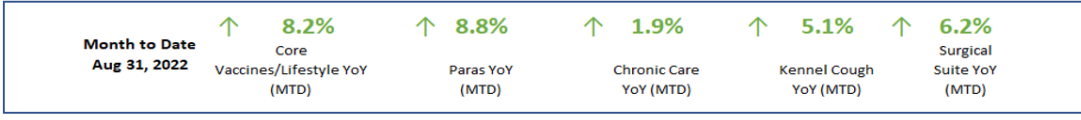
### Hospital Vaccines, Supplies and Parasiticides Purchasing Trends

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

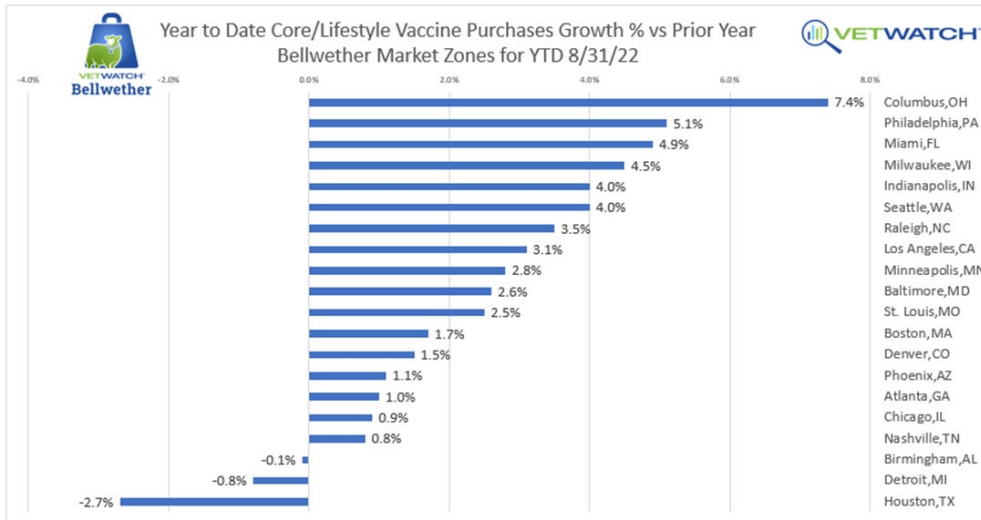
For the YTD ending August 31, 2022, year over year reporting showed changes from the previous month's results among the respective categories ranging from 0.6% to 1.0%. Core and Lifestyle vaccine indices for canine and feline patients were at +2.2% growth across the 32,000+ practices and shelter locations in the Animalytix Marketplace. YTD Kennel Cough vaccine purchases, which provide a measure of the pet mobility, were at (-1.6%)



growth. Purchases of chronic care medications and surgical consumables were (-3.4%) and (-0.4%) respectively while parasiticide growth is positive at +4.8% YTD compared to PYTD.



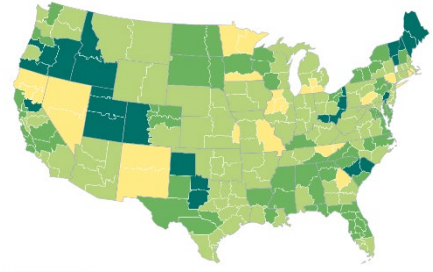
Among the VetWatch® Bellwether reporting zones for Core/Lifestyle Vaccine Purchase growth vs PYTD, the Columbus, OH zone leads all markets with +7.4% growth. Growth for the Philadelphia, PA zone performance was notable at +5.1% while Houston, TX was the laggard in the group at (-2.7%) growth vs PYTD.



## Hospital Client and Patient Trends

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

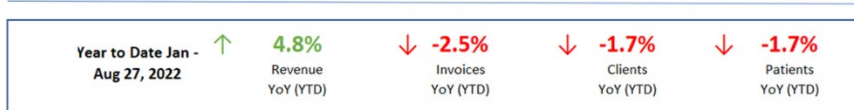
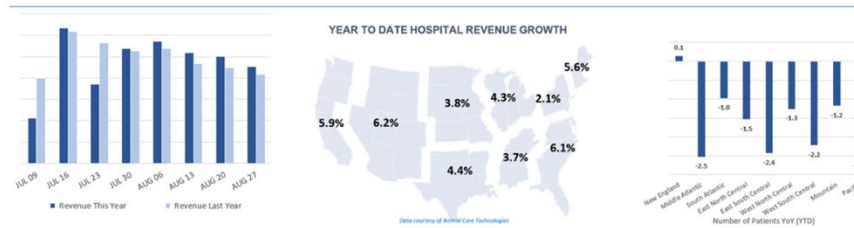
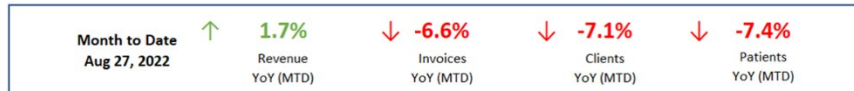
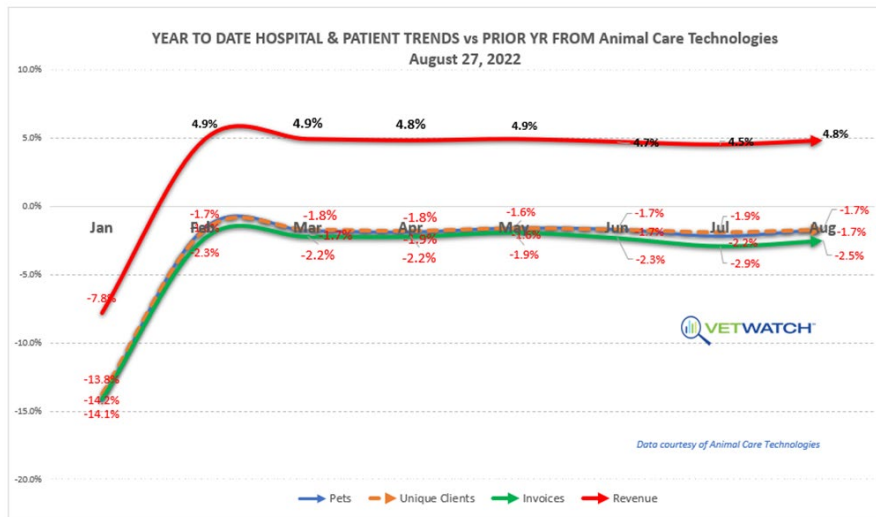
For the week ending August 27, 2022, aggregate YTD practice revenues are at +4.8% net growth versus YTD 2021 for the ~3,000 reporting practices. Period performance growth in unique patients(pets) is at (-1.7%). Unique client and invoice growth posted (-1.7) and (-2.5%) growth respectively vs PYTD results.



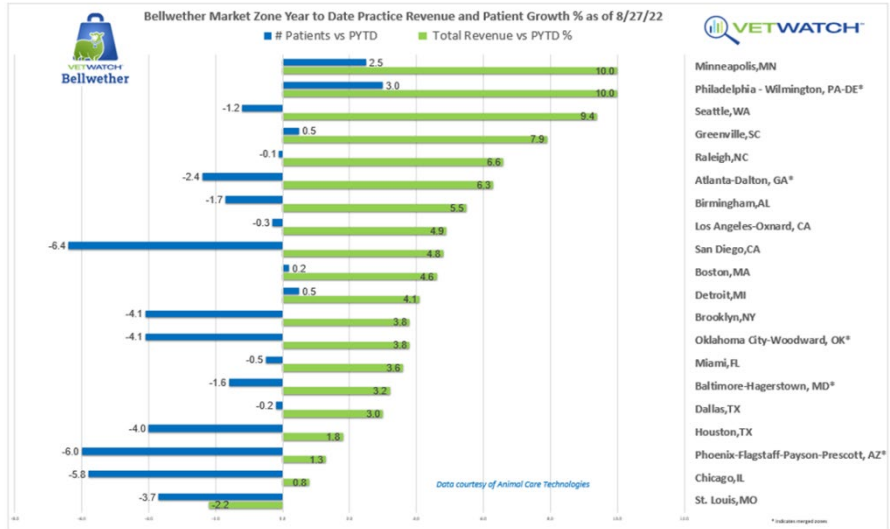
**View National Data**  
Map displays FY18 total hospital revenue courtesy of Animal Care Technologies Practices Merged Zone Group

**Key**

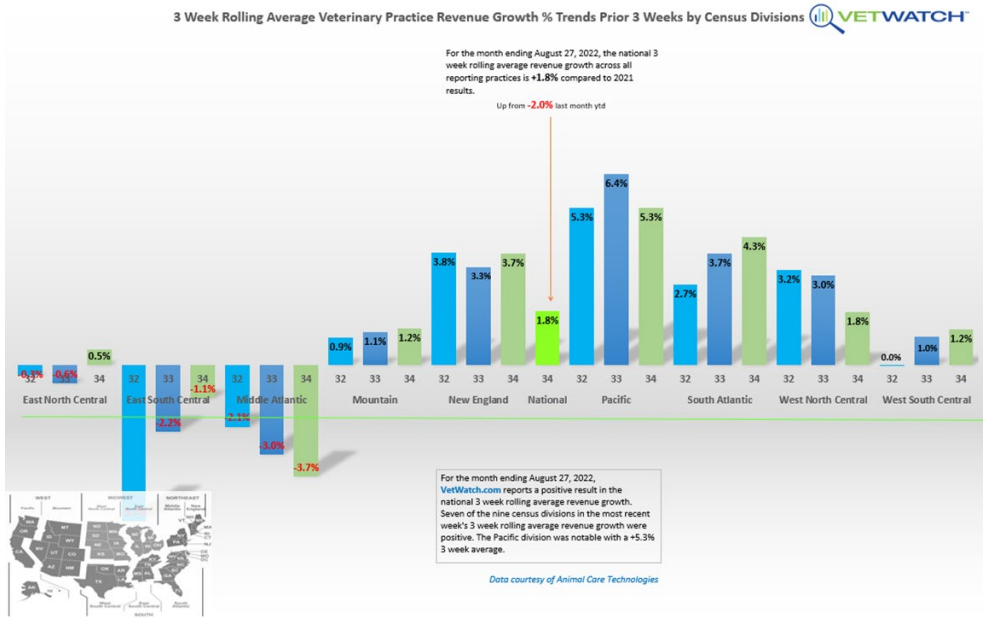
- 5.0%
- 5.0% to -10%
- 10% to -5%
- 5% to 0.0%
- +0.0% to +5%
- +5% to +10%
- +10%



Among the listed “Bellwether” market zones, Minneapolis, MN lead with +10.0% YTD revenue growth while unique patient growth was at +2.5%. St. Louis, MO was notable among the laggard zones, finishing at (-2.2%) revenue growth and (-3.7%) growth in unique patients vs PYTD.



Following more current trends, the national 3-week rolling average for practice revenue growth was at +1.8%. 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 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 (June 2022) report, based on 2019 – 2022 MRI-Simmons National Consumer Studies.

**Veterinary Services Usage Rates in Wake of COVID-19: Dog Owners**

MRI-Simmons national consumer survey data, as reported by Packaged Facts, show veterinary usage rates among dog owners peaking at 88%-89% in Fall 2020 through Fall 2021, in the immediate aftermath of the pandemic, but reverting in Spring 2022 to the 82% rate posted for Fall 2019.



**Veterinary Usage Rates in Last 12 Months Among Dog Owners, 2019-2022**

	Fall 2019	Spring 2020	Fall 2020	Spring 2021	Fall 2021	Spring 2022
Any Visit -- % of Dog Owners	82	85	88	89	89	82
1 Visit -- % of Dog Owners	24	24	22	23	24	21
2 Visits -- % of Dog Owners	22	24	26	25	24	23
3+ Visits -- % of Dog Owners	35	38	41	41	41	38

Source: MRI-Simmons, Packaged Facts. All rights reserved.

## Veterinary Services Usage Rates in Wake of COVID-19: Cat Owners

MRI-Simmons national consumer survey data, as reported by Packaged Facts, show veterinary usage rates among cat owners, like those of their dog-owning counterparts, peaking during the Fall 2020 through Fall 2021 period, in the immediate aftermath of the pandemic, but then notching downward for the most recent Spring 2022 period.



Veterinary Usage Rates in Last 12 Months Among Cat Owners, 2019-2022

	Fall 2019	Spring 2020	Fall 2020	Spring 2021	Fall 2021	Spring 2022
Any Visit -- % of Cat Owners	75	79	81	80	80	73
1 Visit -- % of Cat Owners	24	26	26	23	24	22
2 Visits -- % of Cat Owners	19	19	18	19	19	18
3+ Visits -- % of Cat Owners	32	34	36	38	37	34

Source: MRI-Simmons, Packaged Facts. All rights reserved.

Despite this symmetry, vet usage rates among cat owners have remained 6-9 percentage points below those of dog owners over this tracking period, with cat owners also less likely to visit the vet more than once a year.

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### Sponsors

