

Visit our COVID-19 resource page for incisive legal and business insights.

10 YEARS

ABOUT US

PRACTICE AREAS

10 YEARS

PROFESSIONALS

NEWSROOM

BLOGS

CONTACT



## Veterinary Law Blog

### AUTHORS



**Peter H. Tanella**  
ptanella@lawfirm.ms  
973-243-7915

# Surviving the Corporatization of Veterinary Medicine as an Independent Practice

October 5, 2019

## Surviving the Corporatization of Veterinary Medicine as an Independent Practice



While the veterinary industry remains comparatively fragmented to other parts of the industry, the area has seen substantial consolidation over the last five years. The consolidation is led by Mars, Inc., who are considered by many to be the lone strategic buyer in the industry. As more private equity firms begin to explore sales of their investments in veterinary practices, new strategic buyers attempting to capture economies of scale could emerge. How can a veterinary practice owner continue to grow their practice, or, if the owner determines that is not the best value for their practice?

Private Equity has been a persistent investor in the veterinary industry because of the attractive private pay revenue stream, and the largely recession-resistant nature of veterinary services. Over the past 5 years the industry has seen two strategic purchases of National Veterinary Associates for 13x EBITDA in mid-2014 until

Visit our COVID-19 resource page for incisive legal and business insights.

ABOUT US PRACTICE AREAS PROFESSIONALS NEWSROOM BLOGS CONTACT



Currently, the expectation is that the private equity firms will remain active in the market for 6-8 years at which point the market is expected to have become more consolidated as investments reach the end of their timeline and begin to sell to established players like Mars or new strategic buyer entrants.

A practice owner in this environment can find it stressful to grow their business under the pressure that can come from corporate groups or feel anxious that they are not at the possible price for the business they have worked so hard to build.

First, remember that what makes a veterinary practice successful has not changed in this environment. Veterinary practice owners should continue to do what some corporations cannot: practice better medicine and offer better and more personalized client services. To continue to grow and be attractive to clients and potential buyers, practice owners should move away from the corporate model and focus on the business side of revenue and improvement.

A few areas that practice owners can learn from the big corporations are:

### **Marketing**

Corporations spend a lot of time marketing and it really matters. Spend time developing a marketing plan and thinking about strategic partners in the community.

### **Team and Client Education**

Corporations do a great job and invest a lot of effort into making sure their team is well-trained and up to page. Practice owners should develop training manuals for their employees on major topics. Furthermore, corporations often have resources online to educate clients on major topics.

### **Talent Acquisition and Retention**

Big corporations have the advantage when it comes from providing benefits to their employees and retaining hires. Practice owners should educate themselves on benefit offerings and make sure they are maximizing the wellbeing of their associates and staff.

### **Facility Investment**

Lastly, practice owners shouldn't shy away from investing in the physical infrastructure of the practice. While corporations might be able to invest more money into their facilities, investments into the facilities of the practice can pay large dividends down the road.

Visit our COVID-19 resource page for incisive legal and business insights.



ABOUT US PRACTICE AREAS PROFESSIONALS NEWSROOM BLOGS CONTACT



*Attorney: Peter Tanella*

*Related Practice: Veterinary Law*

*Category: General Practice Governance, Hot Topics in Vet Law*

---

[Home](#) | [About Us](#) | [Practice Areas](#) | [Our Professionals](#) | [Newsroom](#) | [Blogs](#) | [Pay Your Bill](#) | [Contact](#) | [Privacy F](#)

Mandelbaum Salsburg P.C.© 2020. All Rights Reserved. The contents of this website may contain attorney advertising under the outcome.

