

Should you fear the corporatization of veterinary medicine?

Does the corporate “boogeyman” have you worried that independent private practice won’t be an option in the future? Our panel of experts is here to help.



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By dvm360.com staff

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The dvm360.com editors analyzed data, mined our shared market knowledge and had many long (*really* long) meetings about how we should address the issue of corporate medicine in our coverage, especially in light of **recent events**.

In the end, we decided it was best to ask our “brain trust” for their real-life experiences and perspectives. We created a panel made up of regular contributors, new faces and industry veterans, who together create a spectrum of voices that represent the many angles of this issue. Here are some highlights. (P.S. Got beef with any of this? Tell us. Email dvmnews@ubm.com.)

Is more corporate ownership of veterinary practices a good or a bad thing? Why or why not?

In general, corporate ownership forces private practices to step up their game, bring more structure to their businesses, learn to lead more effectively, and reach for novel business models and decisions. Consolidation in general means that larger groups can trim expenses, lean down their administration costs, and provide team members access to high-quality continuing education and other benefits. In general, consolidated practices can be more competitive in many, many ways. But consolidation also has a down side. Larger organizations may not be as agile in responding to market changes, allowing smaller, leaner organizations a chance to jump on opportunities more swiftly. Corporations also have a more difficult time humanizing their presence on social media, an effective pipeline to clients that private practices can more easily and affordably leverage to their benefit.

—Bash Halow, LVT, CVPM

I think it's probably a good thing on an individual basis. There will probably be better managed practices that will afford employees better schedules, pay and ~~for~~ benefits than a more poorly run independent hospital. It will be good for practice owners getting ready for retirement, as the corporations are paying a premium on practices. In the long run, though, I worry that it may not be in the best interest of the veterinary profession to be mostly owned by corporations—corporations that are primarily about business. Yes, the business of veterinary medicine will likely improve via efficiency and economy of scale, but at the loss of the small, local, community practice.

—Greg Nutt, DVM

I have always seen corporations as “the evil empire” and would never consider working for one. However, I know how our profession has changed over the years, and I can see how it might be a good thing. As our new graduates accrue more and more debt to become veterinarians, I’m not sure how any of them could ever become practice owners. This I find very sad. So, maybe it’s more of a necessary thing than a good thing. Also, I think more and more corporate ownership might turn our profession into more of a service industry—like going to work for a glorified McDonald’s.

—Elizabeth Noyes, DVM, MS, PhD

More corporate ownership is good from the standpoint of providing a viable exit strategy for practice owners when associates are unable or unwilling to take on the financial and emotional challenges of ownership. But it’s bad in that it reflects the ongoing economic challenge of rising veterinary student indebtedness versus earnings potential. According to a [New York Times article](#), the ratio of debt to income for the average new veterinary school graduate is practically double that of a medical doctor’s burden. One consequence of these economic pressures has been the emergence of large corporate-owned practices to take advantage of economies of scale. Given this, it appears that this trend will likely continue.

—David Bruyette, DVM, DACVIM

I am an associate emergency and critical care specialist at the Veterinary Specialty and Emergency Center (VSEC) in Levittown, Pennsylvania. About two years ago, VSEC was purchased by BluePearl Veterinary Partners. BluePearl was subsequently acquired by Mars Petcare. I believe that a larger group of veterinary hospitals and corporate ownership is not a disservice to the pet owner nor the veterinary team member. One advantage is lower overhead and greater purchasing power providing that practice a higher profit margin. This allows the practice to purchase additional medications to stock for the clients, new diagnostic tools, cheaper in-house blood work, in-house ultrasound machines, or new CT or MRI machines. These savings allow for better medical care for our clients and their pets. Corporate practice also allows veterinarians to focus on the medicine rather than the burden of management responsibilities.

—Garret Pachtinger, VMD, DACVECC

In my opinion, private and corporate veterinary practices are both good because they give practitioners and pet owners choice. I can only speak to my experience at Banfield—personally, I view corporate ownership as a good thing because we gain the skillsets of each individual entity, ultimately making us well-rounded. At Banfield, we all bring different backgrounds and expertise, and it's those varying experiences that enable corporate practices like ours to impact more pets' lives—and offer even greater workplace environments for associates. I see firsthand all the time how Banfield leverages its size for good. In corporate practice, our scale enables us to give back to communities (whether through charitable donations or paid volunteer time), offer our associates great benefits and get involved in the causes that matter to them (student-debt reduction, for example), and more generally help increase their well-being and lifestyle on work and personal levels.

—Kimberly-Ann Therrien, DVM, vice president of veterinary quality, Banfield Pet Hospital

More ownership may not be a bad thing, but the profession as a whole will benefit from the public having choices in their communities. Some folks want what corporate has to offer; others loathe corporate and want the feel that an independent practice can provide. With the graduate debt situation as it is and the apparent trend of newer veterinarians being less interested in practice ownership, the golden generation of veterinarian practice owners will be looking to sell their practices for retirement, and I'm concerned that corporate buyers will be the most profitable option. Should this play out, communities will see their choices in animal health care reduced.

—Ryan Gates, DVM, Cuyahoga Falls Veterinary Clinic

I've worked at both corporate and independently owned practices, and ultimately I left corporate because I did not feel like my voice mattered. On the other hand, corporate practices did offer good benefits and there are certainly many privately owned practices that have toxic owners as well. I was lucky that I found a great one! But if I had to choose an answer on corporate ownership being a good thing or bad thing, I'd say it's a bad thing.—Kat Hodes, DVM