

Veterinary Sales at \$27 Billion in 2017

Packaged Facts estimates the U.S. veterinary services market at \$26.9 billion in 2017. Veterinary services is the second biggest segment of the pet industry, trailing only pet food. The segment has seen a great deal of activity and change, including ongoing consolidation, the increasing involvement of major marketers (such as Mars Inc. buying VCA Inc.) and big boxes (including PetSmart, Petco and Walmart's respective initiatives for in-store veterinary and related pet services), and the accelerating role of Internet sales in the pet products market.

The U.S. veterinary services industry continues along a healthy growth trajectory, up 6.3% in sales in 2017 compared to 2016. Growth can be attributed to a number of factors: a consumer base increasingly concerned with the health and wellness of their furry family members; the consolidation of the industry, which is enabling veterinary clinics to reduce costs and focus on how to get pet owners into their facilities more frequently; an increase in diagnostics, which has had a positive effect on veterinary revenues; several new pet medication products (including oral flea/tick medications, the anti-itch blockbuster Apoquel and other new treatments) that are largely sold in the veterinary channel; and a renewed interest from several pet food players in the veterinary channel. [Table 1-1]

Table 1-1
U.S. Veterinary Services Market, 2013-2017
(in billions of dollars)

Year	\$ Sales	% Change
2017	\$26.87	6.3%
2016	25.28	6.0
2015	23.84	6.0
2014	22.50	3.0
2013	21.84	4.5

Source: Packaged Facts