AUSTRALIAN COMPETITION & CONSUMER COMMISSION

CVS Group – Pittwater Animal Hospital

MN-95003

Phase 1 Determination

Acquisition may be put into effect

9 April 2026

1. Determination

Notified acquisition	CVS Vets (Australia) Pty Ltd, a wholly owned subsidiary of CVS (Australia) Holdings Pty Ltd which is part of CVS Group Plc (together, **CVS Group**) proposes to acquire 100% of the shares of Pittwater Animal Hospital (**Pittwater**), a small animal veterinary practice in Warriewood in Sydney's Northern Beaches region (the **Acquisition**).
Determination	The Australian Competition and Consumer Commission has determined under section 51ABZE(1) of the *Competition and Consumer Act 2010* (Cth) that the Acquisition may be put into effect.
Parties to the Acquisition	The acquirer, CVS Group, is an integrated veterinary services provider based in the United Kingdom and listed on the London Stock Exchange. In Australia, CVS Group owns a number of veterinary practices in Queensland, New South Wales, the Australian Capital Territory, Victoria, South Australia and Western Australia. CVS Group owns a number of veterinary practices in metropolitan Sydney, including holding a majority interest in Sydney Animal Hospitals (**SAH**). SAH operates two clinics in the Northern Beaches region, SAH Newport and SAH Avalon. The target, Pittwater, is a veterinary practice located in Warriewood in Sydney's Northern Beaches region.
Reasons for determination	The reasons for the ACCC's determination are set out in section 2.

2. Statement of reasons

2.1. When making a determination in Phase 1, the Australian Competition and Consumer Commission (**ACCC**) undertakes a competition assessment and considers whether it is appropriate for an acquisition to be approved or subject to further assessment in Phase 2 in accordance with section 51ABZJ of the *Competition and Consumer Act 2010* (Cth) (the **Act**). In doing so, the ACCC must have regard to the object of the Act and all relevant matters, including the interests of consumers.

2.2. For more information about the ACCC's approach to considering notified acquisitions, see the ACCC's merger assessment guidelines and interim merger process guidelines.

2.3. In conducting its competition assessment, the ACCC has considered the information and documents that were submitted with the notification form, additional information provided by the merger parties, information provided by third parties and publicly available information.

2.4. For the reasons given below, the ACCC has determined that the Acquisition may be put into effect.

Overlap between the parties

2.5. CVS and Pittwater (together, the **Parties**) overlap in the supply of small animal, general practice veterinary services supplied in standard hours (**General Veterinary Services**) in the Northern Beaches region of Sydney. None of Pittwater, or SAH's Avalon and

Newport veterinary practices supply after-hours emergency veterinary services themselves. Instead, each of these veterinary practices refers patients to the Northside Emergency Veterinary Service (**NEVS**) located in Terrey Hills for after-hours emergency care.

2.6. The ACCC has considered whether the Acquisition is likely to substantially lessen competition in the supply of General Veterinary Services in the Northern Beaches region of Sydney by removing competition between Pittwater and CVS, through the latter's SAH clinics located in Newport and Avalon.

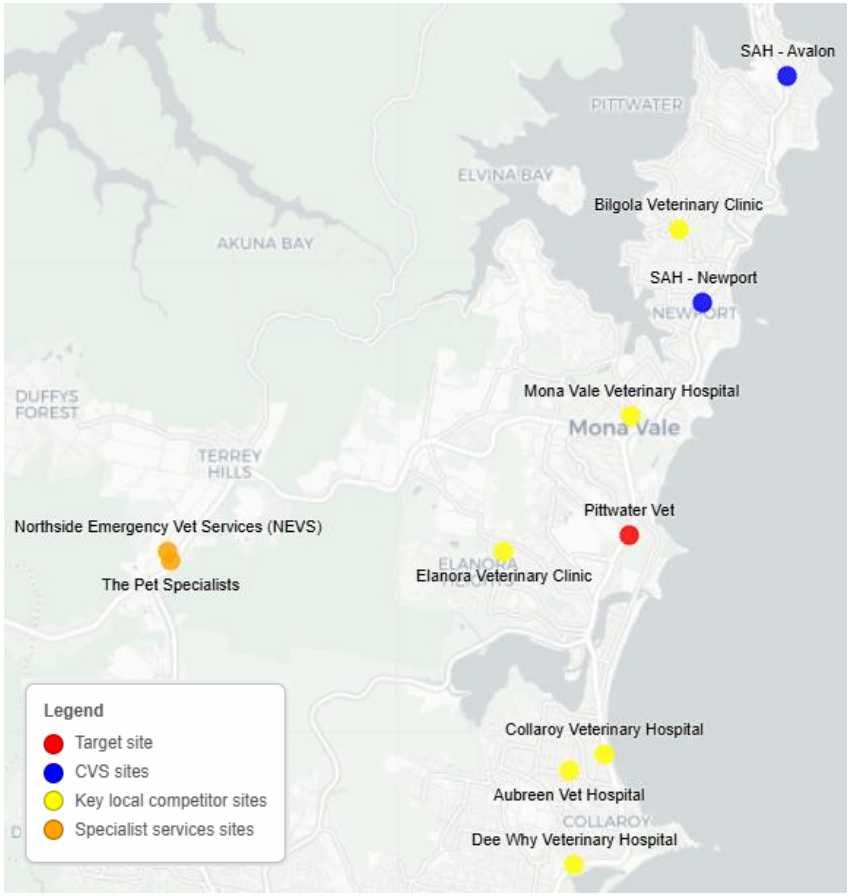
Industry background

2.7. Small animal veterinary practices (sometimes referred to as companion animal veterinary practices) typically provide a range of general practice veterinary services, including first opinion consultations, general and preventative healthcare and advice, surgery, microchipping, dentistry, radiology, laboratory testing and pharmacy services to household pets such as dogs, cats, birds, rabbits and guinea pigs. Small animal veterinary services may be distinguished from large animal veterinary services, which are provided to animals such as cattle, sheep and horses.

2.8. There are a number of such small animal veterinary practices in the Northern Beaches region of Sydney. **Figure 1** below depicts the location of some key small animal veterinary practices servicing the Northern Beaches region, including the target Pittwater site and CVS' existing SAH practices located in Avalon and Newport. Key alternative suppliers of small animal general practice veterinary services in this region include Bilgola Veterinary Clinic, Mona Vale Veterinary Hospital, Elanora Veterinary Clinic, Collaroy Veterinary Hospital, Aubreen Vet Hospital and Dee Why Veterinary Hospital.

Figure 1: Veterinary Practices in the Northern Beaches region

Map prepared by ACCC



2.9. Practices in the Northern Beaches commonly refer after-hours emergency cases to the Northside Emergency Veterinary Service (**NEVS**) located in Terrey Hills. NEVS provides after-hours and overnight care for pets from other practices, which are then generally referred back to general veterinary practices during standard operating hours.

Competition assessment

2.10. The ACCC has considered the effects of the Acquisition by comparing the likely future state of competition if the Acquisition proceeds against the continuation of the current state of competition (being the likely future state of competition if the Acquisition does not proceed).

Relevant areas of competition

2.11. The ACCC has considered whether the Acquisition is likely to substantially lessen competition in the supply of General Veterinary Services in the Northern Beaches region of Sydney.

2.12. The ACCC has had regard to customer location data provided by the Parties, drive-time analysis and the geographic features of Sydney's Northern Beaches region (including the peninsula to the north, and South Creek and Narrabeen Lagoon to the south) as part of its assessment. However, the ACCC did not find it necessary to reach a concluded view on the precise geographic dimension of this market.

Horizontal unilateral effects in the supply of General Veterinary Services

2.13. The ACCC considers that the Acquisition is unlikely to have the effect of substantially lessening competition in the supply of General Veterinary Services in the Northern Beaches region of Sydney.

2.14. The ACCC has considered how closely each of the small animal, general veterinary practices in Sydney's Northern Beaches region compete, having regard to their respective range of services offered, location, opening hours, number of veterinarians, and annual revenue and the price of a standard consultation where available. In reaching its decision, and based on the materials before it, the ACCC makes the following findings:

- Pittwater does not compete closely with SAH Avalon;
- while Pittwater and SAH Newport have a greater overlap of customer catchment areas than Pittwater and SAH Avalon, the material before the ACCC does not indicate that Pittwater and SAH Newport are each other's closest competitor;
- post-acquisition, the merged entity would continue to face competition from various alternative veterinary practices that supply substantially similar small animal, general practice veterinary services with similar opening hours to Pittwater, SAH Avalon and SAH Newport. The strength of competition from each of these alternative veterinary practices is likely to vary for different customer catchment areas. These alternative veterinary practices include:
    - Bilgola Veterinary Clinic, located on the peninsula and north of Pittwater and SAH Newport;

- Collaroy Veterinary Hospital, Aubreen Vet Hospital and Dee Why Veterinary Hospital, which are located in the southern area of the Northern Beaches region; and
- Mona Vale Veterinary Hospital and Elanora Veterinary Clinic, which are more proximate to Pittwater; and

- while Sydney's Northern Beaches region is relatively well serviced by small animal veterinary practices currently, material before the ACCC does not indicate that the merged entity would be insulated from the threat of new entry or expansion. There is existing capacity for at least some alternative small animal veterinary practices in the local area to take on new patients.

2.15. The ACCC has also had regard to third party feedback regarding the buying power of the CVS Group for veterinary equipment and medications, and barriers to new veterinarians entering the Northern Beaches given the existing density of veterinary practices in the region. However, these factors were not sufficient to indicate a likely substantial lessening of competition given the other factors identified above.

3. Applications for review

3.1. A notifying party, or other person who has been allowed to do so by the Australian Competition Tribunal, may apply for review if they are dissatisfied with the determination. Pursuant to section 100C of the Act, applications for review of the determination are to be made to the Australian Competition Tribunal before the end of 14 calendar days after this statement of reasons was included on the ACCC's Acquisitions Register. To confirm whether there has been any application for review, please contact the Australian Competition Tribunal.

Determination made by a division of the Commission constituted by a direction issued pursuant to section 19 of the Act