

DETERMINATION OF MERGER NOTIFICATION M/25/009 – IVC EVIDENSIA IRELAND/OLD CHURCH VETERINARY HOSPITAL (XL VETS GROUP)

Section 21 of the Competition Act 2002

**Proposed acquisition by Independent Vetcare (Ireland) Limited of Airmid Veterinary Limited
t/a Old Church Veterinary Hospital**

Dated: 20 March 2025

Introduction

1. On 7 February 2025, in accordance with section 18(3) of the Competition Act 2002, as amended (the “Act”), the Competition and Consumer Protection Commission (the “Commission”) received a notification of a proposed acquisition whereby Independent Vetcare (Ireland) Limited (“IVCI”) would acquire the entire issued share capital, and thus sole control, of Airmid Veterinary Limited t/a the Old Church Veterinary Hospital (“OCV”) (together “the Parties”) (the “Proposed Transaction”).

The Proposed Transaction

2. The Proposed Transaction is to be implemented pursuant to a Share Purchase Agreement, dated 3 January 2025, between IVCI, Emberdale Limited and [REDACTED] (the “SPA”).¹ Pursuant to the SPA, IVCI will acquire the entire issued share capital, and thus sole control, of OCV.

¹ [REDACTED]
[REDACTED]
[REDACTED]

The Undertakings Involved

The Acquirer – IVCE and IVCI

3. IVCI is a wholly owned subsidiary of IVC Acquisition Limited, which in turn is a member of the IVC Evidensia group of companies (“IVCE”).² IVCE is a global provider of veterinary care and ancillary services, which is headquartered in the United Kingdom. Its network includes 2,600 clinics, hospitals and out of hours centres in 19 countries worldwide.
4. IVCE operates in the State through IVCI, and trades as “IVC Evidensia Ireland”. IVCI’s portfolio in the State comprises 37 veterinary practices, operating from 56 sites. IVCI employs ■■■ veterinary practitioners in the State.
5. Table 1 lists the veterinary practices owned by IVCI in the State.

Table 1: IVCE/IVCI veterinary practices in the State

No.	Practice Name	Number of Premises	Site Address
1.	Anicare Veterinary Group	4	2 The Mews, Blanchardstown Village, Dublin 15
			183 Botanic Rd, Glasnevin, Dublin 9
			66 Malahide Road, Clontarf, Dublin 3
			Royal Oak, Old Swords Road, Santry, Dublin 9
2.	Animal Care Hospital	1	14 The Fingerpost, Douglas, Co. Cork T12 RH5V
3.	Sunbeam Veterinary Hospital and Value Vets	5	Northpoint Business Park, Cork, Co. Cork T23 FXY9

² IVCE is ultimately owned by the EQT Group (a private equity group), Nestlé, Silver Lake Funds (a US private equity fund) and the Berkshire Funds (a US private equity fund). The companies which ultimately own IVCE are shareholders of IVC New TopHolding SARL, a company registered in Luxembourg. IVC New TopHolding SARL indirectly, wholly owns IVC Acquisition Limited, of which IVCI is a wholly owned subsidiary.

			Unit 1, Southring Business Park, Kinsale Road, Cork, Co. Cork, T12 HTV0
			Ardmore House, Ardmore, Passage West Cork, T12 Y0HY
			Unit 4, Ticknock Retail Park, Cobh, Cork, P24 FY67
			Units 1 & 2, Old Mill Business Park, North Ring Road, Blackpool, Co. Cork, T23 V38R
4.	Ark Vets	2	Miller's Hall, Bóthar Stiofán, Western Distributor Road, Knocknacarra, Galway, H91 TD0F
			46 St. Mary's Road, Galway, H91 HY88
5.	Raheny Veterinary Hospital	1	122 Raheny Road, Raheny, Dublin 5
6.	Athlone Veterinary Centre Limited	1	Bonavalley, Athlone, Co. Westmeath, N37 YD95
7.	Milltown Veterinary Services Limited T/A All Care Veterinary Hospital	1	Park Road Killarney, Co. Kerry
8.	Vetstore Limited T/A Arena Veterinary Hospital	1	Rocklands, Wexford
9.	James Finbarr Heslin T/A Beaufield Veterinary Centre	1	Dublin Road, Celbridge, Co. Kildare, W23 X5W9
10.	Westside Veterinary Clinic	1	Unit 19 Westside Centre, Model Farm Road, Cork, Co. Cork, T12 X642
11.	Oaklawns Veterinary Surgery	1	Old Dublin Road, Rathnapish, Co. Carlow
12.	Drogheda Petmedical Limited T/A Allpets Veterinary Hospital	1	Bloomsbury Centre, Donore Road, Drogheda, Co. Louth

13.	L.W.D. Veterinary Limited T/A Shenick Veterinary Centre	3	Unit 5, Skerries Point SC, Skerries, Co. Dublin, K34 W226
			Unit 5, Millfield Shopping Centre, Balbriggan, Co. Dublin, K32 PX71
			Unit 5, Delvin Court, Stamullen, Co. Meath, K32 EN88
14.	Barna and Moycullen Veterinary Clinic	2	Apartment 5, An Coirnéal, Seapoint, Co. Galway, H91 V6KV
			Gáirdín Mháire, Killarainy, Co. Galway, H91 W9X7
15.	Avenue Veterinary Hospital	1	Avenue Road, Dundalk, Co. Louth, A91 X8YH
16.	O'Shea, Bramley & Breen Vets Limited	1	Distillery Road, Wexford Town, Co. Wexford
17.	PJ Walmac Holdings Limited (the subsidiary of which Ark Vet Limited T/A Ark Vetcare)	3	33 Patrick Street, Dun Laoghaire, Co. Dublin, A96 N722
			Kill Lane, Foxrock, Dublin 18
			114 Lower Kilmacud Road, Stillorgan, Co. Dublin, A94CC65
18.	O'Dowd Veterinary Hospital	2	5 Upper Main Street, Dunleer, Co. Louth, A92 FK85
			Hale Street, Ardee, Co. Louth, A92 FK85
19.	Misneach Veterinary Limited T/A All Care Veterinary Centre	1	153 Walkinstown Road, Walkinstown, Dublin 12, D12 E5AN
20.	Kilcoole Vets Limited T/A Kilcoole Vets	1	Whitethorn Centre, Main Street, Kilcoole, Co. Wicklow, A63 FP95
21.	Chimedale Limited T/A Crescent Veterinary Clinic and Castletroy Veterinary Clinic	2	Dooradoyle Road, Dooradoyle, Co. Limerick
			Kilmurray Roundabout, Castletroy, Co. Limerick

22.	Companion Care Limited T/A Beechwood Vets	1	The Mews, Rear 27-29, Dunville Avenue, Ranelagh, Dublin 6, DO6 C6H6
23.	Brittas Veterinary Hospital	2	Templemore Road, Thurles, Co. Tipperary
			Upper Green, Waller's Lot, Cashel, Co. Tipperary
24.	Wicklow Veterinary Clinic	1	Ark House, Bollarney Road, Wicklow Town, Co. Wicklow
25.	Grey Lake Springs Limited T/A Lakeside Veterinary Centre	1	Dublin Road, Loughrea, Co. Galway, H62 WT47
26.	Mullingar Pet Hospital	1	Patrick Street, Mullingar, Co. Westmeath, N91 XA0Y
27.	Blacklion Pet Hospital	1	Applewood Drive, Greystones, Co. Wicklow, A63 FT21
28.	Cherrywood Veterinary Clinic	1	5 Old Bray Road Loughlinstown, Dublin 18
29.	Southview Veterinary Hospital	1	Irishtown, Clonmel, Co. Tipperary, E91 A6Y6
30.	Fairview Veterinary Hospital	1	13 Fairview Strand, Dublin 3, D03 P027
31.	City Vets	1	Matties Hill, Co. Waterford, X91X7PH
32.	The Pet Hospital, Waterford	1	5 Canada Street, Waterford, Co. Waterford, X91 N924
33.	Maher Doona Spillane Limited T/A Vetcare	4	Gallowshill, Athy, Co. Kildare, R14 KH33
			10 Well Road, Kylekiproe, Portlaoise, Co. Laois
			Tullock Road, Carlow, Co. Carlow
			Main Street, Rathcoole, Co. Dublin

34.	Gorey Veterinary Hospital Limited	1	Samarkand, Arklow Road, Gorey, Co. Wexford
35.	Auburn Veterinary Hospital Limited	1	Auburn Road, Bellview, Mullingar, Co. Westmeath
36.	Tullamore Pet Hospital	1	Arden Rd, Ardan, Tullamore, Co. Offaly, R35 Y3F8
37.	The Well Pet Hospital Limited	1	Tonafortes, Carraroe, Co. Sligo, F91 F895

Source: The Parties

6. For the financial year ending 30 September 2023, IVCE's turnover worldwide was [REDACTED], of which [REDACTED] was generated in the State.

The Target – OCV

7. OCV is an independent veterinary practice, currently owned by Mr Nick Garvey, which operates from three sites: Old Church Veterinary Hospital in Ballyshannon, Co. Donegal; Old Church Vets in Donegal Town; and Old Church Vets in Grange, Co. Sligo.
8. OCV is a member of the XL Vets Group, which is a network of independent veterinary practices which comprises 50 clinics and over 290 practitioners across the State. The XL Vets Group does not have a financial or ownership interest in OCV and is not a party to the Proposed Transaction.
9. For the financial year ending 28 February 2023, OCV's turnover was [REDACTED], the very large majority of which was generated in the State.³

Rationale for the Proposed Transaction

10. The Parties stated the following in the Merger Notification Form:

³ [REDACTED]

“The Proposed Transaction is consistent with IVCE’s core business strategy of [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] Vet practices in Ireland benefit from considerable efficiencies dealing with the increased regulatory obligations associated with managing a veterinary practice, accessing new medical equipment and maintaining consistent excellent quality standards”.

Contact with the Parties

11. During the review of the Proposed Transaction, the Commission requested and received further information and clarifications from the Parties.

Third Party Submissions

12. No third-party submission was received.

Horizontal overlap

13. There is a horizontal overlap between the Parties as both IVCI and OCV own and operate veterinary practices in the State. Both of the Parties are active in the supply of small animal care, large animal/equine care, and out-of-hours (“OOH”) care.

Vertical overlap

14. There is one potential vertical overlap between the Parties.

Market Definition

Parties’ views

15. The Parties state in the merger notification form that it is not necessary for the Commission to reach any firm conclusion in relation to the relevant product market or the relevant geographic

market as the Proposed Transaction does not, in their view, give rise to competition concerns on any plausible basis.⁴

Commission's Views

16. The Commission has previously reviewed five transactions in the veterinary sector.⁵
17. Four of those transactions were assessed under the Simplified Merger Notification Procedure ("SMNP").⁶ Consequently, the Commission did not consider the potential relevant market or markets in detail in those determinations.

Relevant Product Market

18. In *M/24/046 – VetPartners/Midleton Veterinary Hospital*, the Commission, while ultimately leaving the precise product market definition open, assessed the competitive impact of that transaction by reference to the following potential product markets:
 - The provision of regular small animal care;
 - The provision of OOH small animal care; and
 - The provision of large animal care.⁷
19. The Commission considers it unnecessary, in this case, to assess the competitive impact of the Proposed Transaction in potential product markets corresponding to each service provided by the Parties (i.e. the provision of regular small animal care, the provision of large animal care and the provision of OOH care), as there are no horizontal overlaps between the Parties in the potential geographic markets discussed below.⁸

⁴ Merger notification form, paragraphs [57] and [62].

⁵ *M/24/080 – VetPartners/Greystones Veterinary Company*; *M/24/060 – VetPartners/Johnstown Veterinary Services Limited*; *M/24/046 – VetPartners/Midleton Veterinary Hospital*; *M/24/037 – IVC Evidensia (Independent Vetcare)/Well Pet Hospital*; *M/24/028 – IVC Evidensia (Independent Vetcare)/Tullamore Pet Hospital*.

⁶ <https://www.ccpc.ie/business/wp-content/uploads/sites/3/2020/05/Simplified-Merger-Notification-Procedure-Guidelines.pdf>.

⁷ *M/24/046 – VetPartners/Midleton Veterinary Hospital*, para. 31.

⁸ For completeness, the Commission requested information from the Parties on the specific services they provide, and the Parties complied with this request.

20. The Commission defines markets to the extent necessary depending on the particular circumstances of a given case. In this instance, it is not necessary for the Commission to define the precise relevant product markets because the Commission's assessment of the competitive effects of the Proposed Transaction will not be altered whether the Proposed Transaction is assessed by reference to a broad potential product market (e.g., the supply of all veterinary services) or narrow potential product markets (e.g., the provision of regular small animal care, the provision of OOH small animal care, and the provision of large animal care). However, for the purposes of its competitive assessment, the Commission considered that it is appropriate to assess OOH veterinary services separately to the supply of veterinary services during standard office hours, as the scale of service offerings tends to vary between them. Therefore, the Commission has assessed the competitive effects of the Proposed Transaction with reference to:

- The general supply of veterinary services (i.e. the provision of both regular small animal care and large animal care); and
- The supply of OOH veterinary services (small animal care).

Relevant Geographic Market

21. In *M/24/046 – VetPartners/Midleton Veterinary Hospital*, the Commission, while ultimately leaving the precise geographic market definition open, assessed the competitive impact of that transaction within a local catchment area of a 45-minute drivetime from the target practice, for each of the potential relevant product markets.⁹
22. In the same case, the Commission considered an alternative method for identifying the local catchment area in which to assess the competitive impact of that transaction: the 80th percentile drivetime method. This method has been used by the Competition and Markets Authority (“the CMA”), in the UK, when reviewing transactions in the veterinary sector.¹⁰
23. The 80th percentile drivetime method involves calculating a drivetime which, when applied around a practice, describes an area within which 80% of the practice's revenues are sourced. The Commission did not use the 80th percentile drivetime method to delineate local catchment

⁹ [M/24/046 – VetPartners/Midleton Veterinary Hospital](#), para. 31.

¹⁰ For example, see the following decisions of the CMA: (i) [ME/6967/21 VetPartners/Goddard](#), para. 126; (ii) [ME/7026-7033/22 IVC/Multiple Businesses](#), para. 54; and (iii) [CMA/11/23 Medivet Group Limited/Multiple Businesses](#), paras. 154-156.

areas in *M/24/046 – VetPartners/Midleton Veterinary Hospital*, as the methodology used by the parties in that case to identify the 80th percentile drive times was based on incomplete information.¹¹ The Commission does consider that the 80th percentile drivetime method can be an appropriate method to identify local catchment areas, where the evidence to calculate local catchment areas on this basis is sufficient, and the Commission assessed the proposed transaction in *M/24/080 – VetPartners/Greystones Veterinary Company* using that method.¹²

24. For the Proposed Transaction, the Parties provided 80th percentile drivetimes for each of the three OCV practices involved in the Proposed Transaction.¹³ The Parties' methodology for calculating the 80th percentile drivetimes for each OCV practice involved in the Proposed Transaction was as follows:
25. First, the Parties reviewed the customer database of each OCV practice and arranged the customers by the areas referenced in their listed address.¹⁴ The Parties then calculated the drivetime from each of these areas to the relevant OCV practice.
26. Second, the Parties, beginning with the area of closest proximity to the relevant OCV practice, calculated the total revenues generated by customers in that area. The Parties then repeated this calculation in the next closest area of proximity to the relevant OCV practice, until the sum of the revenues generated across all the areas which were included in the calculations amounted to 80% of the revenue generated by the relevant OCV site.
27. Third, the Parties used the drivetime distance from the area in which the 80% threshold was reached as the 80th percentile drivetime for that particular OCV practice.¹⁵
28. The 80th percentile drivetimes for each OCV practice, as calculated by the Parties, are as follows:

¹¹ *M/24/046 – VetPartners/Midleton Veterinary Hospital*, para. 30.

¹² *M/24/080 – VetPartners/Greystones Veterinary Company*. The Commission used the 80th percentile drivetime method to define local catchment areas in its review of that transaction as it was confident that the information provided by the parties to that transaction was based on a dataset which included customer locations accounting for 80pc of the revenue generated at each relevant practice.

¹³ [REDACTED]

¹⁴ For example, if a customer's address located them in 'Ballyshannon', that customer was included in the Ballyshannon area for the purpose of calculating drivetimes.

¹⁵ The Parties were able to match 80% of the revenue generated at the OCV site in Ballyshannon, Co. Donegal to specific customer locations; they were able to match 79% of revenue generated at the OCV site in Donegal Town to specific customer locations; and they were able to match 84% of revenue generated at the OCV site in Grange, Co. Sligo to specific customer locations.

- Old Church Veterinary Hospital, Ballyshannon, Co. Donegal: ■ minutes (the “Ballyshannon 80th Percentile Drivetime Catchment Area”);
- OCV Clinic, Donegal Town: ■ minutes (the “Donegal Town 80th Percentile Drivetime Catchment Area”);
- OCV Clinic, Grange, Co. Sligo: ■ minutes (the “Grange, Co. Sligo, 80th Percentile Drivetime Catchment Area”).

29. The Commission defines markets to the extent necessary depending on the particular circumstances of a given case. In this instance, it is not necessary for the Commission to define the precise relevant geographic markets because doing so will not alter the Commission’s assessment of the likely competitive impact of the Proposed Transaction. For the purposes of its competitive assessment, the Commission has assessed the competitive impact of the Proposed Transaction in the general supply of veterinary services within the following local catchment areas:

- the Ballyshannon 80th Percentile Drivetime Catchment Area;
- the Donegal Town 80th Percentile Drivetime Catchment Area; and,
- the Grange, Co. Sligo, 80th Percentile Drivetime Catchment Area.

30. In line with the Commission’s approach in *M/24/046 – VetPartners/Midleton Veterinary Hospital*, the Commission has assessed the competitive impact of the Proposed Transaction on the supply of OOH services in broader local geographic markets, described by 45-minute drivetimes¹⁶ around each of the OCV practices.¹⁷

Conclusion on relevant markets

¹⁶ The general reason for using this approach based on 45-minute drivetimes is because not all veterinary practices operate on a 24/7 basis with some, for example, providing OOH services only on specific days of the week. Therefore, wider catchment areas may be suitable to account for reduced choice to consumers of OOH services. In this case, the levels of availability of OOH services at some practices in the potential relevant markets is not clear, but in any event the Commission has adopted this approach on a conservative basis.

¹⁷ [M/24/046 – VetPartners/Midleton Veterinary Hospital](#), para. 27.

31. For the purposes of carrying out its competitive assessment of the Proposed Transaction, the Commission has assessed the Proposed Transaction by reference to the following potential markets:
- The general supply of veterinary services in: (i) the Ballyshannon 80th Percentile Drivetime Catchment Area; (ii) the Donegal Town 80th Percentile Drivetime Catchment Area; and (iii) the Grange, Co. Sligo, 80th Percentile Drivetime Catchment Area;
 - The provision of OOH veterinary services in local catchment areas described by 45-minute drivetimes around (i) Old Church Veterinary Hospital, Ballyshannon, Co. Donegal (the “Ballyshannon 45-Minute Drivetime Catchment Area”); (ii) OCV Clinic, Donegal Town (the “Donegal Town 45-Minute Drivetime Catchment Area”); and (iii) OCV Clinic, Grange, Co. Sligo (the “Grange, Co. Sligo, 45-Minute Drivetime Catchment Area”)

Competitive Assessment

Horizontal effects

The Commission’s approach to market shares

32. In *M/24/046 – VetPartners/Midleton Veterinary Hospital*, the Commission calculated potential market shares using two different measurements.
33. First, the Commission calculated shares by reference to the number of veterinary practices that each supplier operated. The Commission considered that while that measurement accurately captured the number of suppliers and veterinary practices active in the local catchment area, it offered less insight into each supplier’s relative size and strength.¹⁸
34. Second, the Commission also calculated shares based on the number of full-time equivalent vets working in each veterinary practice (“FTE vets”). The Commission considered that this measure was more likely to capture the relative size and strength of each veterinary practice and supplier in the local catchment area. The Commission noted that the calculation of shares based on the number of FTE vets working in each veterinary practice, where possible to

¹⁸ [M/24/046 – VetPartners/Midleton Veterinary Hospital](#), para. 35.

robustly estimate, is likely to represent a more appropriate measure for market shares in this potential relevant market.¹⁹

35. The Commission sees no reason to depart from the approach adopted in *M/24/046 – VetPartners/Midleton Veterinary Hospital* and therefore has calculated market shares for the local catchment areas in this case on the basis of (i) the number veterinary practices operated by each supplier in the catchment area, and (ii) the number of FTE vets working in each veterinary practice.

The general supply of veterinary services

Old Church Veterinary Hospital, Ballyshannon, Co. Donegal

36. There are no IVCE practices in the Ballyshannon 80th Percentile Drivetime Catchment Area.
37. Following the implementation of the Proposed Transaction, the Parties will hold a [35-40]% share of the general supply of veterinary services, based on the number of FTE vets, in the Ballyshannon 80th Percentile Drivetime Catchment Area.
38. The Commission considers that the Proposed Transaction will not cause competition concerns for the general supply of veterinary services in the Ballyshannon 80th Percentile Drivetime Catchment Area because the Proposed Transaction will not cause any change in market structure, as there is no horizontal overlap between the Parties in the Ballyshannon 80th Percentile Drivetime Catchment Area.
39. As a sensitivity analysis, the Commission has considered a wider catchment area which includes the closest IVCE practice to Old Church Veterinary Hospital, Ballyshannon. This is The Well Pet Hospital Limited, in Tonafores, Carraroe, Co. Sligo, which is a 41-minute drive from Ballyshannon.²⁰

¹⁹ *M/24/046 – VetPartners/Midleton Veterinary Hospital*, para. 36.

²⁰ Mergers Notification Form, paragraph 70. Drivetime validated by the Commission, as being just outside the Ballyshannon 80th Percentile Drivetime Catchment Area.

Table 2: Market share estimates for the supply of veterinary services in the Ballyshannon 80th Percentile Drivetime Catchment Area

Practice	Sites	Drivetime from Old Church Veterinary Hospital (minutes)	Estimated Number of FTE vets ²¹	Market share (practices)	Market Share (FTE vets)
1. OCV	Old Church Veterinary Hospital Ballyshannon	0	█	[30-35]%	[25-30]%
	Old Church Vets Donegal Town	20.6			
	Old Church Vets Grange	22.3			
2. IVCE	The Well Pet Hospital, Tonafortes, Carraroe, Co. Sligo	41	█	[10-15]%	[25-30]%
3. Seaview Veterinary Clinic	Seaview Veterinary Clinic Ballyshannon	4.3	█	[15-20]%	[15-20]%
	Seaview Veterinary Clinic Donegal Town	20.3			

²¹ The Parties have provided the Commission with estimates of the number of FTE vets working in each practice. The Parties state in the merger notification form that, in respect of practices owned by the Parties, the figures are accurate, and that, in respect of other practices, the figures are based either on public sources or the Parties' estimates.

4. Bluestack Veterinary Clinic	Donegal Town	18.3	■	[15-20]%	[15-20]%
	Ballybofey	36.7			
5. Meadowsweet Veterinary Practice	Ardtrasna, Sligo	28.9	■	[5-10]%	[0-5]%
6. Animalia Veterinary Centre	Manorhamilton	31	■	[5-10]%	[0-5]%

Source: The Commission

40. Even if The Well Pet Hospital were to be included in the Ballyshannon 80th Percentile Drivetime Catchment Area, the Proposed Transaction would lead to a combined market share for the merged entity for the general supply of veterinary services in the Ballyshannon 80th Percentile Drivetime Catchment Area of [55-60]%, based on the number of FTE vets. The Commission considers that the Proposed Transaction, even on this basis, does not give rise to competition concerns as there will remain 4 alternative suppliers of veterinary services who, due to proximity, are likely to compete more closely with the Old Church Veterinary Hospital, Ballyshannon, than the Well Pet Hospital. These are: Seaview Veterinary Clinic, which operates from sites in Ballyshannon and Donegal Town; Bluestack Veterinary Clinic, which operates from sites in Donegal Town and Ballybofey; Meadowsweet Veterinary Clinic, which operates from a site in Ardtrasna, Co. Sligo; and Animalia Veterinary Centre, which operates from a site in Manorhamilton, Co. Leitrim. All of these sites are located closer to Old Church Veterinary Hospital, Ballyshannon than any other clinic which would be owned by the merged entity. As already noted, the Well Pet Hospital is located outside of the Ballyshannon 80th Percentile Drivetime Catchment Area.
41. Therefore, the Commission considers that the Proposed Transaction does not give rise to any horizontal competition concerns in respect of the general supply of veterinary services in the Ballyshannon 80th Percentile Drivetime Catchment Area.

Old Church Vets, Donegal Town

42. There are no IVCE practices in the Donegal Town 80th Percentile Drivetime Catchment Area.
43. Following the implementation of the Proposed Transaction, the Parties will hold a [30-35]% share of the general supply of veterinary services, based on the number of FTE vets, in the Donegal Town 80th Percentile Drivetime Catchment Area.
44. The Commission considers that the Proposed Transaction does not give rise to competition concerns for the general supply of veterinary services in the Donegal Town 80th Percentile Drivetime Catchment Area because the Proposed Transaction will not cause any change in market structure, as there is no horizontal overlap between the Parties in the Donegal Town 80th Percentile Drivetime Catchment Area. In addition, following the implementation of the Proposed Transaction, IVCE will continue to face a competitive constraint from 4 other veterinary practices in the Donegal Town 80th Percentile Drivetime Catchment Area, which operate from 6 sites. Table 3 lists the alternative suppliers of veterinary services in the Donegal Town 80th Percentile Drivetime Catchment Area.

Table 3: Market share estimates for the supply of veterinary services in the Donegal Town 80th Percentile Catchment Area

Practice	Sites	Drivetime from Old Church Vets, Donegal Town (minutes)	Estimated Number of FTE vets	Market share (sites)	Market share (FTE vets)
1. OCV	Donegal Town	0	■	[29-25]%	[30-35]%
	Ballyshannon	20.3			
2. Seaview Veterinary Clinic	Donegal Town	2.9	■	[20-25]%	[20-25]%
	Ballyshannon	23.4			
3. Bluestack Veterinary Clinic	Donegal Town	3.7	■	[20-25]%	[25-30]%
	Ballybofey	22.5			

4. My Hope Veterinary Clinic	Killybegs, Donegal Co.	24.8	■	[10-15]%	[5-10]%
5. Mulroy Veterinary Lifford	Lifford, Donegal Co.	26.3	■	[10-15[]%	[15-20]%

Source: The Commission

45. The closest IVCE practice to Old Church Vets, Donegal Town is The Well Pet Hospital Limited, in Tonaforres, Carraroe, Co. Sligo, which is a 63-minute drivetime from Old Church Vets, Donegal Town. On account of the significant distance, when compared to the closer alternatives as listed in Table 3, the Commission considers it unlikely that The Well Pet Hospital exerts a significant competitive constraint on Old Church Vets, Donegal Town.
46. Therefore, the Commission considers that the Proposed Transaction does not give rise to any horizontal competition concerns in the general supply of veterinary services in the Donegal Town 80th Percentile Drivetime Catchment Area.

Old Church Vets, Grange, Co. Sligo

47. There are no IVCE practices in the Grange, Co. Sligo, 80th Percentile Drivetime Catchment Area.
48. Following the implementation of the Proposed Transaction, IVCE will hold a [50-55]% share of the supply of general veterinary services, based on the number of FTE vets, in the Grange, Co. Sligo 80th Percentile Drivetime Catchment Area. The only local competitor in this catchment area is Meadowsweet Veterinary Practice, Ardtrasna, Co Sligo [REDACTED]
49. The Commission considers that the Proposed Transaction will not cause competition concerns for the general supply of veterinary services in the Grange, Co. Sligo 80th Percentile Drivetime Catchment Area, as the Proposed Transaction will not cause any change in market structure, as there is no horizontal overlap between the Parties in that catchment area.

50. As a sensitivity analysis, the Commission has considered a wider catchment area which includes the closest IVCE practice to Old Church Vets, Grange, Co. Sligo. This is The Well Pet Hospital, Tonafortes, Carraroe, Co. Sligo, which is a 19-minute drive from Old Church Vets, Grange, Co. Sligo.

Table 4: Market share estimates for the supply of veterinary services around Old Church Vets, Grange, Co. Sligo

Practice	Sites	Drivetime from Old Church Vets, Grange, Co. Sligo	Estimated Number of FTE vets	Market Share (sites)	Market Share (FTE vets)
1. Old Church Vets Grange	Grange, Co. Sligo	0	■	[20-25]%	[5-10]%
2. IVCE	The Well Pet Hospital, Tonafortes, Carraroe, Co. Sligo	19	■	[20-25]%	[50-55]%
3. Meadowsweet Veterinary Practice	Ardtrasna, Co. Sligo	6.6	■	[20-25]%	[5-10]%
4. Inishfree Veterinary Hospital	Pearse Road, Abbeyquarter North, Sligo	18	■	[20-25]%	[20-25]%
5. St. Benedict's Veterinary Hospital	Sligo	18	■	[20-25]%	[5-10]%

Source: The Commission

51. In addition to the Well Pet Hospital, there are 3 independent alternative suppliers of veterinary services within less than a 20-minute drive from Old Church Vets, Grange, Co. Sligo. These are: Meadowsweet Veterinary Practice (6.6 minutes drivetime); Inishfree Veterinary Hospital (18-minute drivetime); and St Benedict's Veterinary Hospital (18 minutes drivetime).
52. The Commission considers that the Proposed Transaction will not cause competition concerns for the general supply of veterinary services within less than a 20-minute drive from Old Church Vets, Grange, Co. Sligo, for three reasons:
53. First, following the implementation of the Proposed Transaction, IVCE will continue to face a competitive constraint from Meadowsweet Veterinary Practice in the supply of large animal care within that local catchment area.²² There are three independent alternative suppliers of veterinary services (including Meadowstreet Veterinary Practice) within a 20-minute drive of Old Church Vets, Grange, Co. Sligo, with each being closer to Old Church Vets, Grange, than The Well Pet Hospital. These practices will exert a competitive constraint on IVCE following completion of the Proposed Transaction, as they are a relatively short drive from Old Church Vets, Grange, Co. Sligo.
54. Second, the practice profiles of the Old Church Vets, Grange, and the IVCE-owned Well Pet Hospital are dissimilar. According to information provided by the Parties, [35-40]% of the services offered by Old Church Vets, Grange, are to large animals, whereas [95-100]% of services offered by the Well Pet Hospital are to small animals. While both practices offer regular small animal care, Old Church Vets, Grange, Co. Sligo is primarily involved in the provision of large animal care, which is a service that the Well Pet Hospital does not provide.
55. Therefore, the Commission considers that the Proposed Transaction does not give rise to any horizontal competition concerns in the general supply of veterinary services in the Grange, Co. Sligo 80th Percentile Drivetime Catchment Area or in the extended catchment area within less than a 20-minute drive from Old Church Vets, Grange, Co. Sligo.

OOH services

Old Church Veterinary Hospital, Ballyshannon, Co. Donegal

²² Meadowsweet Veterinary Practice does not provide small animal care.

56. Table 5 lists the practices providing OOH services within the Ballyshannon 45-Minute Drivetime Catchment Area.

Table 5: Veterinary practices supplying OOH services within the Ballyshannon 45-Minute Drivetime Catchment Area

Practice	Site	Nature of OOH service	Drivetime from Old Church Veterinary Hospital, Ballyshannon (minutes)	Market Shares (sites)
1. OCV	Old Church Veterinary Hospital, Ballyshannon	24/7	0	[25-30]%
	Old Church Vets, Donegal Town	24/7	22	
	Old Church Vets, Grange, Co. Sligo	24/7	24	
2. IVCE	The Well Pet Hospital, Tonafores, Carraroe, Co. Sligo	24/7	45	[5-10]%
COMBINED MARKET SHARE: [35-40]%				
3. Seaview Veterinary Clinic	Seaview Veterinary Clinic, Donegal Town	24/7	22	[15-20]%
	Seaview Veterinary Clinic, Ballyshannon	24/7	6	

4. Bluestack Veterinary Clinic	Bluestack Veterinary Clinic, Donegal Town	24/7	20	[15-20]%
	Bluestack Veterinary Clinic, Ballybofey	24/7	37	
5. Inishfree Veterinary Hospital	Inishfree Veterinary Hospital	24/7	40	[5-10]%
6. St Benedicts Veterinary Hospital	St Benedicts Veterinary Hospital	24/7	45	[5-10]%
TOTAL: 100%				

Source: The Commission

57. As shown in Table 5, following the implementation of the Proposed Transaction, IVCE will hold a [35-40]% share of the supply of OOH services, on the basis of the number of sites in the Ballyshannon catchment area. There will be at least 4 alternative suppliers of OOH services, operating on a 24/7 basis, in the Ballyshannon 45-Minute Drivetime Catchment Area.
58. The Commission considers that the Proposed Transaction is unlikely to raise any horizontal competition concerns in the supply of OOH services in the Ballyshannon 45-Minute Drivetime Catchment Area as, following the implementation of the Proposed Transaction, there will remain a number of alternative suppliers of OOH services in the Ballyshannon 45-Minute Drivetime Catchment Area which will exert a competitive constraint on IVCE.

OCV Clinic, Donegal Town

59. Table 6 lists the practices providing OOH services within the Donegal Town 45-Minute Drivetime Catchment Area.

Table 6: Veterinary practices providing OOH services within the Donegal Town 45-Minute Drivetime Catchment Area.

Practice	Site	Nature of OOH service	Drivetime from Church Donegal Town	Old Vets, (sites)	Market Shares
1. OCV	Old Church Veterinary Hospital, Donegal Town	24/7	0		[25-30]%
	Old Church Vets, Ballyshannon	24/7	24		
	Old Church Vets, Grange, Co. Sligo	24/7	42		

2. IVCE	The Well Pet Hospital, Tonafortes, Carraroe, Co. Sligo	24/7	63	[5-10]%
COMBINED MARKET SHARE: [35-40]%				
3. Seaview Veterinary Clinic	Seaview Veterinary Clinic, Donegal Town	24/7	2.9	[15-20]%
	Seaview Veterinary Clinic, Ballyshannon	24/7	23.4	
4. Bluestack Veterinary Clinic	Bluestack Veterinary Clinic, Donegal Town	24/7	3.7	[15-20]%
	Bluestack Veterinary Clinic, Ballybofey	24/7	22.5	
5. Mulroy Veterinary	Mulroy Veterinary, Letterkenny	24/7	26.2	[5-10]%
6. Gibson Animal Health	Gibson Animal Health, Ballyholey	24/7	44.8	[5-10]%
7. Letterkenny small animal veterinary hospital	Letterkenny small animal veterinary hospital	24/7	41.5	[5-10]%
TOTAL: 100%				

Source: The Commission.

60. There is no overlap between the activities of the Parties in the supply of OOH services in the Donegal Town 45-Minute Drivetime Catchment Area. The closest IVCE practice is the Well Pet Hospital, Tonafores, Carraroe, Co. Sligo, which is a 63-minute drive from Old Church Vets, Donegal Town.
61. If, as shown in Table 6, the Well Pet Hospital is included in the Donegal Town 45-Minute Drivetime Catchment Area, IVCE will hold a [35-40]% share of the supply of OOH services, on the basis of the number of sites in the Donegal Town 45-Minute Catchment Area. There will be at least 5 alternative suppliers of OOH services, operating on a 24/7 basis, in the Donegal Town 45-Minute Drivetime Catchment Area.
62. Even on this basis, the Commission considers that the Proposed Transaction is unlikely to raise any horizontal competition concerns in the supply of OOH services in the Donegal Town 45-Minute Drivetime Catchment Area as, following the implementation of the Proposed Transaction, there will remain a number of alternative suppliers of OOH services in the Donegal Town 45-Minute Drivetime Catchment Area, which will exert a competitive constraint on IVCE.

OCV Clinic, Grange, Co. Sligo

63. Table 7 lists the practices within the Grange, Co. Sligo 45-Minute Drivetime Catchment Area.

Table 7: Veterinary practices providing OOH services within the Grange, Co. Sligo 45-Minute Drivetime Catchment Area go.

Practice	Site	Nature of OOH service	Drivetime from Church Vets, Grange, Co. Sligo	Market Share (sites)
1. OCV	Old Church Veterinary, Grange, Co. Sligo	24/7	0	[5-10]%
	Old Church Vets, Donegal Town	24/7	38.8	[5-10]%

	Old Church Vets, Ballyshannon, Co. Donegal	24/7	23.4	[5-10]%
2. IVCE	The Well Pet Hospital, Tonafortes, Carraroe, Co. Sligo	24/7	19	[5-10]%
COMBINED MARKET SHARE: [30-35]%				
3. Seaview Veterinary Clinic	Seaview Veterinary Clinic, Donegal Town	24/7	38	[15-20]%
	Seaview Veterinary Clinic, Ballyshannon	24/7	19	
4. Bluestack Veterinary Clinic	Bluestack Veterinary Clinic, Donegal Town	24/7	36.4	[5-10]%
5. Teeling Vets	TeelingVets, Collooney, Co. Sligo	24/7	24.8	[5-10]%
6. Gallagher Vets	Gallagher Vets, Ballymote, Co. Sligo	24/7	34.8	[5-10]%
7. Kilcoyne & Barnes Veterinary Services	Kilcoyne & Barnes Veterinary Services, Tubbercurry, Co. Sligo	24/7	42.7	[5-10]%
8. Inishfree Veterinary Hospital	Inishfree Veterinary Hospital, Inishfree, Co. Sligo	24/7	18.4	[5-10]%

9. St Benedicts Veterinary Hospital	St Benedict's Veterinary Hospital, Co. Sligo	24/7	18.5	[5-10]%
				TOTAL: 100%

Source: The Commission

64. As shown in Table 7, following the implementation of the Proposed Transaction, IVCE will hold a [30-35]% share of the supply of OOH services, on the basis of the number of sites in the Grange, Co. Sligo 45-Minute Drivetime Catchment Area. There will be at least 7 alternative suppliers of OOH services, operating on a 24/7 basis, in the Grange, Co. Sligo 45-Minute Drivetime Catchment Area.
65. The Commission considers that the Proposed Transaction is unlikely to raise any horizontal competition concerns in the supply of OOH services in the Grange, Co. Sligo 45-Minute Drivetime Catchment Area as, following the implementation of the Proposed Transaction, there will remain a number of alternative suppliers of OOH services in the Grange, Co. Sligo 45-Minute Drivetime Catchment Area, which will exert a competitive constraint on IVCE.

Conclusion on horizontal effects

66. In light of the above, the Commission considers that the Proposed Transaction does not raise any horizontal competition concerns in any market for goods or services in the State.

Vertical effects

67. As noted above, there is a potential vertical overlap between the activities of the Parties.

Supply agreements

68. The potential vertical overlap arises as veterinary practices within the IVCE network [REDACTED] with certain suppliers of pet food and medicinal products.

Pet Food

69. IVCE has arrangements with [REDACTED] [REDACTED] [REDACTED]. This pet food is then sold at the veterinary practices to pet-owners.
70. The Commission considers that this potential vertical overlap does not raise competition concerns as:

- the Parties note in the merger notification form that veterinary practices within the IVCE network account for less than [0-5]% of total pet food sales in Ireland.²³
- Veterinary clinics are not the primary distribution channel for pet food sales. Pet food can be and is purchased from a variety of suppliers which include specialist pet and pet food stores, and supermarket chains such as Tesco Ireland Limited, Dunnes Stores and Supervalu.
- IVCE's role in the supply of pet food is not as a typical supplier, but more akin to a buying group; it does not currently, to the Commission's knowledge, supply outside of the veterinary practices within the IVCE network.
- Old Church Vets comprises three veterinary practices, meaning the Proposed Transaction represents a negligible overall change in the potential scale of IVCE as a wholesale purchaser of pet food. In addition, IVCE/IVCI's veterinary practices are not tied to exclusive purchasing arrangements and are free to purchase pet food outside of IVCE's negotiated supply arrangements.

71. Therefore, the Commission considers that the merged entity would have neither the ability nor incentive to engage in input foreclosure or customer foreclosure, with respect to pet food, following implementation of the Proposed Transaction.

Medicinal Products

72. IVCE has a number of pan-European arrangements for the supply of medicinal products at centrally negotiated rates.

73. The Commission considers that this potential vertical overlap does not raise competition concerns as:

- Following the implementation of the Proposed Transaction, IVCE's share of the supply of veterinary services in the State will be [5-10]%, if measured by the number of practitioners. By inference, then, IVCE does not account for a large share of the supply of veterinary medicinal products in the State.

²³ Merger Notification Form, paragraph 89.

- IVCE's role in the supply of medicinal products is not as a typical supplier, but more akin to a buying group; it does not currently, to the Commission's knowledge, supply outside of the veterinary practices which are within the IVCE network.
- Old Church Vets comprises three veterinary practices, meaning the Proposed Transaction represents a negligible overall change in the potential scale of IVCE as a wholesale purchaser of medicinal products. In addition, IVCE/IVCI's veterinary practices are not tied to exclusive purchasing arrangements and are free to purchase medicinal products outside of IVCE's negotiated supply arrangements.

74. Therefore, the Commission considers that the merged entity would have neither the ability nor incentive to engage in input foreclosure or customer foreclosure, with respect to veterinary medicinal products, following implementation of the Proposed Transaction.

Conclusion on competitive analysis

75. In light of the above, the Commission considers that the Proposed Transaction will not substantially lessen competition in any market for goods or services in the State.

Ancillary Restraints

76. No ancillary restraints were notified.



Determination

The Competition and Consumer Protection Commission, in accordance with section 21(2)(a) of the Competition Act 2002, as amended, has determined that, in its opinion, the result of the proposed acquisition whereby Independent Vetcare (Ireland) Limited would acquire the entire issued share capital, and thus sole control, of Airmid Veterinary Limited t/a Old Church Veterinary Hospital will not be to substantially lessen competition in any market for goods or services in the State, and, accordingly, that the acquisition may be put into effect.

For the Competition and Consumer Protection Commission.

Úna Butler

Member

Competition and Consumer Protection Commission