

# Q3-2017 Veterinary Industry Update



## Market Overview

While the landmark acquisition of VCA, Inc. by Mars, Inc. did not officially close until this quarter, January's announcement of the transaction evidently sparked another wave of rapid consolidation throughout the industry. The sector has been one of the top focus-areas within healthcare services for private equity investors, and veterinary management companies with private equity-backing have continued to swiftly execute add-on acquisitions in attempt to gather market share in this highly fragmented space.

## SELECT TRANSACTIONS:

Month	Acquirer	Target Company	Details
September 2017	Mars, Inc.	VCA, Inc. (NASDAQ: WOOF)	Mars, Inc. has completed the previously announced acquisition of VCA, Inc., creating the largest veterinary services company in the United States through a portfolio of brands that includes Banfield Pet Hospitals, BluePearl Veterinary Hospitals and Pet Partners in addition to VCA.
September 2017	VetCor	CNY Veterinary Services at Animal Kingdom	VetCor, a portfolio company of Cressey & Company, has acquired CNY Veterinary Services at Animal Kingdom. Based in Clay, New York, this transaction represents VetCor's 29 <sup>th</sup> location in the state of New York and 232 <sup>nd</sup> nationwide.
September 2017	Southern Veterinary Partners / Shore Capital Partners	Goodwin Animal Hospital, Taylor Crossing Animal Hospital, Barry Veterinary Hospital, and Soundside Animal Hospital	Southern Veterinary Partners (SVP), a portfolio company of Shore Capital Partners, has expanded their presence in both Alabama and Florida through the acquisitions of Alabama-based Goodwin Animal Hospital and Taylor Crossing Animal Hospital, and Florida-based Barry Veterinary Hospital and Soundside Animal Hospital. As a result of these transactions, SVP's network now consists of 33 animal hospitals in eleven southern states.
September 2017	Community Veterinary Partners / Cortec Group	Village Animal Clinic	Community Veterinary Partners, a portfolio company of private equity firm Cortec Group, has expanded into the state of Florida through the acquisition of North Palm Beach veterinary hospital Village Animal Clinic. Financial terms of the deal were not disclosed.
August 2017	American Veterinary Group / Latticework Capital Management & Trive Capital	Animal Medical Clinic at St. Johns	American Veterinary Group (AVG), a portfolio company of Latticework Capital Management and Trive Capital, has acquired Animal Medical Clinic at St. Johns. This marks the first completed transaction under the leadership of new Chief Executive Officer Craig Niebur, an industry veteran who joined AVG in late 2016.
July 2017	Southern Veterinary Partners / Shore Capital Partners	Heartland Animal Hospital & Aiken Animal Hospital	Southern Veterinary Partners (SVP), a portfolio company of Shore Capital Partners, has entered the state of South Carolina through the acquisitions of Heartland Animal Hospital and Aiken Animal Hospital.
July 2017	MedVet Medical & Cancer Centers for Pets / Stonehenge Partners	Animal Emergency Clinic West and Animal Emergency Clinic Northeast	MedVet Medical & Cancer Centers for Pets, a portfolio company of Stonehenge Partners, has expanded into Cleveland, Ohio, with the acquisitions of Animal Emergency Clinic West and Animal Emergency Clinic Northeast. The Company operates veterinary hospitals in Ohio, Indiana, Illinois, Texas, Kentucky, Louisiana, and Alabama.
July 2017	Southern Veterinary Partners / Shore Capital Partners	Deerfield Animal Hospital, Hoegemeyer Animal Clinic, and Denton Veterinary Center	Southern Veterinary Partners (SVP), a portfolio company of Shore Capital Partners, has entered the state of Texas through the acquisitions of Deerfield Animal Hospital, Hoegemeyer Animal Clinic, and Denton Veterinary Center. SVP has executed upon an aggressive acquisition strategy since aligning with Shore Capital Partners, and has quickly become the largest veterinary management company based exclusively in the Southern United States.
July 2017	Community Veterinary Partners / Cortec Group	Bryn Mawr Veterinary Hospital	Community Veterinary Partners (CVP), a portfolio company of private equity firm Cortec Group, has expanded its presence in Pennsylvania through the acquisition of Bryn Mawr Veterinary Hospital, located just outside of Philadelphia. Financial terms of the deal were not disclosed.