



News Release

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Bayer Study Reveals Gaps in Perception of Veterinary Care Between Vets and Pet Owners

Important Opportunities for Veterinarians to Invigorate their Pet Owner Relationships are Presented

Shawnee, Kan. July 18, 2011 – While much has been reported about an end to the ongoing recession in the U.S., the impact is still being felt in the veterinary community. Fifty-one percent of veterinarians reported a net decrease in patient visits over the last two years, while 42 percent said that revenues decreased in 2010 as compared to 2009. This decline continues a trend that has been documented over the last decade, even while the number of dogs and cats has increased in the U.S.

Yet in spite of these issues, there are steps veterinarians can take to reverse the trend and improve pet health, according to a new study regarding the demand for veterinary services announced today at the annual convention of the American Veterinary Medical Association.

Called the Bayer Veterinary Care Usage Study, the research was conducted by Bayer HealthCare LLC, Animal Health Division in cooperation with Brakke Consulting and the National Commission on Veterinary Economic Issues (NCVEI). Results announced today were from the second major phase of the research, a national study among veterinarians. Results from an earlier stage national study of pet owners were announced in January.

Keeping Pets Healthy

The study confirms that there is a gap in knowledge between pet owners and veterinarians when it comes to providing for the long-term health of companion pets. Nearly all (95 percent) veterinarians surveyed believe that dogs and cats require at least one well-visit, or physical examination, annually and that 72 percent of veterinarians believe wellness exams are the most important services they can provide. However, the

study also found that 65 percent of veterinarians believe their clientele doesn't value annual wellness examinations, which reinforces findings from the study's first phase.

"Our initial findings from pet owners established the misperception that regular veterinary check-ups were not vital to the ongoing health of their pet," said Ian Spinks, president and general manager of Bayer Animal Health North America. "What we are now being told by veterinarians is that they believe the development of an annual wellness program for their patients is likely the single most important service that they can provide."

Vet 2.0 – Providing New Services

The study found that 83 percent of veterinarians believe that running a veterinary practice is as much a people business as it is a medical service.

"There is no doubt that what drives veterinarians is the opportunity to help pets," said Ron Brakke, president and founder of Brakke Consulting. "Yet, by focusing more on pet owners, veterinarians are realizing that many opportunities exist to grow their practices."

For that reason, a number of veterinarians are implementing marketing programs, including an online presence and use of social media tools such as Facebook and Twitter, as key components of their practice's business strategy.

Within that strategy, veterinarians have embraced the opportunity to meet the changing needs of pet owners. The study identified a number of services desired by pet owners that veterinarians indicate they currently are or are willing to offer to enhance the pet owners' experiences. These include the development of an individualized full-year wellness program and monthly billing for routine wellness services.

In addition, the study identified that the care of cats may account for up to 80 percent of all practice growth opportunities and recommends that veterinarians provide more cat-friendly reception areas that are quiet and dog-free and to maintain a high level of cat-related training among clinic staff.

Pet owners have also made it clear to veterinarians that they are looking for individualized care when visiting the clinic and want to work with the same veterinarian each time they visit the clinic, a practice that veterinarians embrace.

“Pet owners want their lives to be made easier as they find ways to keep their pets healthy,” said Karen Felsted, CPA, MS, DVM, CVPM, and CEO of NCVEI, a professional organization dedicated to improving economic conditions in veterinary medicine. “What this study shows is that veterinarians are hearing the calls of their clientele and are working to adapt their practices.”

About the Bayer Veterinary Care Usage Study

The first phase of the study focused on the decline in veterinary usage from the pet owners’ perspective, identifying six root causes: the economic impact of the recession; fragmentation of veterinary services; the use of the Internet vs. office visits; feline resistance; perception that regular medical check-ups are unnecessary; and cost of care.

The objectives of the second phase of the Bayer Veterinary Care Usage Study were to identify any correlation between clinic revenue and pet visits, to identify the use of successful practice tools and to establish the degree to which veterinarians are utilizing services identified in phase one of the study. Results are based on a nationally representative quantitative online survey of 401 companion animal veterinarians.

Bayer HealthCare LLC, Animal Health Division, Brakke Consulting and NCVEI conducted the study, and collaborated with several university experts. Brakke Consulting and NCVEI are also assisting Bayer in developing solutions to increase veterinary visits.

About Bayer HealthCare LLC, Animal Health Division

The Bayer Group is a global enterprise with core competencies in the fields of healthcare, nutrition and high-tech materials. Bayer HealthCare, a subgroup of Bayer AG with annual sales of EUR 16.913 billion (2010), is one of the world’s leading, innovative companies in the healthcare and medical products industry and is based in Leverkusen, Germany. The company combines the global activities of the Animal Health, Consumer Care, Medical Care and Pharmaceuticals divisions. Bayer HealthCare’s aim is to discover and manufacture products that will improve human and animal health worldwide.

With sales of EUR 1,120 million (2010), Bayer’s Animal Health division is one of the world’s leading manufacturers of veterinary drugs. The business manufactures and markets approximately 100 different veterinary drugs and care products for food-supplying animals and companion animals. U.S. Headquarters for Bayer HealthCare

Animal Health Division is located in Shawnee, Kansas. Find more information at www.bayerhealthcare.com.

About Brakke Consulting

Brakke Consulting is the leading consulting firm specializing in the animal health and nutrition markets. Headquartered in Dallas, the firm also maintains offices in Chicago, Omaha, St. Louis and Stuart, Florida, and has affiliate offices in Osaka and Sydney. Established in 1986, Brakke provides a full range of consulting services, including General Consulting, Strategic Planning, Mergers and Acquisitions, Market Research Studies, Technology Licensing, Communications Strategies and New Business Development. Please visit www.brakkeconsulting.com for more information.

About NCVEI

The National Commission on Veterinary Economic Issues (NCVEI) was founded in January 2000 with a mission of raising the economic base of veterinary medicine. A wide-ranging group of benchmarking, pricing and communications tools as well as other resources are available, free of charge at www.NCVEI.org. The Commission is a not-for-profit organization governed by a Board of Directors including members from the American Veterinary Medical Association, the Association of American Veterinary Medical Colleges and other organizations. Funding is provided by members of the NCVEI's Sponsor Council that includes Merial, Veterinary Pet Insurance, Bayer HealthCare LLC, Animal Health Division, CareCredit, Abbott Animal Health, MWI Veterinary Supply, Webster Veterinary, CATalyst Council and Simmons Educational Fund.

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