This article explores the economic trends affecting the future of the veterinary medical profession. Key aspects of demand and supply are considered, as are several broad-based institutional factors. Demand for veterinarians and veterinary medical services is demonstrating a definitive upward trend across the profession, led by a remarkable increase in consumers’ willingness to spend on animal health care. Supply is also expanding through increased enrollments at colleges and schools of veterinary medicine and increased productivity and efficiency in private practice. Veterinarians’ incomes are increasing, and some sectors of the profession offer outstanding financial opportunities. Provided that critical needs are met for 1) increased diversity and 2) continued improvement in the nontechnical capabilities of veterinarians, the outlook for the economic future of the veterinary medical profession is strong.

Marketing is a holistic process that goes far beyond a Yellow Page advertisement or a glossy brochure. A thorough evaluation of a market before entry, including best and worst case scenarios, is critical to making good investments. Veterinarians are fortunate to have a market that is largely protected by barriers to entry and characterized by reasonably high rates of return given minimal risk. Our market base continues to expand and, overall, remains fairly price insensitive. The extent to which a practice can align its capabilities with a product mix that ideally meets its clients’ needs will ultimately determine its success.

This article comprises discussions on practices with little or no salable value, the determination and measurement of the value of a veterinary
practice, the evolution of the small animal practice marketplace, the costs of selling a portion of a practice, lack of marketability discount, and C corporation issues.

The Gender Shift in Veterinary Medicine: Cause and Effect 329
Carin A. Smith

The gender shift in veterinary medicine has paralleled other changes in debt and income. Cause and effect are complex and often confused. Popular notions of the priorities of the new generation of men and women are often not supported by research studies. Recent data reveal new insights into questions surrounding the gender issue.

Current Trends in Animal Law and Their Implications for the Veterinary Profession 341
Charlotte A. Lacroix

In the last decade, the veterinary profession has experienced many changes, including the birth of a new area of law known as “animal law,” and an increased scrutiny by the legal community and veterinary state boards. This article provides a sampling of some of the more challenging issues the profession is facing in the early part of the 21st century, namely, guardianship versus ownership, the awarding of non-economic damages in negligence lawsuits, and challenges in maintaining medical records.

Succession Planning 355
Thomas E. Catanzaro

This article provides the reader with an appreciation of the diverse elements that go into a buy-sell, affiliation, or merger situation for veterinary practices. In the changing market place of American veterinary medicine, old paradigms no longer hold comfort. The generational differences are briefly explored herein as well as the new economic realities. A few examples are offered to illustrate just how much variability exists in the current business of veterinary medicine and the subsequent practice transitions needed to enhance value. Functioning models are explored, as well as affiliation and merger options. Practice valuation is discussed in general terms, referencing the cutting-edge factors. The six-point summary provides almost all practices a solid operational base for daily operations and succession planning.

Buying and Leasing Real Estate for Veterinary Hospitals 373
Karl R. Salzsieder

The major factors to be considered in the real estate purchase decision are the interest rate, the depreciation schedule, the property appreciation,
the income tax impact, and the impact of paying a principal payment as part of the real estate mortgage. All these factors must be compared with the costs of leasing.

Four Core Communication Skills of Highly Effective Practitioners

Jane R. Shaw

For 40 years, medical researchers have been studying physician-patient interactions, and the results of these studies have yielded three basic conclusions: physician-patient interactions have an impact on patient health, patient and physician satisfaction, adherence to medical recommendations, and malpractice risk; communication is a core clinical skill and an essential component of clinical competence; and appropriate training programs can significantly change medical practitioners’ communication knowledge, skills, and attitudes. Many of these findings are applicable to the practice of veterinary medicine.

Move Your Practice to New Heights with Down-To-Earth Hiring Techniques

Bonita S. Voiland

Like preparing for intricate surgery, successful staffing requires preparation, mastery of the subject matter, and skill. The employees who work in veterinary practices form the basis of the business and reflect the owners’ own values. Giving attention to what you want your practice to be, whom you want working with you, and how the environment keeps the staff productive matters. Identifying the right culture, hiring people who find congruence with the practice’s culture, and consistently applying these principles will help your practice soar to new heights.

Small Animal Practice: Billing, Third-party Payment Options, and Pet Health Insurance

Louise Dunn

Rising veterinary costs can keep some people from accepting necessary medical care for their pets. This article discusses viable alternative financing options. Each alternative comes with its own pros and cons. Practice owners will want to study the offerings carefully to find the best match for their practice and clients.

Compliance: Crafting Quality Care

Charles J. Wayner and Marsha L. Heinke

The concept of compliance involves the consistency and accuracy with which a client follows the regimen recommended by the veterinarian or other veterinary health care team member. Contrary to common belief, most compliance failures are not the direct result of a client’s unwillingness to comply. This article will help the reader better appreciate the critical importance of effective communication by the entire veterinary
health care team in achieving compliance. Success is predicated on an alliance between the practice team and the client. Certain paradigms surrounding compliance in veterinary practice are discussed, and the positive outcomes of compliance, including optimal patient care, exceptional client service, employee career growth, and economic ramifications, are explored.