

November 2, 2012

Stephanie A. Wilkinson Federal Trade Commission Office of the Secretary 600 Pennsylvania Avenue, N.W. Room H-113 (Annex X) Washington, DC 20580

Re: Pet Medications Workshop, Project No. P12-1201

Dear Ms. Wilkinson:

On behalf of the Advocacy for Pets and Affordable Wellness (APAW) coalition, we appreciate this opportunity to submit comments to the Federal Trade Commission (FTC) on the status of the pet medications industry and the importance of affordable pet health care. We support the FTC's efforts to examine this important issue and to promote federal regulations and policies that enhance consumer choice and promote consumer choice.

APAW is a national coalition of pet owners dedicated to promoting the health and well-being of America's pets and to empowering pet owners across the country to obtain affordable, quality health care and medicine for their animals. Our mission is to educate pet owners about the significant cost savings that can be realized by purchasing pet medications through non-veterinary retailers and pharmacies, and to encourage greater consumer choice, competition and convenience for all pet owners.

1. The cost of pet ownership is an issue that affects millions of American families.

In the United States, nearly two out of every three American households own at least one pet. According to a recent study by the American Veterinary Medical Association (AVMA), U.S. households are now home to approximately 70 million dogs and 74 million cats.¹ Each year, Americans spend approximately \$10 billion on pet medications and related health supplies.

During these difficult economic times, pet owners are increasingly concerned about the costs associated with pet ownership and pet health care, in particular. In many cases, these health care costs are paid by pet owners directly out-of-pocket since health insurance coverage for pets is limited. In fact, according to a 2012 study by the American Humane Association's Animal Welfare Research Institute, veterinary costs are cited as the top reason that previous dog owners no longer

¹ 2012 U.S. Pet Ownership and Demographics Sourcebook, available at

https://www.avma.org/news/pressroom/pages/Sneak-preview-of-AVMA-PeA new study from the American Veterinary Medical Association (AVMA)t-Demographic-Sourcebook-at-2012-convention-in-San-Diego.aspx

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own a dog.² Similarly, in 2012, a study from the AVMA found that U.S. pet ownership decreased for the first time since 1991.³

Given these factors, it is critical that all pet owners have the right to obtain quality, affordable medicines and products for their pets.

2. <u>The FTC should adopt regulations that empower pet owners to obtain affordable pet</u> <u>medications.</u>

Today, there is a patchwork of state laws governing prescription release for pet medications. In more than half of all U.S. states, pet owners do not have a right to automatically receive a copy of their pets' prescription. In the remaining states, a prescription often is only available if a pet owner requests it. At the same time, for many pet owners, purchasing pet medications from veterinarians can be an expensive option.

As American families weather difficult economic times, they are looking to cut costs in their household budget. At the same time, pet prescriptions and health-related products can account for significant costs. It is important that pet owners have the same freedom to comparison shop for prescription pet medications as they do when they are purchasing prescription medications for their families.

By giving pet owners the right to automatically receive a copy of their pets' prescriptions, pet owners would become aware that they have the ability to purchase their pet's medication outside of the prescribing clinic, and have the freedom to choose where to have prescriptions filled based on the price, convenience and service which suits them best. In fact, many consumers may continue to purchase pet medications through veterinary channels provided that veterinarians offer competitive prices and/or service and convenience valued by pet owners.

Without federal regulations that provide enhanced consumer choices, pet owners who are not aware that pharmaceuticals and other health-related products are available through non-veterinary channels or who find it intimidating to ask for a copy of their pet prescriptions will continue pay the prices – often at a higher premium - set by veterinarians.

² Keeping Pets (Dogs and Cats) in Homes: A Three-Phase Retention Study, Phase I: Reasons for Not Owning a Dog or Cat, American Humane Association (2012), at 7, available at, <u>http://www.americanhumane.org/aha-petsmart-retention-study-phase-1.pdf</u>.

³ 2012 U.S. Pet Ownership and Demographics Sourcebook, *available at*, <u>https://www.avma.org/news/pressroom/pages/Sneak-preview-of-AVMA-PeA new study from the American</u> <u>Veterinary Medical Association (AVMA)t-Demographic-Sourcebook-at-2012-convention-in-San-Diego.aspx</u>

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3. <u>The significant cost savings associated with prescription release regulations will</u> increase the quality of life for both pets and pet owners.

By extending long-standing prescription release principles found in the distribution of human medications to the marketplace for pet medications and by requiring veterinarians to provide pet owners with a copy of their pets' prescriptions, the price of pet medications will decrease.

In states that allow pet owners to obtain a written prescription, pet owners can save an average of \$60 per year on their pets' prescriptions compared to states where pet owners do not have that right. This savings is significant -- it would trim the average pet medication bill of \$289 per year by more than twenty percent.

Finally, by giving pet owners the right to receive a copy of their pet prescriptions and the ability to choose the place and location for filling these prescriptions, they will be empowered to make more informed choices – a shared mission of both the FTC and APAW.

Thank you for your attention to this very important issue. We applaud the FTC for examining this issue, and we urge you to promote federal regulations that allow consumers to shop for the best price on their pet's prescriptions.

Sincerely,

Barbara Trulio Member, APAW, and concerned pet owner