2025 in Your Words

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In early December, we asked the Fountain Report subscribers to tell us what mattered this year.

The feedback was illuminating and reinforced the tension that the veterinary profession is currently facing. A historically "recession-proof" field finds itself grappling with declining visits and rising cost concerns. A year of unrelenting hype around the impact of technology and AI left impact jagged and readers disillusioned. An increasingly consolidated practice climate renewed concerns regarding balancing people, pets, and profitability.

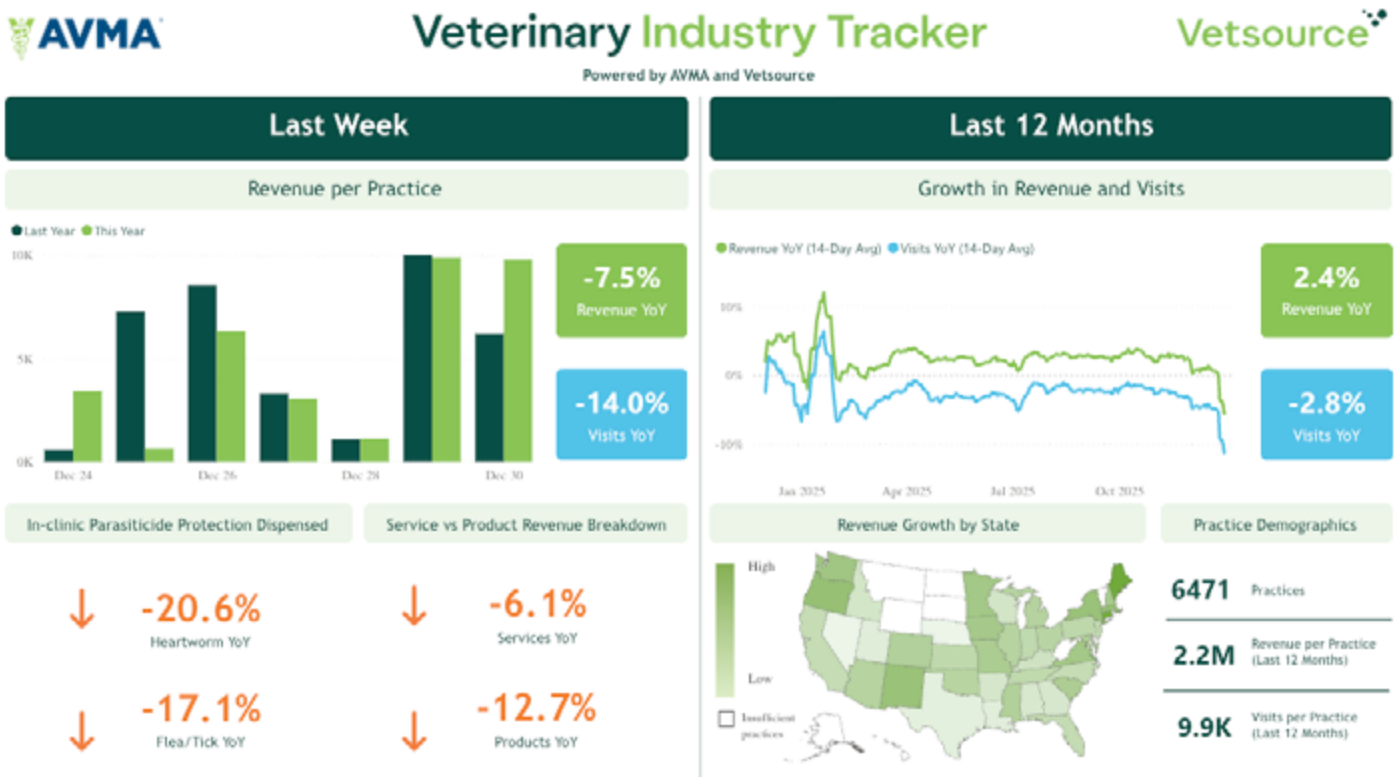
Here is what you said, what we learned, and where we go from here.

Pet owner economics dominate

While there have been alarm bells for several years, pet owner economics is now the prevailing issue on people's minds. **1 in 2 respondents put pet owner economics at the top of their list as the top trend this year**.

This year featured several prominent reports highlighting the gaps in access and affordability of care.

- A Gallup/PetSmart Charities survey in 2025 found **52% of U.S. pet owners** skipped or declined needed veterinary care in the past year, mainly due to cost. Gallup.com
- **U.S. consumer price index data show veterinary services running 2x overall inflation**. Bureau of Labor Statistics
- Practice data from Vetsource and AVMA show **patient visits down about 2.3% in 2024 vs 2023**, active patients down 1.9%, and time between visits up 48% compared with three years prior. In 2025, visits were down another 2.8% with bright spots including the growth of feline visits.



Screenshot image taken on Jan 3, 2026 from **here**.

This culminated with a paper entitled **"Anticipating the downturn: business cycle forecasting for veterinary practice strategy in the United States"** by Matt Salois, Charlotte McKay, and Clint Neil that stated **"Forecasts reveal a continuing increase in veterinary service prices but a deceleration in real expenditures, indicating the industry entered a recessionary phase in late 2024"**.

We are both capable of doing more for pets than ever before but incapable of delivering those advances to the majority of pets. As a result, there has been renewed focus on "spectrum of care" education and training. An open question remains how successfully existing care models can bend to meet the demands of their community (in particular, when up against a desire to bring more "standardization" within a practice portfolio).

What does 2026 look like? Perhaps reigniting new models of care and more creative approaches to serving clients. New approaches to pricing with increased emphasis on transparency seems likely. This Fall, the **UK's Competition and Markets Authority (CMA) published it's provisional decision** on a market investigation into veterinary practices that would see drastic changes to how practices communicate pricing, compare options, and source medications. CMA cited several factors for this decision including:

- *Average vet prices across the market rose by 63% between 2016 and 2023 – well above the rate of inflation.*
- *Pet owners pay 16.6% more on average at large vet groups than at independent vets. For at least 3 of those large groups, average prices increased faster at practices they bought than at practices that remained independent.*

The final decision is expected in March 2026 and its impact will likely have far reaching impacts beyond just the UK market.

Our subscribers wondered if we are reaching a breaking point. It's a fair question to ask. Does the historically high-trust of our profession deteriorate if we make it too hard for pet owners to participate in it. What happens when your own veterinary staff can't afford the care they are recommending to pet owners? What impact will production-based compensation play in this dynamic? If large segments of pet owners find themselves unable to able to get care **and the veterinary industry is perceived to be limiting access, increasing prices, and more directly tying veterinary compensation to product and service sales, it may be a recipe for disaster for public trust.**

These will be topics we will cover in more detail with 1/3 of respondents asking for greater focus on economics and pricing.

Want to separate signal from noise? **Click here to see our Scribe Report**.

AI it's already here and we are already tired of it

If you judged by conference agendas, 2025 would be "the year of AI." Our survey says: *not quite*. Only **12.1%** of respondents picked **AI in veterinary workflows** as the biggest real-world impact of 2025. But when we asked what felt **most overrated, 54.9%** of substantive answers said **AI / tech**.

It is clear that the benefits of AI are not evenly distributed and there were several comments about the tension between the art of the possible and the current state of the practical.

"AI-it's the wild west with so many 'me too' companies. It will be interesting to see which promotes meaningful change."

For many, 2025 was the year that saw scribes and other AI capabilities make their way into the clinic. Industry insiders estimate that penetration may be as high as 15+% and we saw several large corporate partnerships across multiple providers throughout the year signalling a shift from bottoms up adoption in 2024 to more widespread enterprise roll-outs. This corresponded with capital raises from a number of dedicated scribe and all-in-one platforms including Lupa, Covet, Digitail, etc.

For some, these were seen as gamechanging allowing them to free up their time, improve quality of medical records, and delegate an important, but tedious task to an AI assistant. Others felt the opposite - a disconnected workflow, a new role of AI editor, and underwhelming user experiences.

It is difficult to separate out the specific attitudes/ perspectives about veterinary use cases from the broader AI conversation and news. We are at the earliest stages of one of, if not "the", most significant technological revolution in history. The pace of development is unprecedented. This year saw ChatGPT reach 800M+ users. "Walk My Walk" by the AI artist Breaking Rust hit No. 1 on Billboard's Country Digital Song Sales chart in November. We saw multiple frontier lab model releases pushing benchmarks even higher. Every industry is reimagining what their AI-enabled future will look like. Ours is no different.

If 2025 was the year that we started to grapple with the explosion of these capabilities, 2026 will be the year we focus on refinement, application, and integration. The industry is demanding to see receipts. More analysis and data that shows the real world use and impact of these

solutions. Downstream, we are wondering what the 2nd/3rd order consequences of these capabilities will be as we hand over more "human" tasks to AI.

Shortages? Overstaff? Workforce dynamics were top of mind for our readers

Coming in with 14% of respondents, workforce dynamics came in a diversity of angles from our community.

Readers shared that staff shortages, burnout, changes in pay structure, and consolidation all played a role here.

Given conflicting industry reports, it isn't surprising that folks are confused and tense around this topic.

Over the past 2 years, there has been significant dialogue on this topic.

- An AAVMC-commissioned analysis of U.S. supply and demand projects a **shortfall of 15,000+ companion-animal vets by 2030**, even with current graduation trends. AAVMC
- A 2023 Mars Veterinary report estimates the U.S. may need **up to 55,000 additional veterinarians** by 2030 to meet companion-animal demand. Mars Veterinary
- On the wellbeing side, the 2023 Merck Animal Health–AVMA Veterinary Wellbeing Study found **61% of veterinarians reported higher exhaustion** than the general U.S. population, with roughly **84% experiencing low to medium burnout**. Merck Study
- A 2024 AVMA/Brakke presented a counter report concluding that "the projections in this analysis do not justify a conclusion of overall excess capacity or capacity shortage by 2030 or 2035".

However, reader comments revealed an emerging and difficulty correlation with rising costs in care and the impact of staff well-being.

"The emotional toll on veterinary staff is high when they see pet owners struggling… and staff is faring worse financially."

What happens to staff well-being when they are forced to pull-back on recommended treatments or diagnostics? Or when hospital performance now dominates more conversations and team meetings? Or worse yet, when they themselves can no longer afford the care for their own pets that the hospital recommends?

Clearly, 2026 will include a deeper look at organizational design and how that can better serve pet owners, patients and clinic staff. We anticipate a diversity of new approaches and experiments to finding the right balance.

Closing Thoughts

What struck us most when reviewing our survey data was the interconnectedness between these 3 themes and the importance of understanding their relationships in the coming year.

It is important to recognize that these pet owner economic issues are likely to drive significant impacts to staff well-being. These are front-line workers who are responsible for communicating price changes, navigating client complaints, and managing new solutions and approaches to handle care recommendations that are increasingly out of reach for people walking through their door.

Second, technology is already playing a role in extending care with telemedicine being an obvious example. However, we have already seen high-profile legal challenges to practices acts in an effort to preserve traditional care models. AI will likely create and expand these fractures. Pet owners will increasingly be able to self-serve for pet health advice/triage/ongoing support. If the veterinary industry is blocking the creation of on-ramps to care, pet owners will turn to other more affordable and available options. The line between what constitutes veterinary care will become increasingly blurry. Your smart camera will be able to analyze your pet's behaviour and offer proactive guidance. Connected litter boxes and food bowls will offer new monitoring data. The consolidation of pet data and the surface of action will happen within homes, not clinics with a focus on pet owner empowerment not protectionism of legacy care models or incumbents.

This comes back to the individual veterinarian. Where does this leave him or her? One future is a new level of professional empowerment and agency. The ability to expand how and when you can practice by pairing in person and digital work, clinical and non-clinical efforts. Will this new career path address the workplace dynamic issues readers raised? While it may be comforting to assume that the role of the veterinarian won't change significantly over the coming decade, that seems unlikely.

We have a growing population of pets that need care, an emerging set of transforming capabilities that are available to everyone, and a workplace model that isn't meeting the needs of it's individual members. Perhaps, the revolution needs to come from within.

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