Who’s who in veterinary group purchasing
2019
An overview of companies and organizations offering group purchasing services to veterinarians in the U.S.

AAHA Advantage
PSIvet
The Veterinary Club
The Veterinary Cooperative
VerticalVet
Veterinary Growth Partners
Veterinary Hospitals Association
Veterinary Management Group

Profile information was supplied by representatives of each group as of April 2019 and has not been independently verified by the VIN News Service.

Source: VIN News Service research
Design by Tamara Rees
AAHA Advantage

Established: 2017  
Region served: U.S.  
Ownership: American Animal Hospital Association, a nonprofit organization  
Members: 788 practices; membership open to AAHA-accredited hospitals only.  
Membership fee: $75 per quarter. AAHA Advantage is the only GPO that does not receive fees or commissions from participating vendors. Hospital membership fees cover the administrative costs of the program.  
Vendors: 23. A list is available to AAHA-accredited hospitals.  
Purchase-level obligation: None  
Prohibited from joining other purchasing group: No. However, AAHA recommends that members affiliate with only one purchasing group.  
Confidentiality agreement: No

History: Established in 1933, AAHA accredits veterinary hospitals in the United States and Canada. An estimated 12% to 15% of veterinary hospitals are AAHA-accredited. AAHA launched the buying group in March 2017 as a vehicle for offers from manufacturers, discounts, preferred pricing and/or rebates on veterinary products and services for accredited hospitals.

Additional services: As AAHA-accredited hospitals, Advantage members have access to all AAHA resources, including a library of financial and practice management resources and support on how to increase profitability and improve productivity, among other things.

Headquarters: Lakewood, Colorado

PSIvet

Established: 1998  
Region served: All U.S. states except Alaska  
Ownership: Covetru, a publicly traded company  
Members: 5,000+ practices  
Membership fee: $50 per month (subject to change as PSIvet expands services)  
Vendors: 70+; some are listed on the website but a full list is not available publicly.  
Purchase-level obligation: 80%  
Prohibited from joining other purchasing group: No. However, PSIvet requests that members commit their purchases to PSI partner vendors.  
Confidentiality agreement: Yes

History: Purchasing Services Inc. (PSI) was founded by Dr. Richard Wilkes in 1998 at the encouragement of fellow veterinarians concerned about the ability of independent veterinarians to compete against large practice groups such as VCA and Banfield. PSI started with 79 members and 11 vendor partners. For most of the past 20 years, the company focused primarily on its role as a GPO, serving practices in the southeastern U.S.

In 2016, Henry Schein Animal Health (HSAH), a leading distributor of veterinary supplies and practice management software, acquired PSI. In 2017, PSI bought the Veterinary Purchasing Group (VPG), which had member hospitals in the Northeast, Midwest and West. VPG had itself acquired the Veterinary Group Purchasing Organization, which was based in the West, in 2015.

In early 2019, PSI changed its name to PSIvet, which stands for Professional Services for the Independent Veterinarian, and expanded its services. In February 2019, HSAH merged with Vets First Choice, an online pharmacy and prescription management platform, creating Covetru.

Additional services: An education division offers more than 100 web-based training programs serving all members of the practice team. PSIvet area managers also offer in-clinic education on topics such as customer service and getting the most out of a practice information management system. A technology unit provides participating clinics with real-time analytics on individual practice performance as well as benchmark comparisons. Some of these programs are included in the cost of membership; others are extra. PSIvet recently launched the PSIvet Healthcare Initiative through which member practices will be able to purchase health insurance to help them attract and retain talent.

Headquarters: St. Petersburg, Florida
The Veterinary Club

**Established:** 2009  
**Region served:** U.S.  
**Ownership:** A privately held company  
**Members:** Approximately 3,000 practices  
**Membership fee:** None. The Veterinary Club receives an administration fee from vendors.  
**Vendors:** 406; list visible to members only.  
**Purchase-level obligation:** None  
**Prohibited from joining other purchasing group:** No  
**Confidentiality agreement:** Yes  

**History:** The Veterinary Club managing partners Bryan Benitz and Dan Blucher have backgrounds in investment banking; and equine and human health care, respectively. The Veterinary Club was the first to make vendor agreements in human health available to veterinary practices. Partnering with Intalere, a human health care GPO, The Veterinary Club leverages the combined buying power of 100,000 members.

Unlike other veterinary GPOs on the list, The Veterinary Club offers vendor contracts for equipment and services found in most human hospitals, the needs of which often overlap in veterinary medicine. These include diagnostic imaging; shipping; computers; telecommunications; pharmaceuticals; office, laboratory, and surgical supplies; practice business management software; and facilities maintenance.

At its inception, The Veterinary Club served equine practices exclusively but has since expanded to all segments of veterinary medicine. Members of the American Association of Equine Practitioners automatically are enrolled in The Veterinary Club but are not obligated to participate.  

**Headquarters:** Brentwood, Tennessee

The Veterinary Cooperative

**Established:** 2012  
**Regions served:** Continental United States and territories (although not all deals extend outside the U.S.)  
**Ownership:** Member-owned cooperative  
**Members:** 4,000 practices  
**Membership fee:** One-time payment of $1,000 (discounts often available)  
**Vendors:** Approximately 80. List not publicly available but any practice can sign up for a 30-day trial membership and sign a nondisclosure agreement to see the full list.  
**Purchase-level obligation:** No. The Veterinary Cooperative encourages members to commit 70 percent of their purchasing to participating vendors.  
**Prohibited from joining other purchasing group:** No, but the cooperative strongly recommends members commit to one GPO.  
**Confidentiality agreement:** Yes

**History:** Richard Morris was working as a consultant for group purchasing cooperatives when a veterinarian friend raised the idea of creating such an organization for independent veterinary practices. A believer in the power of cooperatives to help independents in industries undergoing consolidation, Morris worked with a group of veterinarians to create The Veterinary Cooperative. He was CEO until fall of 2017, when he became the chief education and communications officer.

When Veterinary Products Inc. shuttered in 2017 after five years in operation, its 600 members, who were located in southeastern states, were invited to join the cooperative at no charge.

The Veterinary Cooperative prefers not to be called a GPO, but a cooperative. It is owned by the clinics and run by a board of directors composed of members. Profits are redistributed to member-owners at the end of each year as a dividend.

**Additional services:** Self-paced online education focusing on business-related topics such as understanding practice metrics, increasing product sales, keeping the exam room full and competing with large corporate rivals. It hosts an annual one-day CE event with seminars, vendor booths and networking opportunities. The organization also collects and shares with members the results of quarterly surveys for benchmarking, and is developing a program to bring practice owners together for virtual discussions. The Veterinary Cooperative’s Animal Rescue Fund offers grants to members to cover the cost of treating rescue animals.

**Headquarters:** Evanston, Illinois
**VerticalVet**

**Established:** 2018  
**Region served:** U.S.  
**Ownership:** A privately held company  
**Members:** 800+ practices  
**Membership fee:** Free through July 2019; after that $300 per year. A small percentage of vendor/partner rebates, up to $300, are held in escrow during the year and applied toward membership.  
**Vendors:** No count provided; some are listed on the website.  
**Purchase-level obligation:** None. However, VerticalVet reserves the right to dismiss members who don’t use services.  
**Prohibited from joining other purchasing group:** No  

**Confidentiality agreement:** Yes

**History:** VerticalVet’s origins are equally in distribution and data analytics. The company co-founders are John Wagoner, former owner at Columbus Serum South (a veterinary distributor acquired by Patterson Veterinary Supply), and Dr. Hank Swartz, a veterinarian who co-founded and led Veterinary Metrics, a company that aggregated practice performance and client compliance data. That company eventually went on to become ThinkPets, which was acquired by Vetstreet.

In 2015, Wagoner and Swartz started a client-reminder service called Boomerang Vet. Wagoner said veterinarians at the time asked Boomerang about things outside the realm of reminder services, including about distribution and purchasing supplies.

VerticalVet was born out of a merger with Boomerang in February 2018. It acts as part study group and part discount/rebate club. Wagoner says his goal is for VerticalVet to evolve into a community; he seeks members interested in playing an active role in building one.

**Additional services:** VerticalVet offers reminder services as well as data analytics and practice-growth tools; online education, including VerticalVet Vet Medical School, which covers clinical topics; a business academy that focuses on issues ranging from the back office and accounting to succession planning and leadership; and a series of weekly podcasts on topical subjects hosted by Dr. Ernie Ward, whom Wagoner describes as the face of VerticalVet.

**Headquarters:** Raleigh, North Carolina

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**Veterinary Growth Partners**

**Established:** 2013  
**Region served:** U.S.  
**Ownership:** Pathway Vet Alliance, a privately held company  
**Members:** 5,000+ practices  
**Membership fee:** None  
**Vendors:** Not provided; 23 identified on website.  
**Purchase-level obligation:** No  
**Prohibited from joining other purchasing group:** No  

**Confidentiality agreement:** Yes

**History:** Veterinary Growth Partners founder Dr. Jasen Trautwein says his company is not a GPO. Preferred pricing is just one service among many offered by VGP, which he describes as a “management service organization” or a “practice accelerator.”

VGP negotiates purchasing contracts differently from traditional GPOs. VGP aligns with one vendor per category, preferring to work with vendors for the long haul, rather than negotiating with competing vendors in a category year after year.

Last year, VGP was folded into Pathway, along with a third Trautwein-created company, Thrive Affordable Vet Care. Pathway is majority owned by veterinarians.

**Additional services:** Continuing education (online and in person), marketing tools (such as client communications, reputation management, advertising and promotional videos), and practice management tools (such as a practice health assessment and coaching).

**Headquarters:** Austin, Texas
Veterinary Hospitals Association

Established: 1984  
Regions served: Iowa, Minnesota, North Dakota, South Dakota, Wisconsin  
Ownership: Member-owned cooperative  
Members: 450  
Membership fee: $150 per year for the first clinic location; additional clinic locations are $100 per year up to a maximum of $1,000 per year.  
Vendors: 120+. A full listing is on the VHA website. (full listing)  
Purchase-level obligation: None  
Prohibited from joining other purchasing group: No  
Confidentiality agreement: Yes

History: The member-owned organization was founded more than 34 years ago by a group of veterinarians seeking to establish their own crematorium, a place where they could ensure respectful cremation. Today, VHA is the only GPO that maintains its own warehouse, which stocks more than 2,000 discrete products. Items not carried in the warehouse are drop-shipped by vendors.

Executive Director Jeff Benson estimates that 95% of Twin Cities veterinarians belong to VHA. He says vendors seeking to do business with those clinics often are sent by those clinics to VHA. The core of VHA’s membership is in Minnesota, Wisconsin, and eastern North Dakota, but the organization is expanding its services throughout the United States.

A not-for-profit association, VHA discloses all of its audited financial statements to its members.

Additional services: VHA continues to provide pet cremation services for veterinary clinics, along with business services including bookkeeping, recruitment, marketing and full practice management through vendor service providers; and low-cost and no-cost continuing education online and at in-person events, retreats and monthly dinners.

Headquarters: South St. Paul, Minnesota

Veterinary Management Group

Established: 1984  
Regions served: U.S., Canada  
Ownership: Privately held corporation  
Members: 950 members; 1,300 hospitals  
Membership fee: Included in VMG membership  
Vendors: 52. List not publicly available.  
Purchase-level obligation: None, except certain agreements  
Prohibited from joining other purchasing group: Yes  
Confidentiality agreement: Yes

History: Veterinary Management Groups is included in this directory because it has a commercial buying component, but VMG is not a textbook group purchasing organization. VMG was created to bring together practice owners to share ideas, strategies and support through study groups.

Today, operating under the umbrella of Veterinary Study Groups Inc., VMG consists of more than 40 such groups — including companion animal, feline-only, equine, mixed animal, specialty/ER and university groups — each with approximately 20 members.

Membership in VMG is by invitation and referral. Practice owners wishing to join or form a new group may contact Veterinary Study Groups for more information.

VMG has more than 50 agreements with suppliers that it considers “preferred partners,” but group purchasing is not the organization’s primary objective. The purpose of study groups is to support the success of member hospitals through collaboration and benchmarking, according to Ben Coe, senior director of strategy and development. To the extent that the purchasing agreements provide substantial opportunities to enhance practice profitability, they constitute one element of a broader focus to elevate “best practices” in member hospitals with veterinary ownership.

Headquarters: Duluth, Georgia