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Submission to the Commerce Commission

Comhla Vet Limited / Veterinaryfirst Limited
Competition in Veterinary Services and Veterinary Products

Submitter: VetAlliance NZ (VA)
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Date: 15th November 2026 | Case: PRJ0049274
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Executive summary

VetAlliance NZ (VA) supports a diverse and competitive veterinary sector. We do not oppose consolidation, vertical integration or economies of scale in themselves; VA itself uses collective scale to improve commercial terms for independent practices. Our concern is whether this acquisition would materially weaken competition in veterinary services or veterinary products compared with the position without it. We address both areas identified in Attachment A of the Statement of Preliminary Issues (SoPI). [A, paragraphs 19.1,19.2.]

We address the two areas identified in Attachment A of the Statement of Preliminary Issues (SoPI): veterinary services and veterinary products. Our principal concerns are:

- Mixed practices: many rural and provincial clinics provide companion-animal (CA) and production-animal (PA) services from shared premises, staff, overheads and after-hours rosters. Analysing CA and PA separately should not obscure the competitive significance and viability of the mixed practice as a whole.
- Geographic catchments: straight-line radii can overstate or understate real alternatives. Driving time, terrain, capacity and customer behaviour should be tested clinic by clinic. Comhla uses road access to widen the Leeston catchment; the same logic should apply where geography makes a nearby competitor a weak alternative.
- Entry and workforce mobility: anyone can legally open a veterinary practice, but that does not make entry likely, sufficient or timely. Client acquisition, working capital, staffing, after-hours obligations and restraints can delay viable entry or expansion.
- Divestment: any remedy should preserve a viable, independent competitor. Because goodwill, staff and clients can move quickly, an upfront or simultaneous divestment gives the strongest protection.
- Purchasing: Veterinaryfirst buys through Provet and directly from suppliers, while Comhla is vertically integrated through Fortis Vet, Agilis Vet, Heartland Nutrition and DRL. The Commission should test what adding Veterinaryfirst's purchasing would mean for competing wholesalers and suppliers.
- Vertical links: the Commission should test stock-allocation priorities, how independent Fortis is in practice from the practice-owning business, safeguards over customers' purchasing information, acquisition approaches made through wholesale relationships, and nationally managed accounts such as Pāmu.
- Expansion and benefits: this transaction is part of a sustained pattern of group expansion. Growth is not anti-competitive in itself and consolidation can bring real efficiencies, but the public application does not quantify any benefits specific to this acquisition. Claimed efficiencies should be tested alongside the risks.

VA asks the Commission not to grant clearance unless it is satisfied that the acquisition is not likely to substantially lessen competition in any relevant market. Throughout, we distinguish established facts, attributed first-hand accounts and prospective risks that need investigation. [S, paragraphs 12-14 and 22-39; H4, paragraphs 2.29-2.44.]

Confidentiality request

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About VetAlliance and scope of submission

1. VA was founded in 2017, when corporate ownership, both international and local, was growing in New Zealand and independent owner-operators were finding it harder to compete. We believe a diverse sector gives everyone choice: of employer, of service provider, of supply customer, and the chance to own a veterinary business. VA currently supports 76 independently owned veterinary businesses through relationships with 20 supplier, manufacturer and service-provider partners. We negotiate commercial terms, help administer rebates and facilitate business development and information sharing. We do not own member practices or trade veterinary products. VA is a 'soft buying group': members decide independently which VA agreements to join, to what extent, and what to buy from whom. VA supports the established wholesaler channel and does not direct clinics to bypass it.

2. Our purpose is the sustainability of the owner/operated independent vet business and our focus is the competitive process: resilient supply, genuine choice for clinics and their clients, the ability of independent practices to recruit and expand, and the ability of suppliers and wholesalers of all sizes to compete on merit. VA's income is a share of the additional rebates we secure beyond a clinic's existing terms, so we have a commercial interest in supplier competition and independent practice viability. This submission is made by VA in its own capacity and does not claim to represent the views of every member or supplier partner.

1. Veterinary Services

This section responds mainly to Attachments A2 and A3 of the SoPI. VA asks the Commission to assess competition as it actually operates, particularly in rural and provincial New Zealand, rather than relying only on separate CA/PA FTE counts or standard radii. [S, Attachment A2-A3.]

1.1 Mixed-practice competition and CA/PA market separation

3. CA and PA services differ in what is demanded and how it is delivered. But in many rural and provincial centres the competitive unit is a mixed practice, not two separate businesses. CA and PA vets may share premises, reception and nursing staff, management, diagnostic equipment, and after-hours and leave cover. The SoPI itself notes that many Vet First clinics are mixed or full-service. Treating CA and PA as separate product dimensions should not obscure the

interdependence and viability of the practice that supplies both. [A, paragraphs 48, 52, 55-58; S, paragraphs 11, 18-22.]

4. Losing or weakening one mixed-practice competitor can therefore affect both service streams, even where FTEs are counted separately. VA is not saying CA and PA must always be one product market. We ask the Commission to test whether separate FTE tables understate the loss of an effective mixed-practice competitor, or overstate how easily remaining clinics could absorb the lost capacity taking into account that gross revenues generated by PA FTE are of a magnitude 2-3 times a CA FTE due to attributed RVM product sales. [A, paragraphs 55-58 and 93-95; S, paragraph 22 and Attachment A2.1-A2.9.]

1.2 Geographic catchments and genuine alternatives

5. Geographic analysis should reflect realistic travel time and customer behaviour, not just distance. Comhla proposes 10km, 20km and 30km CA catchments and a 50km PA radius, all measured as the crow flies. Yet its Leeston analysis goes beyond the 20km boundary because road access and the flat Canterbury Plains are said to make more distant clinics real constraints. The same reasoning should work in reverse: terrain, roads, weather and travel time can make a clinic that looks close on a map a weak alternative in practice. [A, paragraphs 59-64, 91 and footnote 19.]

6. Wānaka is an example. The application identifies Vet First Wānaka and Vetlife Wānaka as mixed practices and estimates the merged entity at 100% of the Wānaka CA market within its 20km catchment. Its Schedule One lists Remarkable Vets Arrowtown and Frankton as PA alternatives, 55.8km and 60.3km away respectively. The direct route to Arrowtown is via Cardrona Valley Road and the Crown Range Road, which QLDC describes as alpine. The Commission should test actual driving times, seasonal reliability, emergency practicality and switching behaviour rather than infer a constraint from straight-line distance. [A, paragraph 93 and Schedule One, Wānaka; H6.]

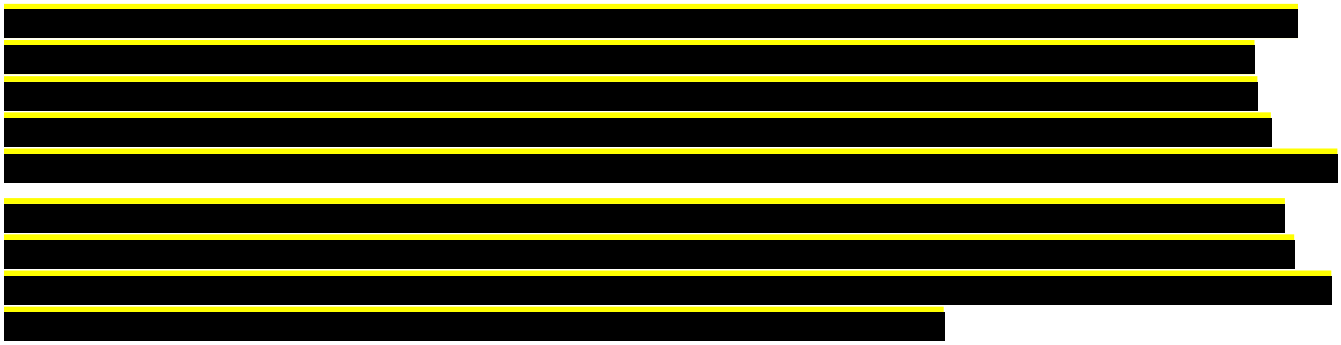
7. This assessment should be done clinic by clinic across the overlap locations, particularly where practices are mixed. Relevant evidence includes species mix, shared staff and facilities, after-hours arrangements, travel times, physical barriers, capacity, willingness to take new clients, and whether an alternative can provide the same mix and urgency of services. Falling within a radius should not make a clinic an effective constraint; equally, a clinic outside it may be one where roads and customer behaviour support that. [S, paragraph 22 and Attachment A2.1-A2.9.]

1.3 Greenfield entry, workforce mobility and restraints

8. Comhla relies on veterinary mobility and client relationships to argue that entry and expansion would constrain the merged business (paragraphs 94, 95.3 and 95.4). Footnote 28 acknowledges restraints of up to 12 months but says they are difficult to enforce. That misses the point. A group with Comhla's reach and HR resources does not need to litigate for a restraint to have effect: a vet or prospective employer may simply avoid the work rather than risk legal cost. VA asks the Commission to assess the practical deterrent effect of restraints, not only their prospects in court. [M3; A, paragraph 95.4 and footnote 28; H4, paragraphs 3.93-3.111; H5.]

[redacted]

12. Greenfield entry is not commercially straightforward. Low regulatory barriers do not mean a new practice quickly becomes an effective constraint. A start-up needs premises or a workable mobile model, equipment, systems, staff, after-hours capacity, supplier and wholesaler accounts, working capital and, above all, enough clients. Restraint and non-solicitation provisions make it harder for a departing vet to draw on existing relationships, even though clients remain free to choose. The Guidelines require entry to be likely, sufficient in scale and timely; mere possibility is not enough. [A, paragraph 95.3-95.4; H4, paragraphs 3.98-3.109.]



15. Before relying on greenfield entry as a constraint, the Commission should seek evidence from recent start-ups on time to build a client base, working capital, owner remuneration, staffing, after-hours obligations and time to profitability. [P1; H4, paragraphs 3.98-3.109.]

1.4 Acquisition-led expansion, local competition and divestment

16. The public record shows sustained acquisition-led expansion by Comhla, its subsidiaries and predecessor businesses. The Veterinaryfirst acquisition should be assessed in that context, without assuming expansion will stop here. The examples below illustrate the pattern; they are not a complete acquisition register.

17. In July 2023 VetNZ and Vetlife merged, as recorded in a Fusion5 case study for Nexeus Global. Totally Vets joined Comhla on 8 March 2024, according to Comhla's own announcement; transaction adviser Tylee+Co confirms this was a majority shareholding acquisition. An April 2026 Business Central profile reports that First Vets Whanganui joined Totally Vets in the preceding year, although it does not give the date or structure. [H1-H3.]

18. The same profile quotes Totally Vets: "We anticipate more expansion in future too." This is not a commitment to particular acquisitions, and the article also covers facilities and services, but it is a public statement of expected growth. The Commission should test the actual growth strategy and where Veterinaryfirst fits within it. [H3.]

19. The application also lists VetsOne, Selwyn Rakaia, VetSouth and other group businesses. This shows the group's footprint, not when or how each joined. The acquisition history we ask for should cover subsidiaries and predecessor names, distinguish purchases, mergers, partial interests, amalgamations and new openings, and not count inherited branches as separate acquisitions. [A, paragraphs 24-27 and Schedule Two, pages 70-73.]

20. The Commission should obtain the group's strategy papers, acquisition pipeline, budgets and procurement-integration plans, and test whether acquiring Veterinaryfirst would change the group's incentives, reach or ability to expand further. Growth that would happen anyway should be separated from effects attributable to this transaction, including effects on competing supply channels and independent entry. A growth strategy is not itself a reason to decline clearance, and VA does not ask the Commission to presume unidentified future acquisitions. We ask for a forward-looking assessment of this acquisition in its real commercial setting, consistent with the with-and-without test. [S, paragraphs 12-14 and 23; H4, paragraphs 2.29-2.36 and footnote 42.]

21. VA has not seen a public divestment proposal, so this point is conditional. If divestments are offered, each should preserve a viable, genuinely independent mixed-practice competitor, not just remove a site or a number of FTEs. That means staff, client relationships, premises, support functions, after-hours capability and supply arrangements. Because goodwill, staff and clients move quickly in local veterinary markets, an upfront buyer, with divestment completed before or at the same time as the acquisition, gives the strongest protection. If divestment follows completion, the Commission should require independent management, preservation of staff and clients, and a short

enforceable timetable, consistent with its guidance on composition, asset and purchaser risk. [H4, Attachment F, F15-F27 and F41-F44.]

1.5 Pāmu medicines supply and local veterinary service choice

22. The Pāmu tender awarded to Veterinary Enterprises Group Ltd (Veterinaryfirst) in 2020 shows that product procurement and local professional services do not necessarily go together: medicines can be supplied under a national arrangement while local independent practices provide the professional services. Other centrally awarded service and product agreements initiated by farming groups also extend the geographic reach of veterinary businesses; VA understands Comhla Vets already holds with agreements of this nature with entities like First Light Farms, Dairy Holdings, Ngai Tahu Farms [G.]

[redacted]

1.6 Service-side efficiencies and benefits

25. Consolidation can support better use of facilities and staff, investment in services, training and administrative efficiency. Those benefits should be credited where they are real and specific to the transaction, but they are no substitute for testing whether customers keep effective local alternatives on price, service, availability and quality. [A, paragraphs 19-20 and 97; H4, paragraphs 3.118-3.125.]

1.7 Evidence VA asks the Commission to test - Veterinary Services

- Assess each material overlap clinic by clinic: mixed-practice economics, shared support functions, service capacity, real driving times, terrain, seasonal access, and whether alternatives can and will take displaced clients. [A2.1-A2.7; A3.1-A3.2.]
- Test the economics and timing of greenfield entry (client acquisition, working capital, staffing, after-hours cover, owner remuneration and time to profitability) using evidence from recent start-ups. [A2.8-A2.9.]
- Examine both parties' restraint, waiver and enforcement practices and their practical effect on recruitment, branch deployment and independent expansion. [A2.8-A2.9.]
- Obtain a five-year acquisition history and the group's growth strategy to understand where Veterinaryfirst fits and what that means for future competition, without presuming unidentified acquisitions. [A2.9.]
- For any proposed divestment, test composition, purchaser and asset risk. Prefer an upfront or simultaneous divestment; otherwise require independent management, preservation of staff and clients, and a short enforceable timetable. [A2.4-A2.9.]
- For Pāmu, establish who can appoint or replace the local vet, whether bundled medicines-and-services arrangements are proposed, and whether the enlarged group could restrict independent providers' access to this work. [A3.3.]

2. Veterinary Products

This section responds mainly to Attachments A4 and A5. VA's concern is not that a larger buyer may get better terms. It is whether adding Veterinaryfirst's purchasing to a vertically integrated group would materially weaken the suppliers, wholesalers and product choices available to independent clinics and their clients. [S, Attachment A4-A5.]

2.1 What changes in procurement because of the transaction?

26. The SoPI describes Comhla's 52 New Zealand clinics, Veterinaryfirst's 17 clinics and the wider Comhla Group's interests in Fortis Vet, Agilis Vet, Heartland Nutrition and DRL. Veterinaryfirst has no equivalent vertical integration, does not currently buy from Comhla, and uses Provet as its preferred wholesaler alongside direct supply. Economies of scale and buyer power are stated reasons for the transaction, so its incremental effect on procurement needs scrutiny. [A, paragraphs 19, 24-26, 109-110; S, paragraphs 8-10.]

27. This is not simply a matter of more clinics. The transaction may bring a separate network's purchasing, including national farm-supply arrangements (e.g. First Light Farms – VetLife), under a group that also owns product, wholesale and clinical businesses. The Commission should establish what purchasing or service allocation would change, over what period, and whether that could profitably weaken competing suppliers, distributors or veterinary providers.

28. The application redacts both the counterfactual and the proposed post-acquisition procurement arrangements. VA draws no adverse inference from that, but asks the Commission to examine the underlying material and realistic alternatives, including whether Veterinaryfirst would otherwise remain a separate purchaser. Existing consolidation or Comhla procurement policies should not be attributed to this transaction without identifying the additional change it causes. [A, Part 6 and paragraph 111; S, paragraph 23.]

2.2 Purchasing terms, buyer power and supplier access

29. In VA's experience, suppliers set terms by volume and account value and publish rebate tiers that reward larger purchasers. Different prices or rebates can reflect genuine efficiencies, credit risk, growth, service needs or commitments. VA is not seeking identical terms for every purchaser or protection of its commission income.

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32. Large groups buying above the top rebate tier will almost certainly negotiate additional terms. The concern is whether the acquisition enables purchasing concentration or conduct that weakens competing supply options, reduces innovation or availability, or raises independents' effective costs, for example if suppliers fund larger discounts for a major customer through proportionately smaller rewards to smaller ones. Whether discounts to the merged group would be recovered from independents should be tested directly with major suppliers, not assumed. [S, paragraph 27.]

33. VA can help members get better terms, but cannot compel their purchases, guarantee a supplier any volume, or replace a manufacturer, wholesaler or diagnostic provider. Buying groups are a possible mitigating factor to test, not proof that independents can offset the merged group's increased influence.

34. A principal risk is customer foreclosure: a supplier or wholesaler loses enough purchasing to become a weaker competitor. If Veterinaryfirst purchasing is redirected to affiliated products or distribution, the Commission should assess whether affected suppliers could replace that business quickly and economically. Losing a customer is not itself a competition problem; the question is whether it weakens the choices available to remaining clinics and their clients. [redacted] [A, paragraphs 112-120; S, paragraphs 36-39.]

35. A material purchasing shift does not need formal exclusivity. The Commission should examine central purchasing rules, preferred-product lists, rebate structures, margin incentives and how freely clinicians can choose non-preferred products. These tools can also deliver legitimate efficiencies. VA does not allege that any of them is being misused, but their likely post-acquisition effect needs evidence.

36. Effects will vary by supplier and category. A multinational with proprietary products has alternatives and negotiating power that a small supplier may lack. For a supplier that relies on veterinary recommendation and distribution, losing Veterinaryfirst demand could affect its ability to maintain stock, technical support, field research or product development. The Commission should seek feedback from a range of suppliers to test the scale and likelihood of these effects, including substitution, replacement sales and entry. [A, paragraphs 126.1-126.2; S, paragraphs 27 and 31.4.]

37. The harm VA is concerned about is downstream: fewer effective product choices, weaker supply resilience or innovation, and higher costs or poorer service for independent clinics and their clients. Reduced supplier revenue alone does not establish that.

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2.3 Wholesaler competition and reported purchasing transfers

39. Comhla argues that Fortis is smaller than competing wholesalers, that SVS, Provet and Kahu Vet remain alternatives, and that the group continues to buy externally. These points may limit foreclosure, but the extent of external purchasing should be tested against reported experience. [redacted]

[redacted]

41. IDEXX laboratory consumables, described to VA as exclusive to Provet, were given as an example of retained purchasing. Exceptions like this explain why some external purchasing continues even where the ordinary, substitutable basket has moved in-house. The question is how much demand remains genuinely contestable, not whether any external invoices remain. [W; A, paragraphs 107, 113.2, 118.1 and 119.1.]

42. The Commission should compare practice-level purchasing before and after representative earlier acquisitions, separating proprietary-product exceptions from business won on price or service, and then test the Veterinaryfirst increment against the plan underlying paragraph 111. The reported pattern does not itself prove substantial harm, but it is a concrete reason to scrutinise the claim that continued external sourcing protects rival wholesalers. [A, paragraphs 110-111 and 116-120.]

43. Past transfers do not by themselves show what moving Veterinaryfirst's purchasing would do. The Commission should examine whether the displaced volume would affect competing wholesalers' scale, range, stockholding, delivery, credit support or investment, and whether that would weaken competition for independent clinics. The test should be lost contribution and the ability to win replacement business, not gross turnover.

44. Buying competing products through an affiliated wholesaler is different from replacing them with affiliated brands. The first affects the distribution channel; the second may also affect the manufacturer. Both flows should be traced without double-counting. The Commission should also test whether direct purchasing is a realistic substitute for wholesale service given clinics' actual order sizes, product mix and service needs. [A, paragraphs 103-104 and 110.]

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[redacted]

2.5 Measuring the purchasing markets and Pāmu medicines supply

52. VA welcomes the Commission's consideration of acquisition markets. The analysis should test differences between product categories and channels, including whether production-animal products should be treated differently from companion-animal products and whether some categories need narrower analysis. It should also consider real alternatives outside the veterinary channel, given how products are selected, recommended, authorised, stocked and supplied. A supplier's preference for the veterinary channel does not by itself define a separate market. [S, paragraph 22 and Attachment A, A4-A5.]

53. Comhla's paragraph 93 table estimates local service shares using vet FTEs, including 100% in its Alexandra and King Country PA catchments. Those figures need examining, but they are not purchasing shares and cannot show the merged group's share of a product category or of South Island supply. Clinic counts are also a poor proxy. The Commission should obtain actual purchasing values and volumes, including the Veterinaryfirst increment, with national, regional and category comparisons. [A, paragraphs 93-94 and footnote 25.]

54. The application acknowledges farming-group tenders but treats medicine supply as ancillary to veterinary services. The Pāmu arrangement shows why the Commission should look separately at who controls procurement, remote authorisation, wholesale delivery and local professional services. A national procurement arrangement can reach well beyond clinic catchments, so its significance cannot be measured by local FTEs. The Commission should verify with Comhla Vet the nature and scale of other farmer group tenders which already distort its reach beyond clinic catchments. This does not predetermine market definition. [A, paragraphs 70, 84 and footnote 24; G.]

55. The public GETS notice for RFx 22752774, Remote Authorisation & Supply of Veterinary Medicines, records an award by Landcorp Farming Ltd to Veterinary Enterprises Group Ltd on 16 November 2020. It describes a remote-authorising model used since 2012 across a nationwide farm network, with standardised pricing and supply access and cooperation with local vets, and sought catalogue consolidation, planning, cost reduction and financial integration. It records the historical award, not the current contract or holder. [G.]

56. VA understands that Vet First, known to members as VetEnt/Veterinary Enterprises, holds a medicines-supply arrangement for Pāmu, with products delivered by the wholesaler to farms and local practices providing professional services. VA has not seen the contracts and does not assume the 2020 agreement is unchanged. The Commission should obtain the current agreement and any renewals, confirm the contracting entity and its link to Veterinaryfirst, and establish the scope of RVM and OTC supply. [VA account; G.]

57. This model separates the local vet, who provides the services, from the business that controls the product account. The Commission should quantify Pāmu-related purchasing controlled by the target, including orders outside its own catchments, and test whether it would move to Fortis. A change of wholesaler should be distinguished from substitution to affiliated products, without double-counting. [M1; A, paragraphs 110-111.]

2.6 Procurement control and commercially sensitive information

58. Schedule Two lists Quantum Vets NZ Limited at 795 Wairakei Road, Christchurch. VA asks the Commission to clarify its function and any role in purchasing policy, supplier selection or rebates, and the ownership, governance and decision rights linking the relevant group businesses. The listing alone does not show that Quantum controls procurement. [A, Schedule Two, page 73.]

59. A purchaser naturally knows its suppliers' prices and terms. The question is whether acquiring Veterinaryfirst would give affiliated businesses that compete with those suppliers access to its commercially sensitive supplier information. The Commission should establish access rights, safeguards and likely uses, and whether any information advantage could weaken supply competition. Common ownership alone does not establish access or misuse.

2.7 Acquisition-led expansion and cumulative supply-chain effects

60. The acquisition history in section 1.4 matters upstream too. If acquired practices' purchasing does move to Fortis, repeated acquisitions progressively shrink the volume open to rival wholesalers and suppliers. Veterinaryfirst would add another significant clinic network, and potentially national farm purchasing, to that structure. The Commission should test the cumulative loss of contestable demand, replacement opportunities and effects on supply resilience. [Sections 1.4 and 2.3; S, paragraphs 27 and 36-39.]

2.8 Product-side efficiencies and benefits

61. The application claims scale efficiencies and customer benefits (paragraph 19) and refers to support for suppliers' research and innovation (paragraph 123). It does not quantify benefits from this acquisition or identify new commitments to the wider New Zealand veterinary sector, although the redacted business plan at paragraph 20 may

contain relevant material. The reopening of two Dunedin clinics (paragraph 97) is past activity, not a benefit of this transaction. [A, paragraphs 19-20, 97 and 123.]

62. Any efficiencies relied on should be tested for size, timing, dependence on this acquisition and likely effect on prices, quality, availability and innovation. Greater purchasing power or group profit is not automatically a customer benefit. Equally, the absence of a sector-wide education or research commitment is not itself a reason to decline clearance; efficiencies are relevant to the competition assessment, not to a general public-benefit test. We question whether Comha Vets commercial rationale of increased economies of scale and buyer power to benefit its customers is valid, given it is already of a size and scale (relative to the New Zealand veterinary marketplace) that it can achieve these outcomes without the acquisition. [H4, paragraphs 3.118-3.125.]

63. The Commission should test actual incentives rather than assume every internal purchase increases group profit; product quality, price, lost external revenue and competitors' responses all matter. It should also consider whether the loss of an effective supplier or wholesaler could readily be reversed by entry or expansion, which is a different question from whether a new clinic could open.

2.9 Evidence VA asks the Commission to test - Veterinary Products

- Obtain the unredacted Veterinaryfirst procurement-integration plan, purchasing decision rights and any role of Quantum Vets NZ Limited, including proposed changes to clinic and national farm accounts. [A4.2-A4.3; A5.2-A5.4.]
- Measure separate and combined purchasing by product category, geography and channel, including direct-to-farm Pāmu orders and the Veterinaryfirst increment, and distinguish clinic-service FTE shares from product-purchasing shares together with existing farmer group tenders. [A4.3.1-A4.3.10; A5.2-A5.4;G.]
- Obtain evidence directly from other wholesalers comparing purchasing before and after representative Comhla acquisitions, reconciling lost business with Fortis receipts and identifying proprietary exceptions and business retained on price or service. [A4.3.3-A4.3.10; A5.2-A5.4.]
- Test the effect on smaller suppliers and wholesalers using lost contribution, replacement sales, stockholding, delivery, credit, field support, R&D and innovation, not gross lost turnover alone. [A4.3.5-A4.3.10.]
- Clarify ownership, governance, shared roles, acquisition-referral arrangements and information safeguards between Fortis and the practice-owning group. [A4.3-A5.4.]
- Verify and test how Fortis prioritises affiliated and independent customers when stock is short. [F1.]
- Obtain the current Pāmu agreement and any later tender or renewal, identify the contracting entity and the authorisation and wholesale flows, and test whether that demand would move to Fortis or affiliated products. [A4.2-A4.3; A5.2-A5.4.]
- Test claimed efficiencies and customer benefits alongside the evidence supporting VA's concerns. Greater purchasing power or group profit should not be equated with lower prices, better service or more innovation. [A4.3.10; A5.4.]

Conclusion

VA supports competition on service, quality, price, innovation and purchasing efficiency. We are not seeking equal rebates, guaranteed customers for suppliers, or protection of independent practices from efficient competition. Attachment A of the SoPI recognises that veterinary services and products need separate but connected scrutiny. VA asks that the following issues be resolved on evidence before clearance is decided:

1. Veterinary services: mixed-practice integration, real geographic competition, entry, workforce mobility, Pāmu service choice and any divestment remedy.
2. Veterinary products: purchasing concentration, wholesaler switching, supplier access, stock allocation, procurement control, Pāmu medicines supply and the operational links between Fortis and Comhla, including whether adding Veterinaryfirst's clinics and purchasing to Comhla's vertically integrated businesses would materially weaken competition.

VA would welcome further engagement with the Commission and, subject to consent and appropriate confidentiality, can provide supporting records and introduce first-hand witnesses.

Patrick Foley
For VetAlliance NZ

References

A: Comhla Vet Limited, public clearance application dated 16 October 2026. Paragraph and page references above refer to that document.

S: Commerce Commission, Comhla Vet/Vet First, Statement of Preliminary Issues dated 28 October 2026. Paragraph and Attachment A references above refer to that document.

G: Landcorp Farming Ltd, GETS RFx 22752774, Remote Authorisation & Supply of Veterinary Medicines. Notice opened 2 June 2020; recorded award to Veterinary Enterprises Group Ltd, 16 November 2020. Public notice: https://www.gets.govt.nz/LF/ExternalTenderDetails.htm?id=22752774 (checked 5 November 2026). This is not the current executed agreement. Reported central supply contracts with Dairy Holdings, First Light Farms and Ngai Tahu Farms need to be confirmed by the Comhla Vet.

[redacted]

H1: Fusion5, Nexeus Global case study, 'Navigating through a reporting shift'. Records the VetNZ-Vetlife merger in July 2023. Accessed 9 November 2026. https://www.fusion5.com/nz/case-studies/planning-and-analytics/nexus-global-reporting-ibm-planning-analytics

H2: Comhla Vet, 'Totally Vets joins Comhla Vet', 23 April 2024, records joining on 8 March 2024: https://www.comhlavet.com/blog/post/127443/totally-vets-joins-comhla-vet/ . Tylee+Co, Corporate Finance News, August 2024, pages 3-4, confirms a majority share acquisition completed in March 2024: https://tylee.co.nz/news/images/tylee-newsletter-veterinary-sector-transactions-2024-08-23.pdf . Accessed 9 November 2026.

H3: Kim Newth, 'Expanding specialist care', Business Central, April 2026, page 8, Totally Vets profile. Reports First Vets Whanganui joining in the preceding year and includes the expectation of further expansion. Accessed 9 November 2026. https://digitalpublications.online/waterfordpress/business-central-april-26/8/

H4: Commerce Commission, Mergers and Acquisitions Guidelines, May 2022. Relevant passages include paragraphs 2.29-2.44 (with/without framework and clearance/authorisation), 3.93-3.111 (entry and expansion), 3.118-3.125 (efficiencies), and Attachment F, particularly F15-F27 and F41-F44 (composition, asset and purchaser risk; viable divestment packages; timing and preservation of competitive effectiveness). Framework checked 10 November 2026. https://www.comcom.govt.nz/assets/pdf_file/0020/91019/Mergers-and-acquisitions-Guidelines-May-2022.pdf

[redacted]

H6: Queenstown Lakes District Council material on Crown Range Road. QLDC records Crown Range Road/Cardrona Valley Road as the direct link between Arrowtown and Wānaka and describes Crown Range Road as alpine. Used only to support the need for real travel-condition analysis, not to define the veterinary market. Accessed 10 November 2026. https://www.qldc.govt.nz/media/vpthevlh/pc52_document-12-transport-assessment.pdf and https://www.qldc.govt.nz/media/ahflyk00/7c-attachment-c-xyst-site-assessment-2021.pdf

Case register: https://www.comcom.govt.nz/case-register/case-register-entries/comhla-vet-limited-and-veterinaryfirst-limited/

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