
Profile: Arnold Levy

CEO, Medivet



For the next three years, on average, Arnold Levy aims to acquire one or two veterinary practices a week. As CEO of Medivet, the largest independent veterinary clinic operator, he's doubled its number of practices every five years since inception.

By Daniel Simpson

The Medivet network continues to grow as Levy acquires large numbers of independent vet practices of varying sizes. As a trained vet surgeon, Levy can reassure practice vendors that he shares and fully understands their priorities.

Born in South Africa, Levy moved to London as a newly trained vet in the 1980s. Within a year of becoming a partner at Medivet, when the group ran just five clinics, he'd taken charge of many aspects of management, from accounting to staff rosters. When Levy asked the company's founder, a fellow South African, what the strategy was, Levy remarked, "he showed me a map of North London and said these five red pins are us and all the blue pins are our competition. I want to make all the blue pins red." There was only one drawback, "we had no formal business plan and no money," Levy laughs "we just had a lot of energy and a lot of ambition."

As Levy explains, he is a self-taught businessman. To understand finance, "I picked my accountant's brain clean and bought a few textbooks." He used similar methods to learn employment law and taught himself to build computers, perform networking and software installation, after taking a computer to pieces and rebuilding it in his spare time. These days, his focus is acquisitions and cultivating investor

and banking relations, as well as his CEO role. He travels up and down the country to negotiate deals with vets for their successful practices, often late into the evening or on weekends. Reflecting on his hands-on approach that has shaped his career, Levy says, "I saw that as a way of having much more control over my own destiny."

This outlook informs his relationship with Inflexion, whose Partnership Capital fund made a minority investment in Medivet early this year. Inflexion is on board to support Levy's ambitious growth plans. The next phase of expansion brings new challenges, from managing a much bigger business to the increasing media attention. Levy expects to reach 400 clinics by 2020, and to double that total a few years later, as consolidation in the veterinary market hits its peak.

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"Often vets come to the end of their careers or have grown their practice so far, but don't have the infrastructure or time to continue that trajectory", says Levy. He notes the particularly time intensive administrative burden imposed by regulation. Effectively, Levy observes, "there's not much appetite in the next generation of vets for independent ownership. Even those recent graduates who might be interested in being in business as a sole trader by buying their boss's practice, would struggle to meet current valuations and work-life balance is a much bigger issue for the next generation, making the harsh working hours of independent practitioners unpalatable". Consolidation of the veterinary profession is therefore expected to continue apace and Levy aims to provide attractive solutions for the next generation of veterinary professionals.

Since 1990 a change to the law allowed limited companies to enter the sector and operate in the same way Medivet does.

But unlike many of his corporate competitors, Levy can emphasise vocational commitment when in conversation with sellers. Medivet shares the same philosophies applied by smaller independent practices "when they're talking to us, they're talking to trained vets," he says. "Although we're large we haven't lost our ability to deliver to clients the same standard of



personalised care that they expect from a local independent practitioner” and “our ethos is to retain that, not to corporatise the practices.” All of Medivet’s clinics are co-owned by branch partners, a few of whom have stakes in several outlets. This model was partly inspired by Specsavers, the chain of opticians where Levy’s wife was a partner. A proportion of the vets who sell branches to Medivet remain in practice there.

Another key differentiating factor is technology. After programming Medivet’s website and in-house systems by himself, Levy brought in developers to build its comprehensive IT network. Known as ‘Freedom’ it digitally integrates clinics, pooling records and logging the contacts and service history of every customer.

“Every single branch has access to a full dataset from across the group,” Levy explains.

And because it’s been designed to his specifications, “there’s no workarounds in it at all,” unlike the adapted third-party solutions. Levy continues to develop and upgrade the system in line with Medivet’s growth. When new clinics are acquired, they’re brought online within two months. “They don’t start to feel like they’re part of Medivet until they get our software,” Levy says, “It allows us to operate as a group, as a partnership.”

Although Levy has focused on his business since stepping back from practice in 2010, he says at heart, “I’m still a vet.” He also gets involved in operations. “I’ve done a lot of the jobs that people here do myself,” he says, “so I can usually give them good support.” In one recent example, he authorised free treatment for a stray dog with a broken back, that was brought into a clinic after being run over. The recovery of “Paddy the Pooch” was shared on Facebook, drawing widespread acclaim for the firm’s generosity. “That was terrific media exposure,” Levy says. “I think he had about £50,000 worth of treatment”. But to an animal lover like Levy, who has kept a menagerie from pigeons to snakes, plus about ten dogs, the cost was worth it. “I’m completely obsessed with my own dogs,” he says. “So to watch that little dog walk again - the fact that I have a practice that can do that - made me immensely proud.”

Other Medivet successes make local news, thanks to an enduring fascination with pets, and Levy’s engagement with the media. “You can really connect with people,” which helps with branding. He’s also launched a blog that shares tips on pet care, attracting customers looking for answers via a search engine.

Medivet’s vocational focus spurs recruitment, which is becoming ever more competitive due to a shortage of qualified vets. To help close this gap, Medivet launched its own training college, teaching nurses since 2002. Medivet’s post-graduate certificates are also provided in treatment niches, catering to a trend towards specialisation and fuelled by regulatory requirements for vets to keep studying. Most of our vets are “vocationally driven,” Levy says. “If you can tap into that vocational energy, support it and encourage it, they will go on and look after your patients and your clients extremely well. Clients perceive the huge value they receive from engaging with our practice.” Moreover, “you actually don’t need to advertise and do price promos, you just encourage your customers to be your biggest fans through excellent care and then they’ll promote your business for you.”