

APPA Finds Pet Spending Topped \$43 Billion in 2008

Pet Trade Association releases pet spending figures for 2008.

By BirdChannel News Division

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Despite the recession and cuts in spending, the pet industry is robust and resilient, according to the American Pet Products Association (APPA).

The APPA's latest pet industry spending figures show that total pet spending reached \$43.2 billion in 2008, with no declines in any category from 2007. The APPA forecasts that pet spending won't stop there either, estimating that total pet spending for 2009 will reach \$45.4 billion.

The APPA released the data Friday, February 13, 2009, at Global Pet Expo in Orlando, Florida.

Leading the way in the health-care related pet spending categories is veterinary care. Total spending in this segment in 2008 was \$11.1 billion.

Medical advances have made for a much broader and more elaborate menu of services, such as CAT scans, root canals, cancer surgery, antibiotics and grief counseling. This leads to an anticipated 9.9 percent growth in this category to \$12.2 billion in 2009.

With the added costs of pet health care comes an increase in pet insurance, currently estimated at \$271 million and projected to grow to \$500 million by 2012.

Pet services is the next fastest growing category. This includes grooming, boarding, training and pet sitting, among others. In 2008, total spending reached \$3.2 billion. This category is expected to grow 5.9 percent to reach \$3.4 billion in 2009.

Other reported categories include pet food, which reached \$16.8 billion in 2008 and is expected to grow 3.6 percent to \$17.4 billion in 2009; supplies and over-the-counter medication, which reached \$10 billion in 2008 and is expected to grow 2.1 percent to \$10.2 billion in 2009; and live animal purchases, which reached \$2.1 billion in 2008 and is expected to grow 4.7 percent to \$2.2 billion in 2009.

"These numbers further demonstrate that people are more willing to sacrifice on themselves before trimming back on their four-legged friends," said Bob Vetere, APPA president. "People want to reward their pets in human terms and even in this economy are still demanding the highest-quality products and services.

"The pet industry continues to grow at a record pace and has proven to remain strong during times of change, stress and setbacks. As pet ownership and pet quality of life continues to rise, so will the pet industry."

APPA is a nonprofit trade association serving the interests of the pet products industry.