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When Small Deals Add Up: Antitrust Scrutiny of Serial Acquisitions in Veterinary and Dentistry, and Implications for Private Equity Investments

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On 24 March 2026, the UK Competition and Markets Authority (***CMA***) published its final report following its market investigation into veterinary services for household pets. The CMA's final remedies include price lists, prescription fee caps, a price comparison website and disclosure of whether the practice is part of a larger corporate group. The CMA will issue implementing Orders in the next six months, with most remedies coming into force over the following 3-12 months.

Whilst the reforms are notable in themselves, they are representative of a wider trend in CMA priorities. The CMA has recently intervened in several consumer-facing sectors popular with financial sponsors pursuing buy-and-build strategies.

Buy-and-build remains one of private equity's most reliable playbooks: acquire a platform in a fragmented sector, then execute a pipeline of add-ons to create scale, expand client base and coverage (and often services offered) and improve margins. This can bring significant efficiencies to the sectors involved, and enhance overall competition and quality of service. However, in some cases, competition authorities have identified concerns that a series of individually modest acquisitions can, in aggregate, produce the same competitive harm as a single "mega-merger", whilst slipping under filing thresholds and avoiding timely review.

Authorities are actively trying to identify patterns of serial acquisitions that have historically escaped review, and have been particularly focused on businesses servicing key areas of consumer need, vulnerability, and spend, such as veterinary care, dentists and care homes. All of these are sectors where competition occurs primarily at the local level and financial sponsors have seen opportunities to consolidate a fragmented market and expand the range of services offered in response to significant unmet demand for essential services.

In January 2026, following the provisional findings in the market investigation by the CMA, the UK Department for Environment, Food & Rural Affairs (***DEFRA***) announced controversial reforms to the veterinary sector in response to veterinary fees rising "at nearly twice the rate of inflation".[1] Just two months later, in March 2026, the CMA announced a market study into private dentistry, also in response to concerns about the rising price of services, transparency for consumers and whether sector regulation and complaint mechanisms are adequate.

CMA Review of the UK Veterinary Sector

The veterinary sector has been on the CMA's radar since 2022, when the CMA intervened and required divestment remedies in relation to acquisitions made by two veterinary practice groups: Independent Vet Care[2] and Medivet.[3] Both of these investigations scrutinised a series of completed acquisitions of individual veterinary practices, with both private equity-backed groups being required to divest a number of practices to restore competition in specific local areas.

Following on from these merger control interventions, the CMA launched a market review of veterinary services for household pets in September 2023. This received an unprecedented level of response and, in March 2024, the CMA reported concerns that consumers were not able to make informed choices about veterinary practices or treatment options, and that consolidation in the sector was harming consumers through reduced choice and weaker competition in local areas. The CMA also identified an outdated regulatory framework that covers individual practitioners, rather than veterinary practices as consumer facing businesses. To fully investigate and remedy these concerns, the CMA launched a market investigation in May 2024, which has led to DEFRA's proposals for wholesale regulatory change as well as the legally binding obligations for veterinary practices in the final report.

CMA Review of Other Sectors

The CMA's Chief Executive, Sarah Cardell, highlighted in 2023 that consolidation in the veterinary sector had led to an "absolutely huge drop" in the proportion of independent practices, and linked review of this sector to the CMA's strategy to identify and scrutinise private equity roll-up acquisitions through its mergers intelligence work.[4] The regulator's subsequent actions appear to show this strategy in action, with increasing scrutiny in other similar consumer-facing sectors.

The CMA is now looking into similar concerns in the private dentistry sector, with a market study launched in March 2026.[5] The statement of scope published by the CMA indicates that it will pay particular attention to prices and profitability, as well as the conduct of private dental practices and implications for consumer choice and ease of switching. Although less consolidated than veterinary services, dentistry has been the subject of significant consolidation in recent years, and the CMA market study indicates that concerns about the impact of consolidation on consumer outcomes remain an area of focus.

The CMA is also looking at consolidation in the care home sector, and is currently investigating four completed acquisitions by Welltower Inc. of over 600 care homes. The CMA issued an invitation to comment in January 2026 and imposed Initial Enforcement Orders (***IEOs***) in February 2026.[6] The IEOs require the businesses to operate separately for the duration of the CMA's investigation, which will take some months. The CMA's Phase 1 merger review runs from 10 March to 8 May 2026.

The CMA's recent work in private dentistry, veterinary services and care homes illustrates a common theme: UK health and care markets where customers are vulnerable (patients, pet owners, residents and families) are being assessed for information asymmetry (can people compare price/quality/ownership?) and local competitive dynamics (do serial acquisitions reduce meaningful choice in a catchment area?). That combination is increasingly shaping both the CMA's market tools (studies/investigations) and its readiness to intervene in completed transactions.

Transactions displaying certain characteristics are most likely to attract scrutiny: a series of small transactions in the same sector within a relatively short timeframe, acquisitions in sectors seeing significant consolidation, and acquisitions in sectors that have previously faced competition regulatory scrutiny. The CMA's recent workload demonstrates that this is an active priority for the regulator and should be a key consideration for potential investors. Market-wide scrutiny of a sector brings incremental compliance cost and longer-term regulatory change risk that can impact both hold-period strategy and exit optionality.

European Regulators' Review of Buy-and-Build Strategies

The trends which have given rise to the CMA's investigations are not specific to the UK; as such, national-level competition authorities in countries across Europe may be inspired (or requested by political leaders) to consider launching their own investigations in future, into the veterinary sector, dental care, or others.

The Netherlands' regulator, the Authority for Consumers and Markets (***ACM***) has identified concerns that buy-and-build strategies can result in local dominance, increased price and reduced quality of service, and has called for greater powers to review smaller transactions which do not meet traditional merger thresholds, specifically citing veterinary practices, doctors' surgeries, and day care centres.

Like its UK counterpart, the ACM conducted a market investigation into the veterinary sector in 2025, publishing its draft report in December and expressing concern that consolidation is resulting in higher prices.[7] The ACM recommendations include prohibiting commercial incentives for veterinary practices and introducing measures that strengthen the position of pet owners and improve emergency care.

Other Regulatory Considerations

Financial Conduct Authority (***FCA***) scrutiny may additionally be relevant where a veterinary or dental practice carries on regulated consumer credit activities – such as credit broking – or acts as an appointed representative of a finance provider. In those circumstances, the practice's regulated activities are subject to FCA scrutiny, in particular the FCA's Consumer Duty, which aligns closely with the CMA's focus on consumer priorities. The Consumer Duty requires FCA-regulated veterinary and dental firms to deliver good outcomes for consumers, including by communicating clearly, ensuring products and services represent fair value, and providing appropriate support to customers.

In practice, that means attention on how payment finance plan options are presented to pet owners and patients, including what is said at reception or in the consultation room when discussing treatment costs and whether it is clear the practice is introducing finance as a broker rather than lending itself. It also includes whether key terms are easy to understand, for example the total cost of credit, plan length, fees, and any commission or introducer arrangements.

The FCA will also expect communications to be clear, fair and not misleading, supported by robust controls such as staff scripts and training, oversight of any finance partner and related promotional materials (in-practice and online), appropriate signposting for customers in financial difficulty or vulnerability, and effective complaints handling - areas that often become due diligence, integration and remediation workstreams for consolidators in private equity transactions.

To the extent a dental or veterinary firm is directly authorised by the FCA (e.g. to carry out credit broking or insurance intermediary activities) then the acquisition of such firms would require prior change in control approval from the FCA before the acquisition can complete.

Investor Focus Areas

Acquisitions which incrementally increase local concentration run the risk of intervention, even where individual deals appear small. Amid heightened regulatory scrutiny, investors should assess antitrust risk for serial acquisitions in aggregate, rather than evaluating the risk profile of each individual acquisition on a standalone basis. Before pursuing such strategies, investors should consider:

1. Aggregated market data showing that a particular business has a low market share at a national or regional level can provide false comfort, if it masks more significant market share concentrations on a local level. Regulators have established methodologies for identifying and reviewing these local area overlaps, and legal advisors can provide guidance on applying these to specific situations.
2. It is important to evidence the anticipated consumer benefits of the investment strategy from the outset: investment committee materials, banker decks and integration plans should focus on the business' plans for improved consumer outcomes – efficiencies, quality, investment in capacity, technology or improved working environment, improved service coverage and innovation. By contrast, internal materials which imply that the investment thesis rests on charging consumers a higher price for the same service might one day be disclosable to the regulator, and may be used to justify a regulatory intervention.
3. Finally, those embarking on a roll-up strategy should be aware of the risk that the commencement of a regulatory investigation into the relevant sector may in practice delay an exit at full value until that investigation is concluded, which can take months to years.

Equally, the fundamental attractiveness of a well-executed roll-up strategy remains strong. So far, regulators have applied established legal and economic methodologies in their analyses of these acquisition platforms. As such, regulators have been adopting decisions and recommendations that experienced advisors would not consider surprising. With legal advice and economic analysis, investors can identify areas of potential concern in advance (such as local market share concentration in a particular city or region), and consider how to address this.

Investors executing roll-up strategies (or considering the acquisition of a roll-up platform), should not be deterred by the advent of increased regulatory review. However, when pursuing these approaches, investors need to be cognisant of regulatory risk and should consider dedicating more focused analysis to the regulatory assessment at the outset, to enable them to navigate these challenges efficiently and achieve their investment objectives.

[1] Pet owners to benefit from biggest vet sector reforms in 60 years - GOV.UK

[2] Independent Vetcare Limited (IVC) / multiple independent veterinary businesses merger inquiries - GOV.UK

[3] Medivet Group Limited / multiple independent veterinary businesses merger inquiries - GOV.UK

[4] Spring Enforcers Summit, “Panel: Challenges in Merger Review”, 27 March 2023. The panel was specifically discussing roll-up acquisitions involving private equity firms.

[5] Private dental services market study - GOV.UK

[6] Welltower / multiple care homes merger inquiries - GOV.UK

[7] Public consultation of the draft report on the market investigation into veterinary services for pets | ACM

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