2007-2008 pet age retailer report

The boutique craze may be peaking as consumers—and pet retailers—get back to basics. BY KAREN LONG MACLEOD AND CATHY FOSTER

The boutique bubble may be bursting as pet retailers get back to the core business of selling animals and the "everyday" supplies they need. That seems to be the overriding message of the 2007-2008 PET AGE Retailer Survey, our exclusive benchmarking tool designed to identify sales and profit trends in pet stores around the country, product categories that are gaining or losing ground, and brand leaders in key categories.

Consider the following eye-opening findings:

✦ The number of boutiques represented in this year's survey is down by half, from 18 percent to 9 percent.

✦ The gift/specialty category contributed only 3 percent to gross dollar volume in 2006, down from 7 percent in 2005.

✦ The gift/boutique category dropped off the list of the fastest-growing product categories in this year's survey.

✦ Sales growth for gift and specialty items slowed, with only 43 percent of retailers seeing year-over-year sales gains in 2006, versus 57 percent in 2005.

✦ Customers spent far less on gift and specialty items in 2006—the average transaction was $17.20, versus $28.40 in 2005.

These numbers could indicate that interest in high-end boutique items has reached its peak—or that customers are responding to general economic woes by going back to basics and foregoing "frivolous" purchases that aren't necessary for the animal's health and well-being.

© PHOTOGRAPHER: EMILY2K | AGENCY: DREAMSTIME.COM

49% of pet stores responding to the survey have been in business more than 10 years. At the other end of the spectrum, **8%** of respondents have been in business one year or less. The average pet store has been in business 14 years.

40% of pet stores are sole proprietorships. **27%** are S-corporations. **18%** are limited liability companies. **11%** are C-corporations. **5%** are partnerships.

49% of pet stores are located in an urban environment (a metropolis, a suburb or midsize city). **26%** are located in a small city with a population of 50,000 to 100,000. **25%** are located in a town or rural area with a population of 50,000 or less.

67% of pet retailers have a Web site.

More Stores Offer Companion Animals

So what are customers buying instead? Well, more pets, for one thing. The percentage of stores offering companion animals increased significantly for every pet category, including mixed breed and registered puppies. Detailed analysis shows that this is a genuine trend reversal rather than simply a reflection of the lower number of pet boutiques responding to this year's survey. Especially noteworthy: The number of stores carrying reptiles and amphibians jumped 15 percentage points.

In addition, "live animals" represented a slightly larger contribution to gross dollar volume—an average of 13 percent in 2006, versus 10 percent in 2005. "Live animals" remained in the No. 3 spot in terms of its average contribution to dollar volume per store.

It remains to be seen, of course, whether the animal category will ever again command the No. 1 spot that it last held in 2001 or allow the kinds of markups it used to afford. Average margins for live animals have declined steadily in the last four years, from 129 percent in 2003 to 124 percent in 2004 to 118 percent in 2005 to 112 percent in 2006.

ON AVERAGE, PET STORES HAVE 3,418 SQUARE FEET OF RETAIL SPACE. 50% HAVE 2,000 SQUARE FEET OR LESS. 28% HAVE 2,000 TO 3,999 SQUARE FEET. 14% HAVE 4,000 TO 7,999 SQUARE FEET. 8% HAVE $8,000 OR MORE SQUARE FEET.

Food and Supply Categories Rebound

If customers are spending less on boutique and gift items, they seem to be spending more on food and supplies. The fish and reptile categories, in particular, showed renewed strength in several key areas.

For example, 64 percent of retailers responding to the survey saw sales of "fish food and aquarium supplies" increase in 2006, versus 58 percent in 2005.

In addition, they turned fish food and supplies 11.7 times in 2006, versus 11.1 times in 2005, despite higher markups (92 percent in 2006, versus 85 percent in 2005).

And the average transaction by aquarium owners was up significantly, from $28.49 in 2005 to $39.60 in 2006.

"Reptile food and supplies" also made some impressive gains: It was the second fastest-growing category in 2006; and its contribution to gross dollar volume increased by 2 percentage points, from 3 percent in 2005 to 5 percent in 2006, putting it just ahead of "cat supplies and accessories."

Sales in the small-animal category also showed some strength: More stores reported sales increases (63 percent of respondents in 2006, versus 57 percent in 2005). In addition, retailers managed to turn small-animal food and supplies slightly faster (10.4 times in 2006, versus 9.6 times in 2005).

However, the picture was less positive for the bird category: Only 48 percent of respondents saw sales gains for bird products in 2006, versus 60 percent the year before. In addition, retailers couldn't move bird products as quickly: Turns fell to 9.6 from 12.8 the year before. On a brighter note, the average transaction rose more than $11, from $23.68 in 2005 to $35.01 in 2006.

Services Grow Stronger

Ancillary services represented 12 percent of dollar volume per store in 2006, versus 9 percent in 2005. That put services at No. 4—the same position the category held the year before—in terms of average contribution to dollar volume per store.

In addition, retailers saw profit margins on services inch up to 68 percent, versus 65 percent the year before. Although more retailers offered services (61 percent in 2006, versus 55 percent in 2005), the relative popularity of different types of services changed very little. Grooming showed a 4-point increase in terms of the share of stores offering that service (32 percent in 2006, versus 28 percent in 2005). Delivery showed a statistically significant decrease (25 percent in 2006, versus 28 percent in 2005), perhaps attributable to increasing fuel costs.

However, fewer retailers this time said they plan to add any ancillary services (31 percent in 2006, versus 34 percent in 2005). Even grooming services, the most common ancillary service offered by pet stores, elicited less interest (12 percent of respondents planned to add these services, versus 14 percent the year before). Whether this is an indication that services have hit a saturation point or that pet retailers are taking a more conservative approach to expansion is not clear.

Retailers Proceed With Caution

Pet retailers reported an average gross dollar volume of $761,243 for 2006—down 31 percent from the 2005 high of $1.1 million, but up 21 percent from the 2004 average of $628,041.

The median gross dollar volume was $300,000 (in other words, equal numbers of respondents reported volumes higher and lower than $300,000). The most frequently reported dollar volume was $250,000.

What role do animal sales play in how much money stores make? A significant one, according to survey data: Independent pet stores that sell companion animals grossed an average of $686,128 in 2006 (versus $883,527 in 2005), while independent pet stores selling supplies only grossed $559,168 (versus $641,826 in 2005).

Despite the fact that they turned merchandise overall much less frequently (8.8 times in 2006, versus 14.6 times in 2005), most pet stores seem to be in good shape. Sixty-three percent of survey respondents reported dollar volume increases in 2006, and 62 percent reported increases in net profits. Even better: 20 percent of respondents saw dollar volume increase 25 percent or more, and 15 percent saw net profits increase 25 percent or more. By comparison, 68 percent of retailers reported increased dollar volume in 2005, and 62 percent reported increased net profits.

The number of retailers experiencing volume or profit decreases remained fairly constant. One in five (21 percent) saw gross dollar volume decreases in 2006 (versus 24 percent in 2005) and 28 percent saw net profits decreases (versus 29 percent in 2005).

Still, retailers seem a little less sure about the future of their businesses, judging by the conservative approach they are taking to redesigns and/or expansions. The percentages of retailers who plan to build on, move, remodel, or open additional locations are all down significantly, and the percentage of stores planning to spend $20,000 or more on physical improvements is down as well.

The financial climate of 2006—a slower economy, a weaker labor market, eroding housing market and record consumer debt—may account for this hesitancy. Or is it complacency? How will retailers compete if they don't continue to improve? Only time will tell what this means for the future of independent pet stores. pa

Karen Long MacLeod is editor in chief/associate publisher for PET AGE. Cathy Foster is senior editor for PET AGE. Jeff Siegel, a freelance writer based in Dallas, contributed to this article.

WHO TOOK THE SURVEY

A higher proportion of independent pet supply outlets completed this year's survey, and significantly more respondents sold animals. Half as many respondents represented pet boutiques.

	2006	2005
Independent pet store with companion animals (including fish)	49%	36%
Independent pet store with supplies only	23%	27%
Franchise and/or chain pet store	4%	3%
Pet boutique	9%	18%
Pet services outlet	9%	3%
Other	6%	13%

THE MEDIAN AMOUNT THAT PET STORES SPENT ON ADVERTISING IN 2006 WAS $3,845.

FROM THE TRENCHES: PROFITABILITY

Despite the gloom and doom on Wall Street—with the housing market slumping, fuel prices rising, and experts forecasting much slower business conditions in 2008—pet retailers don't seem especially worried. The mantra for many people who completed this year's PET AGE Retailer Survey: People are always going to take care of their pets, because pets are part of the family.

This doesn't mean, though, that pet retailers are taking anything for granted. They are being smarter and paying more attention to their business. This probably explains what appear to be contradictory results in this year's survey—volume is up, but profits are down, and turns are way down, from 14 in 2005 to nine in 2006.

"The stronger retailers are doing everything they can to focus on their market and to swing around quickly as conditions change," said Mike Griffeth, who owns three full-line Pet Paradise stores in New Hampshire. "If you don't do that, you're going to have an erosion of your business."

Griffeth saw volume increase less than 10 percent for his three stores, but he was able to increase profits more than 10 percent because he passed some price increases on to his customers. Many retailers, he said, probably didn't do that, and absorbed the increases themselves rather than drive away business.

Griffeth's turns decreased because he made every effort to buy in volume to get better prices and to cut shipping costs, which increased significantly because of high gas prices. For example, he said, instead of buying $600 worth of goods, he bought $1,500. That worked so well that he is talking to other New Hampshire retailers to set up some sort of buying network to take advantage of even bigger volume discounts.

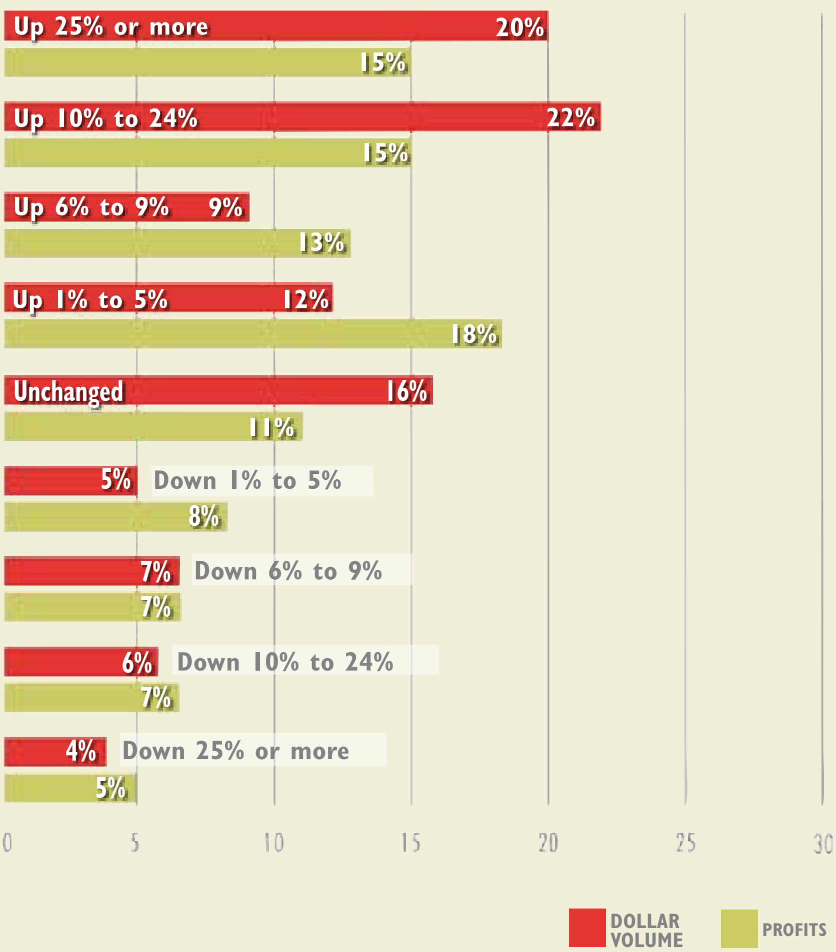
—Jeff Siegel

NEARLY ONE IN FOUR PET RETAILERS SAID THEY PLAN TO THROW IN THE TOWEL WITHIN THE NEXT TWO YEARS.

DOLLAR VOLUME & PROFITS, 2006 VS. 2005

Retailers had a harder time turning a profit in 2006: 42 percent said dollar volume rose 10 percent or more in 2006 (versus 38 percent the year before), but only 30 percent said net profits rose 10 percent or more (versus 33 percent the year before).

% RESPONDENTS



WHERE PET STORES MAKE THEIR MONEY

Not surprisingly, dog food and supplies made the largest contributions to average dollar volume in 2006. However, the live animal category showed some of its former strength, up 3 percentage points from the previous year. Services showed a similar increase. On the other hand, gift and specialty items represented only 3 percent of average gross dollar volume in 2006, down 4 percentage points from the previous year.

	2006	2005
Dog supplies & accessories	18%	22%
Dog food	18%	17%
All live animals	13%	10%
Services	12%	9%
Fish food & aquarium supplies	8%	7%
Cat food	6%	6%
Bird food & supplies	6%	5%
Reptile food & supplies	5%	3%
Cat supplies & accessories	4%	5%
Small-animal food & supplies	4%	4%
Gifts & specialty items	3%	7%
Pond supplies & accessories	2%	1%
Other	1%	4%

Totals do not add up to 100% because averages are based on responses for each separate category.

FASTEST-GROWING PRODUCT CATEGORIES

Dog food was the fastest-growing category for the fifth consecutive year. Reptiles and reptile accessories, not even among the top 10 in 2005, tied with natural foods and treats as the second fastest-growing category in 2006. But boutique/gift/novelty items, formerly an up-and-coming category, failed to make the cut.

2006	% RESPONDENTS	2005	% RESPONDENTS
Dog food	14%	Dog food	12%
Natural foods/treats	8%	Natural foods/treats	8%
Reptile accessories	5%	Pet apparel	5%
Dog apparel	4%	Treats	5%
Dog/cat food	4%	Boutique/gift/novelty items	4%
Dog collars and leashes	3%	Dog collars and leashes	4%
Dog/cat treats	3%	Dog supplies	4%
Fish supplies	3%	Dog/cat treats	4%
Raw food	3%	Food/pet food	4%
Reptile	3%	Raw foods	3%

FROM THE TRENCHES: BOUTIQUES

One of the most important trends in pet retailing in this decade has been the growth of the boutique, which has spawned not only a new segment of business, but also new manufacturers, lines and merchandise.

Yet, from the numbers in this year's survey, it looks like the boutique phenomenon finally could be slowing. The number of pet boutiques responding to the survey dropped in half from 2005, to 9 percent, representing the lowest total since 2003 (boutiques represented 3 percent of all respondents that year). Of course, the decline may be an anomaly in the survey, but talk to retailers, and they think that it may well be indicative of what's going on in the marketplace.

"I don't know if the boutique bubble burst or if there is just too much out there," said Lori Moreland, who owns Pet Empawrium & Spaw (Arvada, Colo.), a 2,500-square-foot specialty retailer focusing on nutrition and larger dogs. "It does look like the market is oversaturated, both with stores and with manufacturers. How many dog sweater companies do we need?"

Moreland, in fact, is careful not to call her store a boutique, even though she carries much of the same high-end merchandise that boutiques do, including handmade gift items and sculptures from Dannyquest Designs (Garden Grove, Calif.). It's possible that retailers like Moreland are adapting to changes in the retail environment and simply do not see themselves as boutiques—which could explain the decline in the number of boutiques in this year's survey.

Furthermore, the boutique concept, said several retailers, has never lent itself to smaller, less urban markets. It needs high-end, educated customers—the kinds of customers who are more numerous in places like New York City and Los Angeles.

—Jeff Siegel

TOP PET CATEGORIES

Nearly six out of 10 respondents carried some type of animal in 2006, reversing a trend noted the year before. Furthermore, the percentage of stores offering animals increased for every pet category. Enjoying the biggest leap: the number of stores carrying reptiles and amphibians, up 15 percentage points.

	% STORES CARRYING CATEGORY	
	2006	2005
Freshwater fish	46%	35%
Small animals	46%	32%
Reptiles & amphibians	46%	31%
Birds	43%	32%
Saltwater fish	26%	22%
Registered puppies	23%	17%
Mixed-breed puppies	23%	16%
Mixed-breed kittens & shelter/rescue cats	20%	13%
Registered kittens	8%	6%
None	41%	55%

Totals do not add up to 100% because multiple responses were allowed.

MIXED SALES

More retailers saw significant year-over-year sales gains for aquarium products and small-animal products in 2006. However, fewer retailers saw sales gains for bird products and gifts and specialty items.

	2006			2005		
	Up	Unchanged	Down	Up	Unchanged	Down
Dog food	73%	15%	12%	72%	19%	10%
Cat food	68%	15%	18%	63%	21%	16%
Fish food & aquarium supplies	64%	15%	22%	58%	19%	23%
Bird food & supplies	48%	34%	17%	60%	18%	22%
Small-animal food & supplies	63%	18%	19%	57%	21%	22%
Reptile food & supplies	64%	19%	17%	65%	13%	21%
Gifts & specialty items	43%	32%	25%	57%	22%	21%

87% PERCENT OF REATAILERS OPERATE ONE LOCATION. 8% HAVE TWO LOCATIONS. 3% HAVE THREE LOCATIONS. 3% HAVE FOUR OR MORE LOCATIONS.

MODERATE MARKUPS, LOWER TURNS

Even though markups held steady in most categories, retailers turned dry goods an average of 8.8 times in 2006, down significantly from 14.6 the year before. Fish and small-animal supplies bucked the trend, turning slightly faster despite higher markups. Furthermore, reptile supplies turned slightly less often despite average markups that were 13 percentage points lower.

	AVERAGE MARKUPS		AVERAGE TURNS	
	2006	2005	2006	2005
All dry goods	62%	63%	8.8	14.6
Dog food	33%	32%	16.4	18.6
Cat food	30%	38%	12.0	12.0
Fish food & supplies	92%	85%	11.7	11.1
Bird food & supplies	80%	76%	9.6	12.8
Small-animal food & supplies	82%	76%	10.4	9.6
Reptile food & supplies	86%	99%	9.0	9.6
Gifts and specialty items	88%	76%	5.3	5.2
Live animals	112%	118%	N/A	N/A

Averages for "all dry goods" may not equal averages for other categories/lines because averages are calculated separately for each category/line.

FROM THE TRENCHES: EXPANSION

There is 1,000 square feet of retail space adjacent to Andrew Gleich's pet store. And the owner of Stonegate Pet Center & Grooming Boutique (Grand Forks, N.D.) would like to fix up the space, adding it to his existing 2,500 square feet. But he just doesn't see a way to get it done this year.

"The cash just isn't there," said Gleich, who has owned the 35-year-old store for about a year. "Banks are reluctant to lend money to someone who hasn't owned the business for two years, and the business just isn't generating enough cash to pay for it."

That seems to be the dilemma facing many retailers. The number who are planning expansion has dropped steadily since 2002, when 85 percent said they were going to do some sort of expansion, renovation or remodeling. In this year's survey, the number was just 57 percent, down from 61 percent in 2005.

It is less clear, in talking to several retailers, why the numbers keep dropping. Business, they said, seems solid enough to make expansion pay off, despite rising gas prices, the weak dollar, slumping home sales and a slowing economy. Some of it may stem from the turmoil in the credit markets caused by the housing slump, which has forced lenders to tighten borrowing requirements.

And some of it may be because there are more less-experienced retailers in the business, and they just aren't as knowledgeable about the expansion process. "I was going to open a second location, and I will probably still do it this year, but I got cold feet," said Cindy Beason, who has owned Pet Mystique (Odessa, Texas), a 3,600-square-foot, mostly full-line store with a boutique and a bakery, for three years. "It's just too complicated."
—Jeff Siegel

PET STORE CUSTOMERS SPENT AN AVERAGE OF $38.34 PER VISIT IN 2006.

FROM THE TRENCHES: FISH AND REPTILES

Dave Myers has a simple reason for his success in 2006. "If you keep pounding away at it, pounding away at it, pounding away at it, that's part of being successful," said Myers, who owns Dave's Tropical Fish (Toledo, Ohio), a 1,000-square-foot store that sells tropical fish, reptiles, puppies and supplies.

Fish sales at Dave's increased 15 percent to 20 percent between 2005 and 2006, and that growth was not unique: This year's survey shows that live animal sales increased by almost one-third between 2005 and 2006, and fish and reptile supplies showed smaller but significant gains.

Also noticing the uptick was Linda Price of Pet Village (Rock Hill, S.C.), a mostly full-line store with grooming. She reported that her pond business is booming, aquarium and supply sales remain very positive, and even reptile supply sales are good (even though she stopped selling reptiles three years ago). In fact, if she were going to expand the business, Price said, she would focus on aquarium services like cleaning, delivery and setup.

"It's all about better merchandising and marketing," said Myers, who notes that he is doing things today that he never would have considered doing five years ago. Since then, he said, competition has increased, especially from big box stores and national pet chains, so he has been forced to be more creative and more aggressive. These efforts include:

✦ More animal-related promotions. He holds Sunday fish sales and offers two-for-one deals.

✦ Keeping abreast of trends in reptile and small-animal sales, like hedgehogs and ferrets. That way, said Myers, he can capitalize on the animals when they're in demand, something he didn't always do in the past.

✦ Stocking fish that his big box competition doesn't carry. "If they see a fish at a chain, they'll buy it there," says Myers. "But if I have an oddball fish they can't get there, they'll have to buy it from me."
—Jeff Siegel

SCALED-BACK EXPANSION PLANS

Fewer pet retailers plan to make capital improvements to their businesses in the next two years. Only three in 10 retailers plan to remodel, versus nearly five in 10 respondents in 2005. Only 8 percent plan to build onto their current facility—half as many as the previous year.

	2006	2005
Retailers planning to expand or make any type of physical improvements	57%	61%
Remodel current facility	32%	46%
Build new building or move to new location	13%	25%
Open an additional location	16%	23%
Build onto current facility	8%	16%
Retailers planning to spend more than $20,000 on project	34%	31%

Totals do not add up to 100% because multiple responses were allowed.

AVERAGE CUSTOMER TRANSACTIONS

Overall, pet store customers spent a few pennies less per visit in 2006 than in 2005. However, the average customer transaction rose appreciably in the aquarium category (spending by aquarium owners now nearly rivals that of dog owners), and the bird and reptile categories. But gift and specialty buyers parted with much less cash per visit than they did the previous year.

	2006	2005
All transactions	$38.34	$38.37
Dog owners	$41.07	$41.17
Cat owners	$23.75	$23.91
Aquarium owners	$39.60	$28.49
Bird owners	$35.01	$23.68
Small-animal owners	$19.50	$19.77
Reptile owners	$25.77	$21.66
Gift/specialty buyers	$17.20	$28.40

SHARPER FOCUS ON ANCILLARY SERVICES

Nearly six out of 10 pet retailers provided at least one type of ancillary service in 2006, a slight increase over the previous year.

	2006		2005	
	% STORES OFFERING SERVICE	% STORES ADDING SERVICE	% STORES OFFERING SERVICE	% STORES ADDING SERVICE
Grooming	32%	12%	28%	14%
Delivery	25%	10%	28%	11%
Boarding	19%	4%	17%	3%
Aquarium/ pond installation/ maintenance	15%	8%	14%	8%
Obedience training	14%	10%	16%	9%
Day care	10%	8%	8%	6%
Bird or small-animal boarding/ grooming	N/A	N/A	2%	N/A
Self-service dog wash	3%	N/A	N/A	N/A
Other	8%	6%	8%	3%
None	33%	61%	39%	59%
Average profit margin for ancillary services	68%		65%	
Percent of retailers planning to add any ancillary service	31%			34%

Totals do not add up to 100% because multiple responses were allowed.

TOP CHALLENGES FOR PET RETAILERS

The more things change, the more they stay the same: Pet retailers' primary concerns continue to include battling rivals and increasing sales volume.

2006	% RESPONDENTS	2005	% RESPONDENTS
Competition	58%	Competition	61%
Increasing sales volume	56%	Increasing sales volume	61%
Maintaining profitability/ staying in business	48%	Maintaining profitability/staying in business	46%
Finding/training/retaining good employees	41%	The economy	44%
The economy	40%	Finding/training/retaining good employees	40%

Totals do not add up to 100% because multiple responses were allowed.

EMPLOYEE BENEFITS

Pet retailers increased staffing and wages in 2006, but decreased insurance benefits versus the previous year. Two out of three retailers offered at least one benefit in 2006, comparable to 2005.

	2006	2005
Employee discount	55%	55%
Paid vacation	34%	32%
Health insurance	23%	27%
Sick/personal days	21%	19%
Profit sharing	9%	9%
Disability insurance	6%	12%
Life insurance	6%	8%
Pension plan	5%	8%
Sales and/or holiday bonuses	4%	N/A
Other	5%	7%
None	34%	33%
Average number of full-time employees	4.6	3.5
Average number of part-time employees	4.8	3.9
Average pay for full-time employees	$11.06/hour	$10.74/hour
Average pay for part-time employees	$8.20/hour	$8.06/hour

Totals do not add up to 100% because multiple responses were allowed.

FAVORITE FORMS OF ADVERTISING

Pet retailers spent far less money on advertising in 2006 than they did the previous year, and continued to cite referrals as the most effective form of advertising. The Internet gained the most ground in terms of effectiveness in 2006, while direct mail lost the most ground.

	2006	2005
Referral/word of mouth	38%	39%
Newspaper	18%	17%
Direct mail	12%	15%
Phone directories/ Yellow Pages	9%	10%
Internet/e-mail	8%	4%
Television/cable	6%	4%
Radio	3%	4%
Magazine	2%	2%
Other	4%	5%
Average spent on advertising	$11,941	$36,826

PET RETAILERS REPORTED AN AVERAGE GROSS DOLLAR VOLUME OF $761,243 FOR 2006—DOWN FROM $1.1 MILLION FOR 2005. 21% GROSSED LESS THAN $100,000. 21% GROSSED $100,000 TO $249,999. 25% GROSSED $250,000 TO $499,999. 10% GROSSED $500,000 TO $749,999. 5% GROSSED $750,000 TO $999,999. 19% $1 MILLION OR MORE.

BRAND LEADERS *in* Key Pet Supply Categories

BY PERCENTAGE OF STORES CITING BRAND AS NO. 1

DOG PRODUCTS

APPAREL
1. PetEdge 35%
2. Ethical Products 18%

BEDS
1. Midwest Homes for Pets 32%
2. Precision Pet Products 17%

COLLARS & LEADS
1. Coastal Pet Products 38%
2. Lupine 19%

FEEDING EQUIPMENT
1. Doskocil/Petmate 36%
2. Ethical Products 16%

FLEA/TICK PRODUCTS
1. Merial 39%
2. Central Life Sciences 37%

FOOD
1. Nutro Products 17%
2. Natura Pet Products 13%

GROOMING TOOLS
1. Coastal Pet Products 33%
2. Central Pet/Four Paws 21%

HEALTH & HYGIENE PRODUCTS
1. Bio-Groom 26%
2. Central Pet/Four Paws 22%

HOUSING
1. Doskocil/Petmate 39%
2. Midwest Homes for Pets 26%

SANITATION PRODUCTS
1. Central Pet/Four Paws 26%
2. The Bramton Co. 20%

SHAMPOOS
1. Bio-Groom 21%
2. Central Pet/Four Paws 14%

TOYS
1. The Kong Co. 35%
2. PetEdge 27%

TREATS
1. Merrick Petfoods 37%
2. Old Mother Hubbard 13%

CAT PRODUCTS

BEDS
1. Precision Pet Products 32%
2. Flexi-Mat 25%

COLLARS & LEADS
1. Coastal Pet Products 41%
2. Lupine 16%

FEEDING EQUIPMENT
1. Doskocil/Petmate 50%
2. Van Ness Plastics 19%

FLEA/TICK PRODUCTS
1. Central Life Sciences 42%
2. Merial 38%

FOOD
1. Hill's Pet Nutrition 18%
2. Natura Pet Products 17%

FURNITURE
1. PetEdge 30%
2. Local/custom manufacturer 24%

GROOMING TOOLS
1. Coastal Pet Products 31%
2. Central Pet/Four Paws 26%

HEALTH & HYGIENE PRODUCTS
1. Central Pet/Four Paws and Virbac, tie 28%
2. Lambert Kay 16%

HOUSING
1. Doskocil/Petmate 63%
2. Marchioro USA 17%

LITTER
1. American Colloid 26%
2. World's Best Cat Litter 22%

LITTER ACCESSORIES
1. Doskocil/Petmate 42%
2. Van Ness Plastics 34%

SANITATION PRODUCTS
1. UPG/8 in 1 .... 25%
2. Central Pet/Four Paws 18%

SHAMPOOS
1. Bio-Groom 26%
2. Central Pet/Four Paws 23%

TOYS
1. PetEdge 24%
2. Ethical Products 20%

TREATS
1. Cosmic Pet Products 24%
2. S&M NuTec 19%

AQUARIUM PRODUCTS

AQUARIUMS
1. Central Aquatics 63%
2. UPG Aquatics 33%

CLEANING EQUIPMENT
1. Mars Fishcare 27%
2. Rolf C. Hagen (USA) 23%

DECORATIONS
1. Penn-Plax 38%
2. Blue Ribbon Pet Products 24%

FILTRATION PRODUCTS
1. UPG Aquatics 50%
2. Rolf C. Hagen (USA) 33%

FOOD
1. UPG Aquatics 45%
2. OmegaSea 16%

HEALTH AIDS
1. Mars Fishcare 65%
2. Seachem Labs 14%

HEATERS
1. Penn-Plax 32%
2. Rolf C. Hagen (USA) 31%

LIGHTING
1. Central Aquatics 50%
2. Rolf C. Hagen (USA) 23%

METERS
1. UPG Aquatics 37%
2. Rolf C. Hagen (USA) 33%

POND PRODUCTS
1. Rolf C. Hagen (USA) 29%
2. UPG Aquatics 24%

PUMPS
1. Rolf C. Hagen (USA) 31%
2. UPG Aquatics 24%

TEST KITS
1. Mars Fishcare 62%
2. UPG Aquatics 26%

WATER CONDITIONERS
1. Mars Fishcare 49%
2. UPG Aquatics 18%

BIRD PRODUCTS
BEDDING & LITTER
1. Absorption Corp. 24%
2. Central Avian & Small Animal 21%

CAGES
1. Prevue Pet Products 41%
2. Blue Ribbon Pet Products........... 22%

FEEDING EQUIPMENT
1. Penn-Plax 43%
2. Rolf C. Hagen (USA) 23%

FOOD
1. Sun Seed 30%
2. Central Avian & Small Animal 25%

HEALTH AIDS
1. Virbac 36%
2. UPG/8 in 1 .... 21%

SANITATION PRODUCTS
1. Central Pet/Four Paws 31%
2. Avian Fashions 20%

TOYS & EXERCISE PRODUCTS
1. Penn-Plax 35%
2. JW Pet 23%

WATER BOTTLES
1. Lixit 42%
2. Penn-Plax.. 24%

SMALL-ANIMAL PRODUCTS
BEDDING & LITTER
1. Absorption Corp.......................... 39%
2. Central Avian & Small Animal 23%

CHEW ITEMS
1. Central Avian & Small Animal 48%
2. Sun Seed 24%

FEEDING EQUIPMENT
1. Central Avian & Small Animal 36%
2. Doskocil/Petmate 19%

FOOD
1. Sun Seed 30%
2. Central Avian & Small Animal 29%

HEALTH AIDS
1. Sun Seed and Virbac, tie 26%
2. UPG/8 in 1 .... 23%

HOUSING
1. Central Avian & Small Animal 59%
2. Prevue Pet Products 19%

SANITATION PRODUCTS
1. Central Avian & Small Animal 53%
2. Penn-Plax....................................... 14%

TOYS & EXERCISE PRODUCTS
1. Central Avian & Small Animal 59%
2. Penn-Plax....................................... 28%

WATER BOTTLES & ACCESSORIES
1. Lixit 42%
2. Central Avian & Small Animal 25%

REPTILE PRODUCTS
BEDDING & LITTER
1. Zoo Med Laboratories 51%
2. Rolf C. Hagen (USA) 28%

FEEDING EQUIPMENT
1. Zoo Med Laboratories................ 40%
2. Rolf C. Hagen (USA) 36%

FOOD
1. Zoo Med Laboratories................ 34%
2. Fluker Farms.................................. 18%

HEALTH AIDS
1. Zoo Med Laboratories 50%
2. Rolf C. Hagen (USA) 16%

HEATING EQUIPMENT
1. Zoo Med Laboratories 46%
2. Rolf C. Hagen (USA) 35%

HOUSING
1. Central Aquatics 69%
2. UPG Aquatics 18%

HOUSING DECOR
1. Rolf C. Hagen (USA) 52%
2. Zoo Med Laboratories 21%

LIGHTING
1. Rolf C. Hagen (USA) 34%
2. Zoo Med 33%

SANITATION PRODUCTS
1. Zoo Med Laboratories 61%
2. Central Aquatics 26%

WATER BOTTLES & ACCESSORIES
1. Rolf C. Hagen (USA) 54%
2. Lixit 18%

GIFT & MISCELLANEOUS ITEMS
BOOKS
1. Barron's Educational Series 52%
2. Central Pet/T.F.H. 24%

CALENDARS
1. Brown Trout Publishers............... 52%
2. Willow Creek Press 34%

GREETING CARDS
1. Avanti Press 49%
2. Hunkydory *paper products 11%

ORNAMENTS AND FIGURINES
1. Dandy Design 26%
2. Conversation Concepts 22%

CRAB PRODUCTS
1. Florida Marine Research 35%
2. T-Rex Products 29%

CRICKET PRODUCTS
1. Fluker Laboratories...................... 55%
2. Timberline Live Pet Foods 14%

Rankings reflect brands that were cited most often by respondents as their best sellers. Neither rankings nor percentages represent market shares or sales percentages, since respondents were not asked to provide information about secondary/tertiary brands in their stores, sales figures by brand or sales percentages by brand.

ABOUT THE SURVEY

Statistical data for “The 2007-2008 PET AGE Retailer Report” were compiled by Cypress Systems Consulting Inc. (Downers Grove, Ill.), a firm that develops custom solutions for Internet-based data collection, and by PET AGE editors.

We sent e-mails and faxes on June 20, July 18, July 31 and Aug. 7, inviting more than 4,700 pet supply outlets from the PET AGE subscriber list to complete our Internet-based questionnaire. Additionally, we publicized the questionnaire’s availability via the “Editor’s Note” and advertisements in PET AGE.

Retailers who didn’t have access to the Internet or who preferred not to complete the survey online received printed versions of the questionnaire.

The 2007-2008 PET AGE Retailer Survey drew 249 valid responses.

Percentages will not always total 100 because many responses were rounded, and not all respondents answered all questions.

The 2007-2008 PET AGE Retailer Survey was sponsored by Aqueon Products/Central Aquatics (Franklin, Wis.), Coastal Pet Products Inc. (Alliance, Ohio), Companion Habitats Inc. (Colorado Springs, Colo.), Kaytee Products Inc. and Super Pet (Elk Grove Village, Ill.), Lambert Kay Pet Products (Princeton, N.J.) and United Pet Group Aquatics (Blacksburg, Va.).

We wish to acknowledge the corporate sponsors of the 2007-2008 PET AGE Retailer Survey:

Aqueon Products/Central Aquatics
www.aqueonproducts.com

Coastal Pet Products Inc.
www.coastalpet.com

Companion Habitats Inc.
www.companionhabitats.com

Kaytee Products Inc. and Super Pet
www.kaytee.com,
www.superpetusa.com

Lambert Kay Pet Products
www.lambertkay.com

United Pet Group Aquatics
www.unitedpetgroup.com