

PET OWNERSHIP IN THE U.S.

Source: American Pet Products Manufacturing Association
2007-08 Survey of Pet Owners

Pet Ownership at a Glance

Ownership

63% of U.S. Households own a pet = 71.1 million households, up from 56% in 1988, first year the survey was conducted

Pet	Number	Households
Horse	13.8	4.3
Dog	74.8	44.8
Cat	88.3	38.4
Bird	16	6.4
All Fish	151.6	15

Numbers in millions

APPMA states that demographics indicate that the person most responsible for purchasing pet products is 46 years old and is female.

Spending

Year	Billions Spent
2008 E	\$43.4
2007	\$41.2
2006	\$38.5
2005	\$36.3
2004	\$34.4
2003	\$32.4
2002	\$29.5
2001	\$28.5
1998	\$23
1996	\$21
1994	\$17

Where these dollars will be spent in 2008E Vs 2007

What	2008E \$ Spent	2007 \$ Spent
Food	\$16.9 billion	\$16.2 billion
Vet Care	\$10.9 billion	\$10.1 billion
Supplies/OTC Medicine	\$10.3 billion	\$9.8 billion
Live Animal Purchase	\$2.1 billion	\$2.1 billion
Grooming and Boarding	\$3.2 billion	\$3.0 billion

Excerpts from the report:

2007 PET PRODUCTS TREND REPORT

We pamper them. We bring them wherever we go. We surprise them with something new on special occasions. They even get holiday presents. They are our pets!

From high-end items to high-tech items, products for our companion animals now extend beyond traditional necessities. The American Pet Product Manufacturers Association (APPMA) presents top pet product trends for 2007.

Going to the Dogs

More and more companies traditionally known for human products are going to the dogs, and cats, and reptiles. Big name companies including like Paul Mitchell, Omaha Steaks, Origins, Harley Davidson and Old Navy are now offering lines of pet products ranging from dog shampoo, pet attire, and name-brand toys to gourmet treats and food.

Pets Welcome

Many hotels across the country are adopting pet friendly policies. Several chains have announced new pet-friendly policies that include everything from oversized pet pillows, plush doggie robes, to check-in gift packages that include a pet toy, dog treat, ID tag, bone and turn down treat. Some even have a licensed dog masseuse on staff.

Pet Products Sold Here

Shopping for pet products is becoming easier than ever with an increasing variety of retail outlets now selling pet products. Right along side fertilizer and shovels, shoppers can now find pet products such as doggie doors and yellow lawn spot removers sold at many lawn and garden stores, nurseries, and major home improvement stores including Home Depot.

The Lap of Luxury

High-end items to spoil companion animals are must-haves for pet owners that spare no expense to please their furry, feathered and finned best friends. Items include faux mink coats for cold weather outings, feathered French day beds for afternoon naps, designer bird cages, botanical fragrances and to top it all off, a rhinestone tiara!

Ultra-Clean...

Pet-owners take grooming one step beyond a haircut, a quick bath and a nail trim. Mouthwash and an electric toothbrush for canines are routine steps in a beauty session for some pooches. Birds receive daily pedicures with special cage perches, while others enjoy manicures complete with nail polish. Pet-owning homes stay cleaner with automatic, self-flushing litter boxes, cleaning cloths for muddy paws that mimic traditional baby wipes, and scented gel air fresheners to keep rooms free of pet odors.

Dinner is Served

Today's pet foods include complete and balanced diets that tantalize our pets' taste buds and satisfy their tummies. Formulas for puppies and kittens, specialized meals for reptiles, birds and fish and diets for senior pets ensure a long and healthy life for our beloved companions.

State-of-the-Art

High-tech products including computerized identification tags, digital aquarium kits, automatic doors and feeders, enhanced reptile terrarium lighting systems and touch-activated toys help pet-owners take care of companion animals with ease and precision.

Loosen Up

As pet owners meditate in yoga class, cats relieve stress by frolicking in a toy gym or relaxing in a feline spa before enjoying herbal catnip packaged in a tea bag. Dogs sip fresh water from flowing fountains after a soothing rub with a doggie massager.

Help Yourself!

Products designed with convenience in mind lead this trend. Programmable feeding and drinking systems, automatic and battery-operated toys, self-cleaning litter boxes and self-warming pet mats let pets virtually care for themselves!

Straight from the Catwalk

Faux mink coats, hipster lumberjack vests, designer plaid jackets, matching jeweled and leather collar and leash sets, Halloween costumes, and holiday outfits keep pets in fashion throughout the year. Upscale leather carriers complete with a cell phone and water bottle holder are the perfect accessories to keep the pet owner in style as well.

Keep on Truckin'

Whether it's a quick trip to the supermarket or a long ride to the beach, companion animals are now traveling animals too. Buckled up in a harness, seat belt system or a portable carrier, these pets stay safe and secure while on the road. Food and water along with safety supplies are on hand in all-in-one kits, waste disposal systems make for easy clean-up on quick stops and motion sickness aids are available too.

Hello, My Name Is...

From monogrammed sweaters and personalized food and water bowls to digitized collar tags and hand-

made treats, owners embrace their pets as true members of the American family celebrating their fluffy, finned and feathered companions with their very own belongings.

HEALTH BENEFITS

- **Pets Help to Lower Blood Pressure** A recent study at the State University of New York at Buffalo found that people with hypertension who adopted a cat or dog had lower blood pressure readings in stressful situations than did those who did not own a pet. (Dr. Karen Allen, State University of New York at Buffalo)
- **Pets Help to Reduce Stress** Walking with a pet helps to sooth nerves and offers instant relaxation. Studies conducted worldwide have shown that the impact of a stressful situation is lesser on pet owners, especially males, than on those who do not own a pet. (Josephine M. Wills, Waltham Centre for Pet Nutrition, United Kingdom)
- **Pets Help to Prevent Heart Disease** Because pets provide people with faithful companionship, research shows they may also provide their owners with greater psychological stability, thus a measure of protection from heart disease. (National Institute of Health Technology Assessment Workshop: Health Benefits of Pets)
- **Pets Help to Lower Health Care Costs** People with pets actually make fewer doctor visits, especially for non-serious medical conditions. (National Institute of Health Technology Assessment Workshop: Health Benefits of Pets)
- **Pets Help to Fight Depression** Pets help fight depression and loneliness, promoting an interest in life. When seniors face adversity or trauma, affection from pets takes on great meaning. Their bonding behavior can foster a sense of security. (Between Pets and People: The Importance of Animal Companionship)

Methodology

The 2006 National Pet Owners Study was conducted by Ipsos, Inc. As in previous years, this research was conducted in two phases. The first phase, or screening, was done through InstaVue, Ipsos' monthly omnibus mailing. Forty-five thousand (45,000) two-page interviews were mailed out at the end of 2005 and 31,851 panel members responded, yielding a return rate of 71% of which 19,914 or 44% of the responding panel members were current pet owners. The panel of pet owners is representative of all pet owners in the U.S.

In the second phase of the study, pet owners were mailed a detailed questionnaire about pet ownership in one of eight categories; dogs, cats, birds, small animals (such as rabbits and guinea pigs), reptiles, freshwater, saltwater fish and horses. Eight different questionnaires, one per pet category, were mailed out to groups of owners of each specific pet type.