How Tariffs Affect the Veterinary Industry

When people think about tariffs, they usually think of agriculture, manufacturing, or major global trade disputes. However, one area that is feeling the pressure but is often overlooked is veterinary medicine. Tariffs on imported supplies are quietly increasing costs in clinics, and many veterinarians are unaware of the cause.

Veterinary clinics usually rely on US-based distributors for supplies, but many of these products are sourced from China – including syringes, needles, IV sets, surgical gloves, lab equipment, diagnostic devices, and raw ingredients for drugs. About 40-50% of active drug ingredients, 15-20% of finished veterinary drugs, 30-40% of medical supplies, and 10-25% of diagnostic equipment originates from China. Although these items often arrive in American-branding packaging, they are still subject to tariffs as imported goods. All the supplies being tariffed will cause price increases at the distributors, which get passed down the chain – to clinics, and then to clients because US vet distributors cannot afford to absorb such a large cost increase and clinics do not want to lose profit. If nothing is done, tariffs could cause the price of medical supplies and diagnostic equipment to go up by approximately 10%. In anticipation of these price increases, some clinics may choose to stock up on supplies, which could lead to backorders and shortages for clinics that don’t, and compromise the safety of both staff and patients.

Tariffs will cause price increases of 10% in routine vet visits, pet medications, and emergency care, and this can lead to owners delaying vet visits, declining necessary treatments, or even abandoning their pets. Rising costs and inflation are already lowering the standard of pet care, and tariffs may worsen it.

However, clinics can prepare by asking distributors where their products originate and requesting alternatives for China-sourced goods. Joining a Group Purchasing Organization offers better prices through collective buying. Bulk purchases of shelf-stable items, safe reusables, and high-quality refurbished equipment can reduce costs. Diversifying suppliers by category helps stabilize costs.

If costs still increase slightly, it’s important to communicate with clients so they feel valued. Wellness bundles, multi-vaccine discounts, and generic medications can help keep care affordable to ensure animals continue receiving essential treatments.

Tariffs are already raising veterinary care costs, and if clinics don’t act now, they risk pricing clients out of care and compromising animal health. A structured three-month plan can help manage these challenges. In the first month, clinics should evaluate inventory, meet with distributors, and assess alternative suppliers. The second month should focus on financial planning and revising pricing strategies. In the final month, clinics should communicate with clients and implement changes. Tariffs may be out of a clinic’s control, but how they respond is not.