



Adoption fees for cats continuing to decline according to February PetPoint Report

Pethealth Inc. releases its February PetPoint Report, a monthly gauge of both pet adoptions and relinquishments affecting animal welfare

OAKVILLE, Ontario – March 21, 2011. (TSX:PTZ) Pethealth Inc.— Adoption fees for cats fell significantly last month, according to the February PetPoint Report. Adoption fees for cats under one year of age declined by 7% from a year ago, while fees for cats over one year of age declined by 13% from last February. The decline in fees for cats over one year of age in February continues the unbroken trend since Pethealth began publishing PetPoint reports in September of 2010. During that period, year on year declines in adoption prices for cats over one year of age have averaged better than 10% each month. On average, adoption fees for cats under one year of age have declined 2% year on year over the last six months and February's decline of 7% reverses a positive trend in fees seen in the previous three months.

Against the decline in adoption prices, on average adoptions of cats year on year have remained flat over the last six months including the 3% decline in February, which represents the third consecutive monthly decline in adoption rates of cats.

More significant is that the year on year return rate of cats by owners previously adopted from the same organization moved back up to 8% in February after increases of 4% and 2% in December and January respectively. Six-month data suggests an inverse correlation between adoption prices for cats and the return rate of cats back to the same shelter and has been more prominent than the inverse correlation between adoption prices and adoption rates over the past six months.

"We appear to be seeing two trends emerging in the pricing for adoptable cats," says Steve Zeidman, Managing Director, PetPoint Solutions. "The first is that lower prices are having a limited impact on adoption rates but are having a greater impact on the number of cats that are subsequently returned to the same shelter they were adopted from. The second is that animal welfare organizations are placing a greater importance on adoptable dogs, particularly those less than one year of age, when it comes to generating adoption revenue, arguably reflecting the tighter supply of younger dogs available for adoption particularly at this time of year."

Revenue from adopted cats stood at 25.9% of total adoption revenue in February 2011, a decline from 29.2% in February 2010. Conversely, adoption revenue from dogs increased from 69.9% in February 2010 to 73% in February 2011.

The February report aggregated data from 904 animal welfare organizations using [PetPoint](#). Findings were based on 100,978 intakes and 102,961 outcomes for cats and dogs that entered or left animal welfare organizations during the month. PetPoint is the most widely used animal management application in animal welfare.

For the February report, data was aggregated only from those organizations that were using PetPoint in February 2010 and February 2011. By comparing data from February 2011 to February 2010, the following can be summarized:

- Adoptions of both cats and dogs declined 3%.
- Owner surrenders of cats and dogs declined 2% and 3% respectively.
- Intakes of cats and dogs declined 6% and 4% respectively.
- Intakes of stray cats and dogs declined 11% and 6% respectively.
- Euthanasia of cats and dogs declined 10% and 11% respectively.
- Returns of cats previously adopted from the same organization increased 8% but decreased 6% for dogs.
- Average adoption fees for cats and dogs over 1 year old declined 13% and 4%, while average fees for cats under 1 year old declined 7% and dogs under 1 year old increased 4%.

[Pethealth](#), the owner of the cloud-based PetPoint application, hosts the data for all its licensed users, allowing data to be aggregated in a seamless and timely fashion. Today, over 1,600 animal welfare organizations in the United States and Canada have licensed PetPoint to manage their day to day operations. Pethealth aggregates more data on cats and dogs in animal welfare organizations than any other company.

Interested organizations can subscribe to receive more detailed reports that include localized regional and state data for a monthly fee. The full report can be accessed by visiting <http://www.petpoint.com/petpoint-report-03-21-2011.asp>. PetPoint reports are issued on the third Monday of each month, excepting statutory holidays in which case they are issued the following business day.

About PetPoint

PetPoint, first introduced in 2005, is now licensed by over 1,600 animal welfare organizations in North America and has facilitated the adoption of over 2.7 million pets. As a hosted application, animal welfare organizations can not only better organize and care for their homeless and abandoned animals, but can also reduce significantly, if not eliminate, their IT-related infrastructure costs. PetPoint is provided free to animal welfare organizations on the basis that these same organizations use the Company's [24PetWatch microchip](#) program for all companion animals adopted. The 24PetWatch microchip program is the most widely used microchip and lost pet recovery service operating in both Canada and the United States.

About Pethealth Inc.

Pethealth is a leading provider of companion animal services in North America. In addition, the Company is the leading provider of management software to North American animal welfare organizations through its cloud-based application and is the leading provider of pet related database management services to the North American companion animal industry. Pethealth offers a unique range of products and services for veterinarians, shelters and [pet owners](#) through a number of wholly owned subsidiaries using a range of brand names including [PetCare](#), [24PetWatch](#), [PetProtect](#), [petPals Direct](#), [ShelterCare](#), [PetPoint](#), [Petango.com](#) and [ThePetangoStore.com](#).

Pethealth is based in Oakville, Ontario. To find out more about Pethealth, visit the web site at www.pethealthinc.com.

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