



**TESTIMONY OF PET INDUSTRY JOINT ADVISORY COUNCIL
BEFORE THE COMMITTEE ON CONSUMER PROTECTION
HOUSE BILL 2470**

February 23, 2009

Position: Qualified Opposition

As the world's largest pet trade association, the Pet Industry Joint Advisory Council (PIJAC) appreciates the opportunity to offer this esteemed committee our views on House Bill 2470. Representing the interests of all segments of the pet industry throughout the United States, PIJAC counts among its thousands of members various associations, organizations, corporations and individuals involved in the commercial pet trade. More specifically, we represent pet breeders, pet product manufacturers, distributors and retailers throughout Oregon who would be significantly impacted by the legislation before you today.

Let me emphasize that nobody cares more about healthy pets than does PIJAC. We have, for many years, provided a highly respected animal care certification program intended to ensure that employees are well trained in the care of the animals they sell; a program that is widely utilized not only by persons in the commercial pet trade but also shelters and humane societies throughout the country, and one that has even been adopted as a statutory standard. PIJAC has worked closely with the USDA on effective implementation of the Animal Welfare Act for pets since its inception over three decades ago, and has joined hands with state and local agencies to ensure adoption and enforcement of appropriate regulatory standards. Our association has long been recognized as the voice for a responsible pet trade, and routinely advocates for new statutory standards that are in the best interests of companion animals and the pet-owning public. We also continually seek to advance the voluntary implementation of superior standards in the care, handling and transport of companion animals.

Likewise, PIJAC is strongly supportive of pet warranty statutes. In fact, we have participated in the process of crafting every single pet warranty statute in effect in the United States today. Because we firmly believe that pet dealers should stand behind the animals they sell, PIJAC supports codifying a reasonable warranty in law.

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What PIJAC finds most perplexing about this legislation is the prohibition against possession or control of “more than 25 sexually intact dogs aged four months or older.” **It is important to note that there is no correlation between the number of animals in a facility and the quality of care those animals receive!** Some of the largest commercial breeding operators in this country employ state-of-the-art facilities, exceptional and frequent veterinary care, and the highest standards for breeding and raising their animals (typically exceeding what is required by law). **Furthermore, a prohibition such as this limits the ability of dog breeders to maintain sufficiently diverse blood lines – This will result in an increase in adverse hereditary conditions, to the detriment of the dogs, pet owners and the business itself. Indeed, there is NO ONE that benefits from this provision!** We urge the committee to inquire of any qualified expert as to the likelihood of increased recessive traits when breeding with limited blood lines!

We are aware that there are animal activists who attempt to tie the size of a facility to the care of its animals. The fact is, such a proposition is spurious. There is no objective evidence that supports this claim. Persons interested in adopting legislation to promote the humane and healthy breeding of dogs should focus on establishing, and providing appropriate enforcement authority for, standards that will ensure dogs are receiving quality care, nutritional sustenance, appropriate veterinary care, adequate exercise opportunities and sound, safe transport. This is what is already done through the Animal Welfare Act. And it is a demonstrable fact that pet animals can and are provided humane care in abundance at countless breeding facilities of all sizes. By the same token, there are some breeders who do not comply with appropriate standards; but that has absolutely nothing to do with the number of animals in the facility.

Any legislation should be targeting poor breeders based on the need to ensure humane care. Placing a limit on the number of dogs a facility may maintain does nothing to further this goal. Worse, though, it compromises the goal. If the state drives out quality breeders who maintain high standards it will only create a void that may be filled by unscrupulous persons who care neither about legal requirements nor the humane care of the animals they raise.

Notwithstanding the hysteria and hyperbole disseminated by some, professionalism in the pet trade has steadily and consistently increased over the past several years, and the quality of care provided pet animals has improved and continues to do so. Most in the commercial dog trade do a good job. PIJAC is proud of its part in making this happen. At the same time, there is always room for continued improvement, and we recognize there are still those who fail to meet acceptable standards. PIJAC routinely works with legislators and regulators to close this gap, and we would be pleased to provide whatever assistance we might to this committee in furthering that objective.

The bulk of this bill focuses on a warranty statute for purchasers of dogs. **As noted, PIJAC is supportive of fair warranty statutes.** We do believe there are some deficiencies in the current proposal that the committee should correct before considering passage of this measure.

We would first emphasize that a legitimate pet store will never knowingly sell a sick puppy. But dogs, like all living beings, will sometimes become ill. That occurs in a small minority of pet store puppies. Where it does occur, a statutory warranty is intended to provide fair compensation to the purchaser. We would point out to the committee that this bill provides not only for a full refund, but also reimbursement of veterinary expenses of up to 150 percent the price of the dog. Thus, the reimbursement amount is effectively 250 percent what was originally paid for the animal.

There is no other warranty mandated by law in Oregon (or elsewhere in the United States for that matter), for any product or service, that requires strict liability (where the seller was not at fault) compensation to customers in multiples of what they paid for the product or service. Indeed, warranties for other products and services routinely preclude consequential damages. Pets are, of course, unlike other products and services. They are living beings, and are not simply interchangeable. It is precisely because they are living

beings that the same quality control applied to assembly-line products cannot be employed in the rearing of pets. What do not change, though, are the basic economic realities of retailing to the public. A retailer cannot be liable for damages for which he or she is not responsible that are equal to several times the cost of the puppy or kitten they sell. Such a legal mandate would just lead to businesses shuttering their doors for good.

Pet warranty laws in other states typically cap recovery of veterinary fees to an amount that equals the original cost of the animal. This, of course, means an effective reimbursement of 200% the amount originally paid for the dog by the pet owner. PIJAC supports this standard. We would caution, however, against creating higher caps as they create an economically untenable environment for pet dealers who would simply be driven out of business; not because they do a poor job but because the market simply won't support that type of legal liability.

We would also point out that shelters and humane societies are exempt from the warranty requirement of this bill. Pet buyers, however, who routinely pay "adoption" fees to these entities for their pet dogs, are left in precisely the same position if they get a sick dog from a shelter as from a pet store. These entities, which not only sell (or "adopt out for a fee") dogs to the public but also frequently sell pet products as well, are at a competitive advantage over pet dealers. **We would suggest that consumers should benefit from the same statutory warranty for dogs they buy from shelters and humane societies as they do for pet store dogs.**

The committee should be aware, as well, of another provision of this bill that is inconsistent with any other pet warranty in the country. Section 5 provides that customers may be eligible for a reimbursement under the warranty if a veterinarian certifies a pre-existing condition within 30 days of the acquisition of the animal. **This time period proviso actually compromises the warranty.** The incubation period for any illness that the warranty reimburses is no greater than 14 days. There is no possible way that a veterinarian can legitimately certify the illness existed at the time of acquisition if he or she doesn't see the animal within 14 days. That is why the prevailing standard time periods for pet warranties are between 12 and 14 days. **A 30-day warranty period would be unprecedented, and would give consumers the false comfort of believing there was additional time for a veterinarian visit when in fact the veterinarian would then be unable to provide the certification necessary for reimbursement.**

PIJAC believes that, in an economic climate such as the current one, where margins for retailers are already painfully small in the best of cases and where many pet dealers have gone out of business and continue to do so, adopting legislation that will impose unsustainable financial burdens on these businesses is imprudent. It will cost tax revenue to the state and jobs to current employees, while providing precious little benefit to the public at large. For these reasons, PIJAC respectfully urges the committee not to recommend House Bill 2470 in its current posture. We would be pleased to assist this committee in any way we can to remedy weaknesses in this legislation.

Thank you greatly for your consideration of our concerns!

Respectfully Submitted,

Pet Industry Joint Advisory Council
By: Michael P. Maddox, Esq.