



## **Galaxy Vets, a New Veterinary Healthcare System Co-Owned by Employees, is Launching Nationwide**

Led by Dr. Ivan Zak, the new healthcare system will allocate equity to its veterinary teams and have burnout prevention as a strategic priority

**August 09, 2021, Portland, OR** — Dr. Ivan Zak, founder of two successful startups in the veterinary space, SmartFlow and Veterinary Integration Solutions (VIS), assumes the lead in a new venture — Galaxy Vets, an employee-centric veterinary healthcare system in the U.S. With a mission to bring veterinary medicine back to veterinarians, Galaxy Vets will allocate equity in the network to its employees — veterinarians, specialists, technicians, and administrative personnel — making them co-owners and shareholders in the entire organization. Dr. Ivan Zak is taking up the position of Galaxy Vets CEO, which becomes a client of VIS and will be built on its proprietary Operating Platform.

Galaxy Vets is using VIS methodology and technology to combat veterinary burnout by addressing the key reasons why veterinarians consider leaving the profession: poor work-life balance and work culture, substandard compensation, excessive workload, and mental health issues.

“As a burned-out vet in the past, eradicating this chronic illness of our profession has become a very personal goal for me,” **Dr. Zak** says. “My previous research, “The Burnout Investigation,” my MBA thesis on lean thinking, and the management methodology I have developed, brought me closer to finding a solution to veterinary burnout. Having helped over 600 practices with workflow optimization in my SmartFlow days and then three years of consulting corporate groups on sustainable growth as the CEO of VIS, I believe I’ve found a formula to create a burnout-free veterinary organization where all employees feel happy and empowered. Galaxy Vets will operate using VIS’ proprietary operating framework and technology with burnout prevention built-in, aiming to become an employer of choice for veterinary professionals. We are very excited to launch and really make a change in the industry and in the profession.”

Funded by veterinarians, Galaxy Vets employs a unique business model for the U.S. It will selectively buy general practices and have the former owner roll 50% or more of the selling price back into Galaxy Vets in exchange for equity in the entire enterprise — fueling its future development. By making further operational improvements in the acquired practices, Galaxy Vets will deliver a dramatically higher payout to the former practice owners compared to what is currently offered on the market. “We have developed a value creation plan clearly defining the areas we will improve. Thus, we are only targeting practice owners who are ready to change and embrace our culture of continuous improvement,” **Dr. Zak** explains.

Galaxy Vets will be acquiring general practices within a small region to then build a new surgical and emergency specialty hospital with its own reference laboratory, creating a unique, vertically integrated veterinary healthcare system.

“For the past decade, veterinary medicine has been taken over by private equity capital which is completely detached from the realities of our profession. Forced to generate revenue for investors, traditional consolidators often fail to fulfill their promise to improve the businesses they acquired, including better care for the veterinary teams. This factor — combined with an unprecedented burnout rate in the veterinary profession, subsequent shortage in the veterinary workforce, and an all-time high pet ownership rate — presents a threat to the industry. It’s shocking that almost every second vet is considering leaving the profession. Every organization must make their employees’ well-being an absolute priority, and that’s how it’s going to be at Galaxy Vets,” **Dr. Zak** adds.

Galaxy Vets is actively looking for partners and employees across the U.S. There are three ways to become a part of this healthcare system:

- Practice owners who are planning to sell their businesses can roll a part of their ownership into Galaxy Vets — rendering higher multiples than with any current consolidator — participating in the operational changes and maintaining leadership positions in their clinics.
- Practice owners who are not planning to sell now can simply become investors in exchange for their referrals and lab work.
- Veterinary teams, including specialists, ER, GP, relief vets, technicians and receptionists can become employees of Galaxy Vets, get the highest compensation on the market, and, based on their tenure, receive equity in the entire network, with the possibility of further investment in Galaxy Vets.

More information about Galaxy Vets and qualification criteria are available at <https://galaxyvets.com/>.

### **Additional information**

- In 2021, pet ownership increased from an estimated 67% to 70% — an all-time high [[American Pet Products Association](#)]
- Veterinarians are 3½ times more likely to die by suicide than the general population [[Journal of the American Veterinary Medical Association](#)]
- 40% of vets consider leaving the profession [[AVMA](#)]
- Only ⅓ of vets would recommend a career in veterinary medicine [[AVMA](#)]
- Top reasons why veterinarians consider leaving the profession [[AVMA Census of Veterinarians 2020](#)]:
  - Work-life balance (75%)
  - Work culture (47%)
  - Higher compensation (34%)

- Retirement (18%)
- Mental health (11%)
- Other (10%)

[Brakke Consulting Industry Overview:](#)

- 50 consolidators are buying practices in the U.S.
- Approximately 1,000 practices were acquired in 2020 — a 50% increase from 2019
- 1 of every 3 dollars spent on animal health services is now going to a corporate group
- In 2020, consolidator purchases overtook independent transactions
- Within two years, consolidators will own more than 25% of practices doing 50% of pet care

List of veterinary consolidators in North America:

<https://vetintegrations.com/insights/veterinary-consolidators/>.

**About Ivan Zak, DVM, MBA**

Dr. Ivan “Zak” Zakharenkov is a veterinarian, an entrepreneur, and a passionate advocate for the well-being of veterinary professionals. Twelve years as an ER vet inspired Ivan to create Smart Flow, a first-in-the-industry workflow optimization system, later acquired by Fortune 500 company IDEXX. Ivan subsequently founded Veterinary Integration Solutions (VIS), an executive consulting firm where he helped veterinary groups systematize acquisition, integration and improvement of practices with special attention to burnout prevention. Along the way, Ivan obtained an MBA degree in International Healthcare Management with a thesis “Implementation of Lean Thinking to Improve the Employee Experience.” Having developed a unique strategy, Ivan assumed the lead in Galaxy Vets, a nationwide veterinary healthcare system, built utilizing the VIS proprietary methodology and technologies.

Ivan is an active angel investor, the co-host of two podcasts, [Veterinary Innovation Podcast](#) and [Consolidate That!](#), as well as the host of the [Leading With Purpose webinar series](#). His writing has appeared in [DVM360](#), [Today’s Veterinary Business](#), [Entrepreneur](#) and other publications.

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