

'For the dogs' has a whole new meaning

Is your pet eating better than you? The pet industry is booming with sales of gourmet treats.

By ANDREW MARTIN, The New York Times



GARY BOGDON / NYT

Debbie Bohlken, owner of Claudia's Canine Cuisine, sits behind a table of decorated cookies and cakes at the Global Pet Expo at the Orange County Convention Center in Orlando, Fla. The pet industry has proved remarkably resilient to a weak housing market and high unemployment.

ORLANDO, Fla. — Lisa Cornish is rattling off today's menu:

Pan-seared duck with brown rice and blueberry compote.

Roasted turkey with butternut squash and russet potatoes.

Salmon with black-and-white quinoa.

Delish. Just keep in mind that all of this, right down to those banana and yogurt health bars, is dog food. Not mere Alpo, mind you — not by a long shot. And to prove it, Cornish, who works for a company called Petcurean Pet Nutrition, will give you a taste.

If you're wondering why anyone would even consider noshing on dog chow, you haven't been to the Global Pet Expo here, where the impresarios of America's thriving, multibillion-dollar pet economy profitably ply their wares.

If there is a pet heaven, this could be it.

Even as the economy for us humans bogs down again, the pet economy has proved remarkably resilient to a weak housing market, high unemployment and those diminished 401(k)s. The industry has continued to grow through the recession, albeit at a slower pace, and last year, Americans spent a record \$55 billion on their pets, according to the market research firm Packaged Facts, more than the gross domestic product of Belarus.

Wherever the stock market goes — and lately, it has been going down — this nation seems to be in the thrall of a great bull market for pets. And high-priced, "human grade" pet food is only the beginning.

Pet owners, or "parents" in industry parlance, are being sold on human-style luxuries and medical care. There are stylish rain slickers, organic foods and even antidepressants for today's pampered cats and dogs. If more evidence of this boom were needed, consider Neuticles, prosthetic testicles for neutered dogs and cats, at about \$1,000 a pair, which, their designers say, help "your pet to retain his natural look, self esteem and aids in the trauma associated with altering."

Make no mistake: this is big business, as a visit to the Pet Expo (<http://globalpetexpo.org/Default.asp>) here shows.

At one booth, Debbie Bohlken, owner of Claudia's Canine Cuisine, sits behind a table of brightly-decorated cookies and cakes that wouldn't look out of place in a bakery. All of these treats are for dogs. She sells her products under the slogan: "Treat Her Like the Bitch She Really Is."

"Will you try one?" she asks.

Her dog biscuits, it turns out, taste a bit like ginger snaps.

Elsewhere, manufacturers are marketing foods with ingredients worthy of a Michelin-starred restaurant: pheasant, freshwater trout, yak's milk, organic pumpkin — the list goes on.

There is much more to this than food. At the Petzlife booth, one of the owners, Steve Tibbetts, explains that his oral spray is made from "human-grade" ingredients that keep a dog's teeth and gums healthy and fight dog breath. He says it works for cats, too. And apparently, for people: Tibbetts sprays the stuff into his mouth. Twice.

"People are just ga-ga over their pets," Tibbetts says. "They'll spend money on their pets before they spend money on themselves."

The growth in the pet market last year was driven in part by a 7 percent increase in veterinary services. America's pet population, like its human one, is living longer. Human medical technologies are increasingly being used for pets. Dogs' and cats' owners — particularly those without children at home — are taking better care of them, both medically and nutritionally, experts say.

"Pet owners aren't just looking to provide a home for their pets," says Bob Vetere, president of the American Pet Products Association. "They are investing in their pets' quality of life. Oftentimes they do this at their own expense, cutting personal expenses, but not those affecting their faithful companions."

Jessica Taylor, managing editor of Petfood Industry, says that when she started at the magazine four years ago, the pet food industry lagged human trends by a year or more. Now, it is just six months behind, or less.

She predicts that blueberries and pomegranates, whose antioxidant wonders have been marketed to humans in recent years, will be the next big thing in pet food.

The pet industry has long considered itself recession-resilient, and it proved just that during the recent downturn, despite some bumps along the way. For instance, shelters were swamped with pets given up by owners who apparently could no longer afford them. Fewer people bought pets, in part because pets are often acquired after a home purchase, and there were considerably fewer of those.

Sales growth of pet products slowed, particularly among "hard goods" like leashes and bowls. But they were still up — which is more than you can say for many industries. Sales growth of natural pet products slowed to a relatively meager 6 percent in 2009, compared with 43 percent in 2007, according to Packaged Facts.

Analysts say the pet industry will continue to rebound, driven by demand for veterinary care and health-related products, including premium treats and chow for dogs and cats.

"I'm still very bullish on natural and organic," says David Lummis, senior pet market analyst for Packaged Facts, noting that such products account for about 7 percent of pet food sales. "There is still a lot of growth there."

In addition, he notes that expected demand for luxury pet products is strong enough to lure companies and even celebrities into the business. Among them: Martha Stewart, Ellen DeGeneres, Fisher-Price and General Nutrition Center, which now offers health supplements for pets.

Wall Street is bullish, too. Shares of PetSmart, the pet store chain, are hovering near a record high, at \$43.46 a share. In its most recent quarterly earnings report, the company said same-store sales had increased 6 percent over the quarter a year earlier.

PetSmart's main competitor, Petco, is privately owned and doesn't publicly report its earnings. But Jim Myers, Petco's chief executive, says his company did not have a single negative quarter throughout the recession. Fewer people traded up to more expensive items during the downturn, but he said they didn't trade down, either, sticking with a "premium and higher-level range of food products."

"Our perspective is that, thankfully, we are in a pretty emotional category," Myers says.

At a Petco store in West Orange, N.J., natural and organic products occupy more than half the aisles set aside for dog and cat food. A sign hanging from the ceiling reads, "It's all natural: the very best natural products for your pet."

A representative for Blue Buffalo dog food, Gina Corbosiero, is to pitch an array of products, which she says are "holistic" and contain antioxidant pellets that are "cold pressed."

Blue Buffalo's dog food costs as much as \$4 a pound, but it isn't the most expensive line on these shelves. Royal Canin makes dog food for specific breeds. Its Shih Tzu line sells for \$6.80 a pound.

Lowly Pedigree, by comparison, costs 50 cents a pound.

It's all too much for Mike Pinkard, 46, who was dispatched to buy some food for his daughter's new pit bull-Labrador retriever puppy, Taz. Asked what he will buy, he says: "I have no idea. It's changed so much from when I had a dog."

When Pinkard was a kid, he says, "It was regular dog food. Make sure you give them water and exercise and you are in good shape." He settles on a bag of Nature's Recipe, a midprice natural brand.

Are our pets healthier for all of this? Tony Buffington, a professor of veterinary nutrition at Ohio State University, says his students have studied the diet history of thousands of animals and have not yet determined that one pet food is better than another.

"We have been unable to distinguish an outcome in healthy animals eating a wide variety of foods," he says. Asked about the variety at megastores like Petco, he says, "I don't even go in there anymore. I wouldn't know where to start."

He adds: "If you put them all in a plain brown bag, you'd probably be fine with any one of them."

About 62 percent of American households have a pet, with dogs accounting for 40 percent of the total. Cats are second, at 34 percent. Dog and cat ownership has continued to grow slightly in recent years, even as the popularity of other types of pets, like birds, fresh-water fish and reptiles, has declined.

But the vendors at the Global Pet Expo, held at the Orange County Convention Center here in April, are betting that pet owners will splurge again.

One vendor is offering treadmills and treadwheels — essentially oversize hamster wheels — that let dogs exercise indoors, without the indignities of cracked sidewalks or rain.

There are "eco-friendly" pieces of furniture, grooming products and wipes, the wipes made from organically grown bamboo. An Israeli firm hawks dog shampoo containing Dead Sea minerals. Another, Pet Pop of Australia, promotes a vitamin-infused "mountain-spring water" for dogs. The price: \$3.30 a bottle, about as much as a gallon of milk.

"We actually saw that there was a gap in the market for beverages for dogs," says Bonnie Senior, a manager at the company. Then there is Jenn Mohr, who says she combined her love of dogs and love of candles to create Sniff Pet Candles. Made of "100 percent organic natural ingredients," the aromatherapy candles have names like "Day in the Hamptons" and "Field of Dreams" and "promote your dog's optimum health and well-being," her company says.

Mohr even designed a candle to address the flatulence of Rufus, her Rhodesian ridgeback. Made with floral ylang-ylang, white tea, myrtle and fennel, the "Fart & Away" candle "won't completely stop them," Mohr says. "But it will help." The price: \$28.

Aromatherapy candles aside, pet food, rather than pet extras, dominates the expo. Many vendors were pushing the idea of human grade pet food. Nummy Tum Tum, which sells canned organic pumpkin and sweet potato for pets, acknowledges that the line between pet and owner has been blurred. Last fall, amid a pumpkin shortage, people called to ask if it was OK to use Nummy Tum Tum to make pumpkin pies.

Answer: Sure. Daniel Stockton, national sales manager, says the company that makes Nummy Tum Tum makes canned pumpkin for pies, too. It simply switches the label. Both are simply puréed vegetables.

"What you can do is make some pies out of it, and leave the cans on the counter after everyone has eaten to freak people out," Stockton says.

Canine Caviar Foods says it makes "the only alkaline-based dog food in America that was specifically designed to prevent cancer." The ingredients include canned beaver, duck and venison tripe for dogs and cats, as well as a variety of "free-range, grass fed buffalo" treats for dogs.

The Honest Kitchen is offering dog food with names like "Zeal" and "Verve" and lists the provenance of the ingredients. There is organic, fair-trade quinoa from Bolivia and "wild, line-caught Icelandic haddock." Its food is "gently dehydrated" to preserve it.

Hill's Science Diet promotes prepackaged meals to help slim down tubby dogs and cats. American pets, it turns out, have weight problems just like many of their owners.

"We show you how to feed your animal to lose weight," says Mike Gooch, a sales manager for Hill's Science Diet. "It's really kind of a paradigm shift in how you control the weight of the animal."

Of course, it would be easier — and substantially cheaper — to feed pets less or take them for longer walks. But Gooch said that simply isn't happening for pets or owners.

"I would like to see us eat less McDonald's and Hardees," Gooch quips.

Bravo Raw Diet is peddling raw food for pets, which, along with refrigerated pet food, is among the hottest trends in the business. Bette Schubert, a co-founder, says dogs that eat raw meat diets — much like their wild ancestors — are healthier than those that eat processed kibbles.

Over at the Del Monte booth, Don Terry and Daniel Caulfield take all of this in with an air of bemusement. Del Monte makes old-line dog food like Kibbles 'n Bits, Gravy Train, Milk Bone and Snausages.

Neither seems too worried about all these organic and holistic upstarts. "Do you know how many Milk Bones we sell compared to these companies doing \$2 million a year?" Terry asks. "Dogs have lived a long time on Kibbles 'n Bits and Gravy Train."

Terry, however, isn't about to pop a Snausage into his mouth.

The idea of eating your dog food to prove its wholesomeness didn't originate at the Global Pet Expo. Paul Newman sampled his organic dog food on "The Tonight Show" in 2006. The audience howled.

These days, pet food makers are eating their own products to make a point and close a sale, wisecracks aside. Bohlken, of Claudia's Canine Cuisine, says she ate all sorts of dog treats while tweaking recipes for her products, which now include cookies and microwaveable cakes for dogs. Even now, she says, she will suck on a Puppy Pop when she has a sore throat.

Up in Brooklyn, Hanna Mandelbaum and Alison Wiener spent March dining on their dog food, Evermore, a brown mush made from beef hearts and chicken livers, among other things.

"My business partner really enjoys the taste," Mandelbaum says. "For me, it was a little bit more an acquired taste."

The gimmick generated a huge spike in sales but came at a price: relentless ribbing from friends. Says Mandelbaum: "They want to know if we have a sudden urge to sniff each other's butt."

Fonte:

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