

Researcher puts a number on man's best friend

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As dusk falls, Jeff Terry relaxes with his dog, Malloree, after throwing a ball into Lake Mendota. Credit: Jeff Miller

Here's a question for you: How much is your dog's life worth?

If you're like most <u>pet owners</u>, the quick and easy answer is "priceless." But in regulation and the courts, that sort of vague, emotion-based response doesn't go especially far. Until recently, neither venue had any science-based estimate of dollar value pet owners implicitly place on the



lives of their pets when they make decisions that affect their pets' mortality risks.

Enter David Weimer, a professor of political science and the Edwin E. Witte Professor of Political Economy with the La Follette School of Public Affairs. Six years ago, Weimer happened to be sitting next to the chief economist for the U.S. Food and Drug Administration at a meeting of a group called the Society for Benefit-Cost Analysis. The economist was bemoaning the need to perform a cost-benefit analysis for upcoming regulations related to the implementation of the Food Safety Modernization Act, a piece of legislation that was likely to impact the pet-food industry. While the benefit to increasing pet food safety was obvious, a critical piece of the formula was missing.

"They had no way of valuating an avoided pet death," says Weimer.

Weimer and a team of former-graduate students that included UW-Madison alumni Simon Haeder, now an assistant professor with the Penn State School of Public Policy, and Deven Carlson, now an associate professor of political science at Oklahoma University, set out to find the magic number.

The team used a research technique known as contingent valuation, a method that estimates the value a person is willing to place on a good by ascertaining what they'd be willing to pay to have it or willing to accept to give it up. They surveyed hundreds of pet owners across the country, asking them whether they'd be willing to pay a certain dollar amount for a vaccine that would reduce the chances of their pet catching a potentially fatal dog influenza from 12 to 2 percent.

"Based on the data, we were able to determine the average willingness to pay, the trade-offs they were willing to make, and what value they implicitly put on their dogs," says Weimer.



By incorporating additional factors into the discussion—the age and weight of the dog, how long it was expected to live, and shifting the percentage values of the vaccine's benefits—Weimer's team came up with a hard number that represents what's now known as the value of statistical dog life, or VSDL: \$10,000.

That value, says Weimer, is based in part on pet owners' tendencies to spend in the face of a possible health crisis. According to the American Pet Products Association, pet owners spent more than \$70 billion on their pets last year, including \$20 billion on veterinary care. Weimer says the principle applies to both humans and pets.

"Once grandma is in the hospital, you'll spend anything to help keep her alive," he notes. "You don't spend nearly as much to prevent her from going into the hospital in the first place."

While it sounds cold and calculating to slap a price tag on the life of a beloved pet, the real-world applications are important for both dog owners and for industry. For example, in cases in which a beloved pet was struck and killed by a careless motorist, the court system has typically awarded no more than the replacement value of the animal in damages. If the dog were, for instance, a rescue animal, that amount could be as low as zero.

"That typically doesn't account for emotional loss," says Weimer.

In divorce cases, there had previously been no way to accurately valuate a pet in the division of assets; the VSDL gives everyone a starting point. And, of course, there's the original pet-food industry question.

"If the FDA wants to write a regulation that reduces risks to pets, its analysts have to show that the benefits outweigh the costs," explains Weimer. "If they're valuing a dog life at \$10,000, that gives them the



information needed to make that decision."

Other uses beckon. Weimer says the U.S Department of Transportation may also be interested in using the VSDL to evaluate risks related to injuries suffered by pets that travel on airplanes.

Given the difficulty Weimer had in finding funding for his team's research, he's been gratified by the public's interest in it. When Haeder, his co-investigator, wrote about the project for the website The Conversation late last year, the article racked up more than 40,000 views.

Obviously, dog owners are invested in the topic. As for cat owners? They'll have to wait a little longer.

"I would love to have a wealthy cat owner fund a parallel study," jokes Weimer. "I guess we'll see what happens."

Provided by University of Wisconsin-Madison

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