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**Brakke Consulting's  
Animal Health News & Notes for January 12, 2018**  
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Pacifico Aquaculture  
Panion Animal Health  
PetIQ  
PortaCheck  
Tomlyn  
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VetPartners  
VIP Petcare  
Virbac

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**BRAKKE CONSULTING, INC.  
RECRUITING FOR ALL LEVELS OF YOUR FIRM**

At Brakke Consulting we find the right person to fit your company's needs. We have an unequalled network in animal health, and unique insights into what veterinarians value in an animal health professional, including the sales rep attributes that correlate to higher sales volume.

As part of our executive recruiting services, we manage the entire process of identifying and recruiting top candidates, including:

- Developing metrics to help rank candidates
- Scheduling interviews and arranging for travel
- Maintaining communications with candidates throughout the process

For more information about our recruiting services, visit our website or call one of our consultants:

- John Mannhaupt at 972.243.4033
- Terry Fritz at 336.312.0667

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## COMPANY EARNINGS RELEASES

- **Parnell Pharmaceuticals Holdings Ltd.** announced business results for the nine months ended September 30, 2017. Revenue was A\$14.4 million (US\$11.3 million), an increase of 4% compared to the comparable prior-year period. Net loss was A\$(8.4) million year-to-date, a A\$10.2 million improvement in profitability. (*baystreet.ca*)
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## COMPANY NEWS RELEASES

- The FDA announced approval for **Virbac's** Iverhart Max Soft Chews for dogs. (*FDA*)
- **Huvepharma** announced its acquisition of **AgriLabs**. In addition to AgriLabs products, the acquisition includes Antelope Valley Bios, a contract manufacturing business, and the VaxLiant portfolio of novel adjuvants. Both companies will continue operations under their current identities as integration opportunities are identified in 2018. Financial terms were not disclosed. (*company press release*)
- **IDEXX Laboratories**, Inc. announced that the IDEXX Catalyst SDMA Test will be commercially available to all North American customers beginning January 16, 2018, enabling IDEXX's point-of-care customers to add SDMA as an essential element of the routine chemistry panel. (*company press release*)
- **IDEXX Laboratories**, Inc. and **Applied BioCode** announced that they have entered into an exclusive global agreement to bring Applied BioCode's digital multiplex platform to IDEXX Reference Laboratories customers. IDEXX anticipates the technology will be commercially available starting in 2019. (*company press release*)
- **Nutramax Laboratories Veterinary Sciences**, Inc. announced the launch of Quinicarn L-carnitine Supplement for cats and dogs. L-carnitine supplementation has been shown to support recovery time after strenuous activity as well as helps maintain lean muscle mass, and may also support heart and liver health. (*Vet Advantage*)
- **PortaCheck** announced it has added a new on-farm passive transfer test called IgGCheck to their product line to monitor immunoglobulin (IgG) levels in newborn calves. (*company press release*)
- **Tomlyn** announced the launch of L-Lysine Gel for cats and Natural Pet Pharmaceuticals Yeast Control for dogs. The products are available at pet stores. (*PRWeb*)

- **PetIQ**, Inc. announced a definitive agreement to acquire Community Veterinary Clinics, LLC d/b/a **VIP Petcare** (“VIP”), a leading operator and provider of nationwide veterinary clinics and veterinarian services within major U.S. retailers. Under the terms of the transaction agreement, VIP will become a wholly-owned subsidiary of PetIQ. The transaction is valued at approximately \$220 million, comprised of \$100 million in cash, up to an additional \$30 million payable pursuant to promissory notes issued to VIP Petcare Holdings, Inc. (the “Seller”), and 4.2 million membership units of PetIQ Holdings LLC and a corresponding 4.2 million shares of PetIQ’s Class B common stock issued to Seller, valued at approximately \$90 million. *(Globenewswire)*
- **JBS United** Inc. announced a re-brand to **United Animal Health** Inc. United’s new brand allows the company to differentiate itself in the industry and make a clear distinction among other companies doing business with the same JBS initials. *(Feedstuffs)*
- Butterfly, a private equity firm specializing in the food sector, announced that it has acquired **Pacifico Aquaculture**, a leader in sustainable ocean-raised aquaculture. Terms of the transaction were not disclosed. *(Feedstuffs)*
- **Animal Supply Company** announced it has acquired **Bark to Basics**, a family-owned distributor that serves independent retailers, day care/kennels, vet hospitals and groomers. Bark to Basics operates in six states with two distribution centers in Kansas City and Houston. Financial terms were not disclosed. *(Pet Business)*
- The **American Animal Hospital Association** announced the launch of AAHA Market Connect, an online resource designed to highlight veterinary companies and organizations including company and product listings for animal health companies. AAHA Market Connect will allow practice team members to research products or services by category, name, manufacturer or organization all in one location. *(association press release)*
- The **American Animal Hospital Association** (AAHA) announced the release of the 2018 AAHA Diabetes Management Guidelines for Dogs and Cats. The new guidelines offer important updates to AAHA’s 2010 guidelines and can be found on the AAHA website. *(association press release)*
- **VetPartners** has signed a multi-year partnership agreement with the **North American Veterinary Community** (NAVVC) to publicly endorse Today’s Veterinary Business as a partner publication while collaborating on targeted content. *(company press release)*
- EU **Elanco Animal Health** and **Aratana Therapeutics**, Inc. announced the European Commission has adopted the decision to grant marketing authorization of Galliprant (grapiprant tablets) for the treatment of pain associated with mild to moderate osteoarthritis in dogs in the European Union. *(company press release)*
- BRAZIL **Henry Schein**, Inc. announced that it has acquired a 60% ownership investment in **ABASE**, a family-owned distributor of veterinary health care products with a strong presence in Brazil’s Campinas region in the state of Sao Paulo. ABASE sells pharmaceuticals, pet food, diagnostic equipment, and consumables primarily to the companion animal, swine, poultry, and bovine segments. ABASE had 2017 revenues of approximately \$27 million. Financial terms were not disclosed. *(company press release)*
- FINLAND **Mars Petcare** announced it has acquired **Genoscooper Laboratories**, a specialist in molecular diagnostics for companion animals. Finland-based Genoscooper developed genetic health testing platform MyDogDNA in partnership with the University of Helsinki. Financial terms were not disclosed. *(Animal Pharm)*

- SWEDEN **Panion Animal Health AB** announced it has entered into financing agreements with Yorkville Advisors Global and Dividend Sweden. The two agreements together result in a total financing of SEK 3,000,000 (\$366,000) in January. (*nbherard.com*)

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### ANIMAL HEALTH NEWS

- UK - MAREK'S RESEARCH Scientists at the UK's Pirbright Institute have identified a new type of immune cell in chickens, which is involved in the development of the deadly Marek's disease virus (MDV). The research demonstrated an association between the number of the new immune cells, known as suppressor lymphocytes, and susceptibility to lymphoma formation. Their findings also show infection with MDV increases the number of suppressor lymphocytes, which are able to suppress the chicken immune response. (*Animal Pharm*)
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### **BRAKKE CONSULTING, INC.** **INDUSTRY OVERVIEWS AT VMX AND WVC** **REGISTRATION FOR VMX OVERVIEW IS NOW OPEN**

Brakke Consulting is pleased to announce the 2018 Industry Overview. The 2018 US Animal Health Industry Overview will be presented twice this winter - once at the VMX (formerly NAVC) in Orlando, Florida and once at the Western Veterinary Conference in Las Vegas, Nevada. These dates are:

- VMX: **Monday, February 5, 2018**, 2:00 – 4:00 pm, Rosen Plaza Hotel
- WVC: **Tuesday, March 6, 2018**, 2:00 – 4:00 pm, Four Seasons.

Registration for the VMX Industry Overview is now open; registration for the WVC Industry overview will open in January. Seating is limited this year, so register early!

To register, go to [www.brakkeconsulting.com](http://www.brakkeconsulting.com) and scroll down to the "What's New" box. The price is \$400 per person for online registration; late registration is \$450.

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### BRAKKE CONSULTING VIEWPOINT

This second week in January 2018 was a full week of activities. There were several acquisitions or mergers announced so consolidation continues across the board at manufacturer, distributor and veterinary clinic levels. We expect more announcements of this type almost every week in 2018. We also noted that natural products and diagnostics made up some of the new product launch announcements.

Just above this viewpoint is an announcement for our Animal Health Industry Overview to be held in Orlando at VMX on Monday February 5th. We are pleased with the number of registrations that occurred this week and would encourage you to register to the must attend event before it is filled up. The 2018 Overview has information on each of the leading companies and our views on the trends at each company. There are also sections on activities occurring in the food animal and diagnostics product areas that demonstrate the rapid changes occurring in these two

segments of the market. We will cover some highlights from a few of the most recently published Brakke Consulting studies, and wrap up with our industry outlook for 2018 and beyond.

We look forward to seeing you at VMX. Have a great weekend!

*Ron Brakke*

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