
**Brakke Consulting's
Animal Health News & Notes for October 12, 2007**
Copyright © Brakke Consulting, Inc.

Editor: Lynn Fondon, DVM, MBA

IN THE NEWS:

earnings news
[KMG Chemicals](#)

other news
[Bioniche](#)
[BrightHeart Veterinary Centers](#)
[Chr Hansen](#)
[Crucell](#)
[Eli Lilly](#)
[IDEXX/Equine Biodiagnostics](#)
[Intervet](#)
[MWI](#)
[Pfizer](#)
[Schering-Plough](#)
[Tri V Services](#)
[Xubex Pharmaceutical Services](#)

COMPANY EARNINGS RELEASES

> **KMG Chemicals, Inc.** announced unaudited financial results for the fourth quarter and fiscal year ended July 31, 2007. Animal Health sales were \$14.1 million during 2007, an increase of 63%, with the successful integration of the animal health business acquired from Boehringer Ingelheim in February 2006, and strong sales and solid margins of the company's Avenger ear tag. (*Business Wire*)

BRAKKE CONSULTING, INC.
Market Research Services

Throughout the year, Brakke Consulting, Inc., performs a variety of marketing surveys and studies for client companies. If your firm needs help assessing the feasibility of a new product or technology, identifying the opinions and trends of product consumers, or determining the current market for products, Brakke Consulting, Inc. can build a market study to meet your needs. We also produce syndicated studies in specific animal health market areas. Further information can be found at our website at www.brakkeconsulting.com or by calling our Dallas office at 972.243.4033.

COMPANY NEWS RELEASES

> **Pfizer** announced that Draxxin (tulathromycin) Injectable Solution recently received a control claim from the FFDA for *Mycoplasma bovis*, one of the leading causes of bovine respiratory disease (BRD). The product is the first and only antibiotic approved for the treatment and control

in cattle at high risk of developing BRD for all of the four major BRD disease pathogens, including *Mycoplasma bovis*. (*CattleNetwork*)

> The European Commission reported that it has cleared **Schering-Plough** to buy Organon BioSciences (including **Intervet**), but its approval was conditional on the company divesting certain veterinary drugs and vaccines in Europe. No divestitures of Organon's human products will be required. (*AP*)

> **Eli Lilly & Company** announced that it has received FDA approval to market Comfortis (spinosad), a chewable, beef flavored tablet that kills fleas and prevents flea infestations on dogs for 30 days. Comfortis kills adult fleas within 30 minutes. It is available by prescription only. (*company press release*)

> **IDEXX/Equine Biodiagnostics** (EBI) announced the launch of three new equine tests: equine herpes virus type 1 (EHV-1), West Nile Virus (WNV), and Lyme disease along with *Anaplasma phagocytophilum* (formerly *Ehrlichia equi*). The IDEXX/EBI EHV-1 RealPCR Test differentiates between "wild type" and "neuropathogenic" strains of equine herpes virus. The IDEXX/EBI West Nile Virus IgM Capture ELISA Test detects an IgM response elicited by recent infections with WNV. The IDEXX/EBI Lyme ELISA Test detects two diseases in one assay for horses infected with *Borrelia burgdorferi* and/or *Anaplasma phagocytophilum*. (*company website*)

> **MWI Veterinary Supply**, Inc. announced that it has completed the acquisition of substantially all of the assets of **Tri V Services**, Inc. for approximately \$5 million consisting of \$4.5 million in cash and 12,692 shares of restricted common stock. Tri V is a distributor based near Detroit with a particular focus on emergency clinics and ophthalmology specialists. Tri V had total revenues of approximately \$8 million for its fiscal year ended December 31, 2006. (*CNNMoney.com*)

> **Bioniche** reported that the USDA has denied approval to license the company's *E. coli* O157:H7 cattle vaccine. The USDA indicated in a letter to the company that the field use data submitted in support of the vaccine was not sufficient for licensure. The company said it will submit additional statistical analyses and supporting rationale to the USDA in the coming weeks. If that data is insufficient as well, Bioniche Life Sciences will be required to pursue additional vaccine studies in 2008. (*Meating Place*)

> **BrightHeart Veterinary Centers** announced that it has become a Corporate Charter Partner of the American College of Veterinary Internal Medicine Foundation. The ACVIM Foundation was founded in 2000 to support the work of ACVIM specialists in advancing veterinary medicine. (*company press release*)

> **Xubex Pharmaceutical Services** announced the launch of its Pet Prescription Discount Card, which can be used at more than 55,000 pharmacies nationwide. Pet owners can save up to 55% off their pets' prescribed medications. Features include zero deductible, unlimited use and no expiration date, for a one-time fee of \$19.99. (*Veterinary Practice News*)

> **Crucell** N.V. announced that its researchers have discovered a monoclonal antibody that is active against H5N1 avian influenza. The company next plans to show the ability of the antibodies to prevent infection as well as to prevent and cure disease caused by H5N1 in mice. (*Feedstuffs*)

> EU **Chr Hansen** announced it has received EU approval for GalliPro, a probiotic growth promoter for broiler chickens. The product is a heat-tolerant in-feed probiotic which Chr Hansen says has a proven beneficial effect on the intestinal flora of broilers, and offers a safe and effective alternative to antibiotic growth promoters. (*Animal Pharm*)

ANIMAL HEALTH NEWS

> US - TICK FEVER The Texas Animal Health Commission reported that it may take up to two years to stop an incursion of fever ticks into the formerly tick-free areas of five counties along the Texas-Mexico border. The fever tick can carry and transmit babesiosis to cattle, horses, deer, and other species. The USDA is adding up to 30 temporary tick inspectors to work, along with the TAHC, with ranchers to locate, corral and eradicate the tick. (*AnimalNet - TAHC*)

> US - VETERINARY INITIATIVE Missouri is trying to address an emerging problem: a shortage of veterinarians in rural Missouri. The legislature approved the Large Animal Veterinary Student Loan Program to address the problem in the future. Governor Blunt pledges to fully fund it next year with \$500,000, making \$20,000 a year available to vet students willing to practice in underserved rural areas to a maximum loan of \$80,000. Under the loan program, principle and interest will be forgiven if the graduate serves a needy portion of the state. Six students attending the College of Veterinary Medicine at the University of Missouri-Columbia will get enough money to pay for more than half their education. (*Missourinet.com, Brownfield network*)

**InnoVet 2007
Charlottetown, Prince Edward Island, Canada
October 14 – 17**

The InnoVet 2007 program will focus on *Emerging Bioactives and Biologics: Innovative Solutions for Animal Health*, and includes 21 expert presenters in a variety of disciplines, including global regulatory issues, business trends in animal health and nutrition, evaluation of bioactive compounds and health product innovation for aquaculture.

For more information, visit www.innovet.ca

BRAKKE CONSULTING VIEWPOINT

The news this week is a continuation of the trend for the past few months. Smaller distributors and companies are being purchased by larger players. New products, particularly in the diagnostics area and flea control, continue to enter the marketplace.

We've been a strong advocate for the growing diagnostics market and believe this market will continue to expand as additional products are introduced.

We're not quite as confident with the flea and tick category. While there appears to be some market growth in 2007, it's not obvious that the market can absorb all of the new product entries for 2008. We're optimistic that the new entries will fill some product voids or find niches not now being served by the current products; however, will any of them be blockbusters? Will the market increase in total size because of these new entries? It's going to be an interesting fall and early 2008 for the flea & tick category.

Have a great weekend!!

Ron Brakke

*This electronic newsletter is the sole property of Brakke Consulting, Inc.
Any use of the contents herein should be approved by
and appropriately attributed to Brakke Consulting, Inc.*

For more information about Brakke Consulting's services and syndicated studies, visit our website at www.brakkeconsulting.com.

Brakke Consulting, Inc.
2735 Villa Creek, Suite 140
Dallas, TX 75234 USA