
**Brakke Consulting's
Animal Health News & Notes for November 9, 2007**
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**COMING SOON!
2007 US FLEA CONTROL AND HEARTWORM MARKETS**

ORDER NOW FOR EARLY-BIRD DISCOUNT

2007 has been a year of dynamic change in the flea, tick and heartworm markets, with a number of new product introductions from both new and established players in the segment.

Brakke Consulting will soon be publishing our latest annual report on the US Flea Control and Heartworm Markets. In addition to our annual survey of over 250 small animal veterinarians, this year's report will include coverage of the many new products introduced this year, including Advantage Multi, ProMeris, Vectra 3D, and Comfortis.

The report on the US Flea Control & Heartworm Markets will be available for a purchase price of \$4,995 if ordered by **WEDNESDAY, NOVEMBER 21**, and \$5,500 after that date.

Please contact Dr. Lynn Fondon at (972) 243-4033 or lfondon@brakkeconsulting.com to pre-order the report or for more information, or visit our website and download the order form at <http://www.brakkeconsulting.com/studies/flea.html>

COMPANY EARNINGS RELEASES

> **Bayer** reported results for the third quarter of 2007. Animal Health revenues for the quarter were EUR 236 million (\$337 million), an increase of 9% compared to the third quarter of 2006. The main driver of business expansion was the Advantage product range. (*company website*)

> **Heska** reported financial results for the third quarter of 2007. Total revenue was \$19.5 million, an increase of 5% compared to the third quarter of 2006. Net income was \$1.0 million compared to net income of \$864,000 in the comparable quarter in the prior year. (*company press release*)

> **Ridley** reported results for its fiscal 2008 first quarter ended September 30, 2007. Revenue increased 12% to \$140 million. Net earnings were \$2.6 million compared to \$1.8 million in the comparable period in the prior year. (*company website*)

> **MWI Veterinary Supply, Inc.** announced results for its fiscal year ended September 30, 2007. Revenues reached \$710 million for fiscal year 2007, up 17% over fiscal year 2006. Net income grew 22% to \$16.9 million for fiscal year 2007 compared to fiscal year 2006. Net income in fiscal year 2006 included approximately \$2.5 million (\$1.5 million after-tax) due to a shift in timing of vendor rebates. (*company website*)

> **Animal Health International, Inc.** announced that net sales increased 13% to \$164 million for the three months ended September 30, 2007. Acquisitions accounted for \$11 million or 60% of the increase in sales. Net income increased 13% to \$1.0 million. (*Prime Newswire*)

> **Spectrum Brands, Inc.** announced results for the fiscal year ended September 30, 2007. Global Pet Supplies net sales were \$563 million, a 4% increase as compared with the prior year. (*company website*)

> **Seaboard Corp.** reported net earnings for the three months ended Sept. 29 were \$52.6 million, compared with \$61.2 million in the year-earlier period. Operating income in the pork segment dropped dramatically to \$11.5 million, a 71% decrease from \$39.5 million in the same period last year. Revenues were \$801 million, up from \$678 million in the same period last year. (*Meating Place*)

COMPANY NEWS RELEASES

> **Fort Dodge** announced that the FDA has approved EtoGesic (etodolac) Injectable for use in dogs for the control of pain and inflammation associated with osteoarthritis. EtoGesic has been on the market for a number of years in an oral formulation. (*Veterinary Practice News*)

> **Fort Dodge** announced plans to expand the Company's technical expertise and resources with the development of a \$40 million research and development facility, which will be located in the Kansas Bioscience Park in Olathe, KS. Construction of the 150,000-square-foot facility, which will include laboratories and administrative support areas, is slated to begin in the near future. (*company press release*)

> **Heska Corporation** announced the introduction of the Heska Dri-Chem 4000 Veterinary Clinical Chemistry Analyzer by FUJIFILM (the "Dri-Chem 4000"). The Dri-Chem 4000 is a robust instrument that uses dry slide technology. In addition to multiple test panels, the instrument has

the flexibility to conduct individual tests. The Dri-Chem 4000 has a broader menu of tests available than Heska's previous chemistry instrument offering. (*company press release*)

> **Hill's Pet Nutrition** Inc. announced the launch of Hill's Science Diet Nature's Best canine pet foods. Science Diet Nature's Best is a natural pet food clinically proven to provide canine patients with complete, balanced nutrition that maintains cellular health through antioxidants, ideal body weight and lean muscle and helps avoid excess body fat. (*company press release*)

> The **Provimi Group** announced that it has reached agreements to sell the majority of its fish feed activities to **BioMar Group** of Denmark. The BioMar Group is the third-largest supplier of fish feed to the aquaculture industry. The agreements reached with BioMar concerns Provimi's fish feed activities in Chile, Denmark and Spain, which represent about 90% of the group's fish feed business. This transaction will allow Provimi to better focus on its core animal nutrition and pet food businesses. Provimi will continue to sell its premixes to the fish feed industry. Financial terms were not disclosed. (*Feedstuffs*)

> **S&M NuTec**, "The Greenies Company," announced today that the Veterinary Oral Health Council (VOHC) has awarded its Seal of Acceptance to Greenies dental chews for both plaque and tartar control. The Seal of Acceptance is given only to products meeting the VOHC's strict requirements of demonstrated efficacy in controlling plaque and/or tartar build-up. (*company press release*)

> **Biotene** announced the introduction of Biotene Veterinarian Maintenance Oral Gel, the first brushless toothpaste for animals. The gel employs natural bioactive enzymes to remove plaque and inhibit bacteria and odor. Application of a half-inch strip daily to the upper and lower gums is recommended. (*Veterinary Practice News*)

> SPAIN **Nutreco** announced it has signed a letter of intent to buy the feed and meat assets of **Copaga** in Catalonia, Spain. The assets of Copaga to be acquired comprise a feed factory, a poultry processing facility and a pig integration business. The feed factory has a capacity of approximately 300,000 tons and will strengthen Nutreco's market position in the region. (*Feedstuffs*)

> JAPAN **Kyoritsu Seiyaku** announced the Japanese launch of MitoMax SUPER, a probiotic supplement for dogs and cats containing *Pediococcus acidilactici*, a plant-derived *Lactobacillus*. The product is different from existing *Lactobacillus* probiotics. It can be preserved at room temperature for more than two years, is resistant to oxytress, and can survive under the low pH conditions found in gastric acid. The product is manufactured by US-based **Imagilin Technology**. (*Animal Pharm*)

ANIMAL HEALTH NEWS

> US - CAT GENOME SEQUENCED Scientists have sequenced the genome of the domestic cat (*Felis catus*). A four-year-old Abyssinian cat named Cinnamon, whose lineage can be traced back several generations to Sweden, was the subject of the genome sequencing by scientists with the Cat Genome Project, based at the U.S. National Cancer Institute. A report detailing the sequencing of the domestic cat genome is published in the journal [Genome Research](#). (*Forbes.com*)

> US - NEW IMPORT REQUIREMENTS The USDA's Food Safety and Inspection Service (FSIS) instituted additional import requirements for meat and poultry products from Canada. Effective this week, FSIS will increase testing for *Salmonella*, *Listeria Monocytogenes* and *E. coli* O157:H7 and will require that shipments be held until testing is complete and products are

confirmed negative for these pathogens. In addition, Canadian meat and poultry products will receive increased levels of re-inspection by FSIS to confirm they are eligible to enter commerce when presented at the US border. (*Feedstuffs*)

> US - GENOME RESEARCH The USDA's Cooperative State Research, Education & Extension Service (CSREES) announced that \$5 million will be available in fiscal year 2008 for a four-year research project to investigate methods of using whole genome-enabled animal selection. This research will enable animal breeders to use genetic information to predict what an animal's physical makeup will be and what genes will be passed to the next generation. Whole genome-enabled animal selection is a technique that scans the animal's genome, the makeup of its DNA and predicts its genetic merit as a potential future parent. (*Feedstuffs*)

> ANIMAL HEALTH CONFERENCE The first Global Animal Health Conference, jointly organized by the European Medicines Agency (EMA) and the International Federation for Animal Health (IFAH), in conjunction with the Drug Information Association, (DIA), will take place at the EMA on 15-16 November 2007 in London, UK. The conference will explore the international regulatory environment, recent and forthcoming innovations in animal health as well as alliances and partnerships to advance the treatment, prevention and control of animal diseases around the world. For more information, go to http://www.emea.europa.eu/pdfs/conferenceflyers/DIA_Programme15-11-07.pdf . (*Medical News Today*)

BRASSE CONSULTING VIEWPOINT

It's nice to read about the positive financial results and other expansion activities of several companies in this week's newsletter. We continue to be impressed with the number of new product and technology introductions. As we've mentioned many times, we believe investment in R&D is the future of the industry. The announcement by Ft. Dodge Animal Health regarding a new R&D facility in the Kansas City area which will allow them to expand their research and development capabilities demonstrates the commitment the leading companies have to this market segment. We look forward to similar announcements from other companies in the future.

The past three weekends I have been chasing the wily ringneck pheasant in South Dakota. As in the past, I will report the score for the hunters this past weekend. First, I must indicate that the pheasant population is the highest it's been since 1963. Score for three weekends: Hunters 222, pheasants 107. You try to figure out what the numbers mean.

Have a great weekend!!

Ron Brasse

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