
**Brakke Consulting's
Animal Health News & Notes for November 23, 2005**
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TIME TO REGISTER FOR THE 2006 OVERVIEW

PRE-ORDER 2005 FLEA & HEARTWORM REPORT NOW TO RECEIVE EARLY-BIRD PRICE - LAST WEEK!

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COMPANY EARNINGS RELEASES

> **Virbac Corporation** reported results for the three and nine months ended September 30, 2005. For the quarter, net income was \$0.6 million on revenues of \$20.1 million, compared to net income of \$0.4 million on revenues of \$19.5 million in the third quarter of 2004. The company reported net income of \$3.0 million on revenues of \$61.2 million for the nine-month period, compared to net income of \$0.6 million on revenues of \$59.2 million in the same year ago period. (*company website*)

> **PETCO Animal Supplies, Inc.** reported financial results for the third quarter ended Oct. 29, 2005. Net sales in the third quarter of fiscal 2005 were \$492.3 million, an increase of 8.1% over the third quarter of 2004. Comparable store net sales for the period increased 1.5%. Sales in the Company's services business increased 22% over the same period last year. Including the impact of the hurricanes and markdowns, net earnings for the third quarter of fiscal 2005 were \$13.2 million, compared with net earnings of \$21.0 million in the year-earlier period. (*company website*)

> Patterson Companies, Inc. reported results for the second quarter of fiscal 2006 ended October 29, 2005. Sales of the **Webster Veterinary** unit increased 29% in the second quarter of fiscal 2006 to \$83 million. Excluding the October 2004 acquisition of Milburn Distributions, Webster's second quarter sales rose 14%. (*company website*)

> **Hartville Group**, Inc., a holding company whose wholly owned subsidiaries include Hartville Re Ltd. and Petsmarketing Insurance.com Agency, Inc., announced financial results for the Company's third quarter of 2005. For the third quarter ended September 30, total premiums were \$1.6 million, of which \$787,285 was retained by Hartville Re, compared to the year ago period where total premiums were \$1.5 million, of which Hartville Re retained \$1.3 million. The approximate number of pets insured on September 30 was 23,982 up 5% from the end of the second quarter of 2005. Commissions earned by Petsmarketing Insurance.com for the quarter were \$246,330 compared to \$735,972 for the same quarter last year, reflecting a 10% of premiums reduction in commission in 2005 as well as a one time sliding scale commission of \$325,794 earned during the third quarter of 2004. The net loss for the third quarter was (\$1.8 million) compared to a net loss of (\$1.7 million) for the third quarter last year. (*Business Wire*)

> **Gold Kist** reported net income of \$25 million for the fourth quarter ended Oct. 1, compared with net income of \$34 million for fourth quarter 2004. Net sales for the quarter were \$582.7 million, compared with \$646.5 million last year. Gold Kist said it was hurt by a decline in average broiler prices that was only partially offset by an increase in broiler pounds sold. For fiscal 2005, the company reported net income of \$112.2 million, compared with \$121.4 million for fiscal 2004. (*Meating Place*)

BRASSE CONSULTING, INC.

COMING SOON! 2005 FLEA & HEARTWORM MARKETS REPORT

ONE MORE WEEK TO ORDER AT EARLY-BIRD PRICE

As we've done for the past several years, Brasse Consulting will be publishing an update of our annual report on the US Flea Control and Heartworm Markets in early December. The report will include up-to-date sales data on the leading flea and heartworm products, as well as information on new and developing products, and a review of advertising expenditures for the leading companies.

The 2005 report also includes a survey of over 180 small animal veterinarians regarding flea, tick and heartworm products. Veterinarians shared their thoughts on retail sales of products, prescription fulfillment services, incentive programs, and other current topics affecting flea and heartworm product sales, and even supplied open comments to the product manufacturers. Shouldn't you know what your clients are thinking?

The report on the US Flea Control & Heartworm Markets will be available for a purchase price of \$4,500 if ordered BEFORE DECEMBER 1, and \$4,995 after that date.

Please contact Dr. Lynn Fondon at (972) 243-4033 or lfondon@brasseconsulting.com to pre-order the report or for more information.

COMPANY NEWS RELEASES

> A federal court has signed a consent judgment ordering **Bayer** to permanently stop using an advertising campaign that claimed its product was clinically proven to be superior to **Merial's** Frontline Plus. The consent order resulted from a lawsuit initiated by Merial. Bayer now concedes the study it relied upon did not support its claims of test-proven superiority. The federal court consent order also required Bayer to correct these errors in a letter of apology to the recipients of the aforementioned materials. (*company press release*)

> **Intervet** is offering to supply European zoos with free avian influenza vaccine. The move follows a decision by the European Commission to permit the vaccination of zoo birds against bird flu, under certain conditions. The company will now make its Nobilis Influenza H5N2 vaccine available free of charge to all registered European zoos with EU approval. Intervet's vaccine against the current H5 strain of bird flu is being used in a number of countries, notably Hong Kong, where it is part of an official government avian influenza control program. (*company press release*)

> **IDEXX Laboratories**, Inc. introduced a new in-house lactate test for use with the VetTest Chemistry Analyzer. The IDEXX VetTest Lactate Test allows veterinarians to measure lactate levels and obtain a quantitative assessment of tissue perfusion. Measuring serial blood lactate concentrations can be clinically useful in any disease state that causes hypoperfusion, including hypovolemic shock, septic shock, cardiogenic shock and gastric-dilatation volvulus (GDV). (*company press release*)

> **AgInfoLink USA** announced that it has received USDA Process Verification Program (PVP) approval. A key component of AgInfoLink's Process Verified Program is the ability to connect data across the meat and livestock supply chain. An immediate application of AgInfoLink's PVP will be age and source verification for livestock producers and processors. AgInfoLink will deliver this verification through its approved alliance customers like Beef Verification Solutions in Kansas and Kentucky Beef Network, or directly with other approved producers. (*Business Wire*)

> **JAKKS Pacific**, Inc. announced a worldwide licensing agreement with **The Meow Mix Company**. JAKKS Pacific will develop and market Meow Mix-branded products including toys, grooming accessories, apparel, treats and playpens for cats and kittens. The agreement covers products marketed under JAKKS' new pet division, JPI. (*Business Wire*)

SIGN UP NOW TO ATTEND BRAKKE CONSULTING'S 2006 INDUSTRY OVERVIEW

Brakke Consulting will once again be presenting our 2006 Industry Overview at the North American Veterinary Conference and the Western Veterinary Conference.

NAVC

The 2006 Industry Overview will be presented on Monday, January 9 from 2pm - 4pm at the Gaylord Palms.

WVC

The 2006 Industry Overview will be presented on Tuesday, February 21 from 8:30am - 10:30 am at the Four Seasons hotel adjacent to the Mandalay Bay.

Early registration is \$325 for the first company attendee and \$300 for additional attendees at the same presentation. To register online, go to www.brakkeconsulting.com. Or call Jane Morgan at 972-243-4033 or email jmorgan@brakkeconsulting.com.

ANIMAL HEALTH NEWS

> **VIETNAM - AVIAN INFLUENZA** Avian influenza has spread to a quarter of Vietnam's provinces as officials reported the latest outbreaks in two new northern provinces. Thai Binh and Bac Ninh provinces are the newest ones to be hit by the H5N1 strain of bird flu, making 17 of the country's 64 cities and provinces infected in the last month. (*CBS News*)

> RUSSIA - AVIAN INFLUENZA Russian veterinary authorities reported that avian influenza had been detected in a southern region and that measures were being taken to prevent it from spreading. The country's veterinary service identified the H5 type of bird flu in 200 swans that were found dead in the Volga River delta in the Astrakhan region. It had not yet been determined if it was the H5N1 strain. Authorities in Astrakhan have imposed a quarantine on all poultry farms in the region. (*Moscow Times*)

> CANADA - LOW PATHOGEN AVIAN INFLUENZA Canadian health officials have confirmed the diagnosis of a low-pathogenic H5 strain of the avian influenza virus on a duck farm in the Fraser River Valley of British Columbia. More than 65,000 ducks were killed to control the spread of the disease. The Fraser Valley was the site of an avian influenza outbreak a few years ago. Last week, Canadian Food Inspection Agency officials reported that wild ducks in the province of Manitoba have tested positive for a low-pathogenic strain of the H5N1 avian influenza virus. US agriculture officials have banned the importation of poultry from mainland British Columbia. (*Wattnet Meatnews; AnimalNet - New York Times*)

> ROMANIA - AVIAN INFLUENZA Tests from a British laboratory have confirmed that four hens in a remote Romanian village were infected with the deadly H5N1 strain of avian influenza. The outbreak was identified initially last week in Caraorman, a small community surrounded by channels of the Danube River. (*Meating Place*)

> US - GMO ANIMAL FEED **Renessen** LLC, a joint venture between **Monsanto** and **Cargill**, is working on the first crop that's genetically engineered for animal feed. The product is corn with added lysine in each kernel. It should reach pork and poultry producers in the US and Argentina in 2007 or 2008, say company officials. The goal is to replace synthetic lysine and amino acid supplements. In its first stage, the high-lysine corn will contain 1,000 parts per million of the amino acid, while the second-generation product should contain an entire dose that could then replace supplements. (*Pork Alert*)

> COLOMBIA - TICK VACCINE The Colombian agricultural research agency CORPOICA released the first biological vaccine developed in the country to fight 'ranillas', a blood disease spread amongst cattle by flies and ticks. The new product, Anabasán, immunizes cows against the parasites *Babesia bovis*, *Babesia bigemina* and *Anaplasma marginale*. One dose of the vaccine provides lifetime immunity. (*company communication*)

BRAKKE CONSULTING VIEWPOINT

Everyone at Brakke Consulting wishes our readers and clients a safe and enjoyable Thanksgiving Week.

*Ron Brakke
Ken Berkholtz
Roger Cummings
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