
**Brakke Consulting's
Animal Health News & Notes for December 7, 2007**
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IN THE NEWS:

earnings news
[Sanderson Farms](#)

other news
[Animalcare](#)
[Cargill](#)
[Dechra](#)
[Ecolab](#)
[Elanco](#)
[Fort Dodge](#)
[GeneSeek](#)
[Genus](#)
[In Clover](#)
[MediMedia Animal Health](#)
[Merial](#) (swine vaccines)
[Merial](#) (Igenity)
[Neogen](#)
[Newport Labs](#)
[Novartis](#)
[Orthogen](#)
[Ritchey](#)
[Rivard Instruments](#)
[Veterinary Learning Systems](#)
[VetInsite](#)
[Wedgewood Pharmacy](#)

2008 U.S. Animal Health Industry Overview

As we've done for a number of years, Brakke Consulting will be presenting our 2008 Animal Health Industry Overview at both the North American Veterinary Conference and the Western Veterinary Conference.

The Overview will contain industry highlights and the 2008 outlook, industry statistics in key product markets, recent financial/acquisition activity, observation of leading companies, veterinary practice trends update, summary data from Brakke multi-client studies, and more. To register, go to www.Brakkeconsulting.com and follow the link to register for the Overview of your choice.

COMPANY EARNINGS RELEASES

> **Sanderson Farms** Inc. reported results for the fourth fiscal quarter ended October 31, 2007. Net earnings were \$24.1 million for the quarter compared with profits of \$10.5 million in the same period last year. Sales jumped to \$427 million, up from \$292 million in the year-earlier period. (*Meating Place*)

NOW AVAILABLE!

2007 US FLEA CONTROL AND HEARTWORM MARKETS

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 has published 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 includes 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 is available for a purchase price of \$5,500.

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

www.BrakkeConsulting.com.

COMPANY NEWS RELEASES

> **Newport Laboratories** announced an agreement to become sales agent for **Merial's** swine vaccines. It will promote the products through Newport's veterinarian and swine integrator customer base and will market and distribute vaccines including SwiVax-MH and *Mycoplasma hyopneumoniae* bacterin in the US. (*ThePigSite*)

> **Merial** announced the addition of new genetic markers to the comprehensive IGENITY profile, making it more robust and powerful than before. Markers have been added to the analyses for back fat, yield grade, ribeye area, hot carcass weight, marbling and quality grade. (*company press release*)

> Wyeth announced that Richard R. DeLuca has been elected to the position of President, **Fort Dodge Animal Health**, effective January 1, 2008. Mr. DeLuca succeeds Mr. E. Thomas Corcoran, who is retiring after serving as President of the Company's animal health division for 23 years. Mr. DeLuca is currently Chief Operating Officer at Fort Dodge Animal Health. (*PRNewswire*)

> Eli Lilly & Co. announced that Jeff Simmons will replace Pat James as president of **Elanco Animal Health** effective Jan. 1, 2008. Pat James, who has been president since 2001, will assume the role of special adviser on agriculture corporate development to the Indiana State Department of Agriculture. Simmons joined Lilly in 1989 as a sales representative for the animal health division, and has been Elanco's executive director of US operations and global research and development since 2006. (*Feedstuffs*)

> **Dechra Veterinary Products** announced that it has secured an exclusive agreement with **Orthogen Veterinary GmbH** to market and distribute the patented IRAP therapy system in the US equine veterinary market. The IRAP system produces autologous conditioned serum (ACS). A unique syringe contains glass beads, which stimulate the white blood cells to produce active quantities of anti-inflammatory and regenerative cytokines. The process involves drawing whole

blood from the patient into the syringe, which is then incubated and centrifuged. The resulting serum (ACS) is extracted for re-injection into the horse. (*company press release*)

> **Neogen Corporation** announced that it has acquired the assets of **Rivard Instruments, Inc.**, of Winnipeg, Canada. Rivard Instruments and Neogen's subsidiary, Ideal Instruments, Inc., are both manufacturers of detectable veterinary hypodermic needles. The acquisition settles lengthy litigation between the two companies regarding numerous patents owned by each. The patent battles were centered on lawsuits filed by Ideal Instruments in federal courts in Iowa charging Rivard Instruments with patent infringement. A similar lawsuit in Canada was also settled as a part of this acquisition agreement. Financial details were not disclosed. (*company press release*)

> **MediMedia Animal Health**, owner of **Veterinary Learning Systems**, announced the acquisition of **VetInsite, Inc.** VetInsite will join MediMedia Animal Health as an independently managed center of excellence in the area of veterinary hospital-client communications. Financial terms were not disclosed. (*company press release*)

> **Wedgewood Pharmacy** introduced the Refresh exchange-program, which lets veterinarians return expired custom-compounded medications for exchange at no cost. The program is a compounding pharmacy profession first. Through the program, the company will exchange unopened, expired compounded veterinary medications that are in its regular formulary of more than 6,000 medications, including those prepared by other compounding pharmacies. Controlled substances and oncology-related medications are the key exceptions. (*company press release*)

> The Iowa State University Research Foundation has signed a licensing agreement with **GeneSeek** that licenses the use of DNA markers in four genes, all of which have been tested and commercially validated. (*Pork Alert*)

> **In Clover** announced will introduce a new formula for its Savvy Snax Chewy Dental Nibs in January of 2008. The product will contain no wheat and no soy, making it ideal for all dogs, including those with allergies to wheat and soy. (*company press release*)

> **Cargill** and the Wildlife Conservation Society (WCS) have formed a partnership to support global efforts to examine health links among humans, livestock, and wildlife, and to monitor for avian influenza and other diseases shared between people and animals. Cargill is committing \$1.5 million for two initiatives spearheaded by WCS: expanding a global surveillance network for avian influenza in Indonesia and Vietnam, and introducing a grants program for animal health projects in Brazil. (*Grainnet.com*)

> UK **Ritchey** announced plans to acquire the **Animalcare** operation from **Genus**. Animalcare, which markets a range of licensed veterinary pharmaceuticals, pet ID microchips and wholesale veterinary supplies, has sales of GBP 7.6 million (\$15.4 million). (*Animal Pharm*)

> IRELAND **Ecolab Inc.** announced the purchase of the Irish dairy hygiene business from **Novartis Animal Health Ireland Ltd.** According to the company, the business, which has annual sales of about \$3 million, would be integrated into the existing Ecolab Food & Beverage business in Ireland. (*RTT News*)

ANIMAL HEALTH NEWS

> POLAND - AVIAN INFLUENZA Polish officials announced that H5N1 avian influenza was identified on two farms around 80 km northwest of Warsaw near the city of Plock. 4,200 turkeys were culled by the state's veterinary service following the outbreak; the area around the farms has been cordoned off and farms within 3km of the outbreak are being investigated. Bird flu has

been discovered previously in Poland in wild swans near the city of Torun in early 2006.
(*WorldPoultry.net*)

BRASSE CONSULTING VIEWPOINT

The past week there have been two significant organizational announcements related to the animal health industry. The first was last Friday when Wyeth announced that Tom Corcoran was retiring after 23 years as president of Fort Dodge Animal Health. I've known Tom for over 25 years; yes, even before he was president of Fort Dodge. Under Tom's management and direction, Fort Dodge has become one of the leading firms in the industry. Tom has been a leader in many aspects of the industry over the years including being one of the first companies to recognize that consolidation of smaller firms would be important to the growth of larger companies. Tom, after 23 years, we must say "Job well done, and congratulations." We wish Tom's replacement, Richard DeLuca, the best of luck in his role as the new president of Fort Dodge.

Then earlier this week, it was announced that Patrick James would be retiring as president of Elanco Animal Health. Pat has led Elanco through some interesting times in the medicated feed additives business over the past 6 years. Under his leadership, Elanco remains a leading company in the food animal sector, and has now expanded into the companion animal area as well. Pat, thanks for all your contributions to the industry over the years. To Pat's replacement, Jeff Simmons, we wish the very best in the coming years at Elanco.

We're pleased to note that both of these important positions went to individuals with significant Animal Health industry experience. Because of their animal health backgrounds, the changes and impacts that they make will be made with a solid understanding of the unique aspects of our industry.

Who's next??

Have a great weekend!!

Ron Brasse

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