

\*\*\*\*\*

**Brakke Consulting's  
Animal Health News & Notes for February 4, 2005**  
*Copyright © Brakke Consulting, Inc.*

\*\*\*\*\*

[www.AnimalHealthJobs.com](http://www.AnimalHealthJobs.com) - over 185 jobs posted!  
New Jobseeker Tool available  
[see below](#) for details

IN THE NEWS:

earnings news:

[Abaxis](#)  
[Central Garden & Pet](#)  
[Fort Dodge](#)  
[Intervet](#)  
[Land O'Lakes](#)  
[Tyson Foods](#)

other news:

[Farnam Pet Products](#)  
[Firstrax](#)  
[Fort Dodge](#)  
[Neogen](#)  
[Nutramax Labs](#)  
[PetMed Express](#)  
[United Pet Group](#)

\*\*\*\*\*

**BRAKKE CONSULTING INC.  
2005 INDUSTRY OVERVIEW  
TO BE PRESENTED AT WVC**

Brakke Consulting will once again be presenting our annual overview of the Animal Health Industry at the 2005 Western Veterinary Conference. There will be a single presentation at the conference.

The Overview will be presented at the WVC on Tuesday, February 22 from 9:30 - 11:30 am.

Registration fees are \$325 for early registration for the first attendee from a company, and \$300 for additional attendees. **Early registration ends February 9<sup>th</sup>**.

To register, please visit our website at [www.brakkeconsulting.com](http://www.brakkeconsulting.com) or call Jane Morgan at 972-243-4033.

\*\*\*\*\*

**COMPANY EARNINGS RELEASES**

> Akzo Nobel reported financial results for the full year 2004. Animal Healthcare leader **Intervet** had a good year as a result of steps to improve operational efficiency and a strong product offering. Sales for the fourth quarter were 261 million euros (\$356 million), an increase of 2% compared to the fourth quarter of 2003. Intervet's sales for the full year were 1,024 million euros (\$1,397 million), an increase of 1% compared to 2003. (*company website*)

> Wyeth reported results for the fourth quarter and full year 2004. For the fourth quarter, animal Health division **Fort Dodge** reported sales of \$180 million, a decrease of 4% compared to the fourth quarter of 2003. Decreases in net revenue for the 2004 fourth quarter were due to lower sales of West Nile-Innovator and ProHeart 6, due primarily to the voluntary recall of ProHeart 6 in the US market in September. Full-year 2004 sales for Fort Dodge were \$837 million, an increase of 5% compared to 2003. (*company website*)

> **Abaxis** reported financial results for the third fiscal quarter ended December 31, 2004. Revenues from the Veterinary Market segment were \$9.9 million, an increase of 1.4% compared to the third quarter of the prior year. Segment revenues for the 9 months ended December 31 were \$31.7 million, an increase of 16% compared to the comparable period in the prior year. (*company press release*)

> **Central Garden & Pet** Company announced record results for its fiscal first quarter ended December 25, 2004. Net sales for the fiscal first quarter were \$266 million, an increase of 19% from \$222 million in the first quarter of fiscal 2004. Net income was \$2.5 million for the quarter compared to a net loss of (\$0.6) million in the first quarter of fiscal 2004. (*Business Wire*)

> **Tyson Foods** took a charge of \$61 million in the first quarter related to poor beef sales it blames on the ongoing BSE situation in North America. The company also saw its quarterly earnings drop from \$57 million a year ago to \$48 million this year. Sales for the quarter were \$6.5 billion, the same as in last year's first quarter. A strong quarter in poultry sales offset poor beef results and soft results in pork. (*Meating Place*)

> **Land O'Lakes**, Inc. reported 2004 net earnings of \$20 million, as compared to \$82 million for 2003. Factoring out non-cash adjustments, the company reported strong operating performance in nearly all its businesses. Year-end sales totaled \$7.7 billion, a 22% increase over 2003 sales of \$6.3 billion. Feed sales were \$2.6 billion for the year, as compared to \$2.5 billion for the full year in 2003. (*PRNewswire*)

\*\*\*\*\*

## **AnimalHealthJobs.com**

**The job site dedicated to the Animal Health Industry**

AnimalHealthJobs.com continues to add job postings and jobseekers each day. It is our mission to help employers and jobseekers in the animal health industry find one another in an efficient, cost-effective manner.

**JOBSEEKERS** - we've added new tools to help you in your search for the ideal position. You can now store multiple resumes and choose which resume you want to send to a specific job posting. In addition, "My Home" now includes a Job Application History, letting you keep track of the positions you've applied to.

### **INTRODUCTORY OFFER: FREE JOB POSTINGS!**

To introduce this new service to the industry, we are waiving the \$375 fee to post a job at AnimalHealthJobs.com until **February 15, 2005**. Through this time, your company can post available positions at AnimalHealthJobs at NO CHARGE. **HURRY - only 10 more days to take advantage of the free posting period.**

### **Some of our site statistics since launching 6 weeks ago:**

- Over 25,000 visits
- Averaging several hundred visits daily, growing steadily
- Average of 60 views per posted job

- Over 185 job postings
- Over 250 Jobseekers registered
- Over 325 applications made to posted jobs

We invite you to follow the link below and visit the site to see for yourself how AnimalHealthJobs can streamline your recruiting or job search efforts.

[www.animalhealthjobs.com](http://www.animalhealthjobs.com)

\*\*\*\*\*

## COMPANY NEWS RELEASES

> **Fort Dodge Animal Health** announced that the Veterinary Medicine Advisory Committee (VMAC), the advisory committee to the FDA's Center for Veterinary Medicine, did not reach a consensus regarding its review of safety data for ProHeart 6. The committee commented on the breadth and complexity of the data presented and difficulty in drawing firm conclusions. During the advisory committee meeting, the panel heard and deliberated on product data presented by Fort Dodge, an expert veterinary epidemiologist and representatives from the CVM. Fort Dodge's presentation focused on the results of an extensive and rigorous review of ProHeart 6, and included the evaluations and conclusions of independent scientific experts. Based on thorough testing of the product and comprehensive analysis of the related data, Fort Dodge remains confident of the safety and efficacy of ProHeart 6. *(company press release)*

> **Farnam Pet Products** introduced a new, over-the-counter product to its D-Worm line to combat tapeworms caused by both *Diplidium caninum* and *Diplidium pisiformis*. D-Worm Tapeworm contains praziquantel, the #1 choice among veterinarians for tapeworm treatment. The product kills both species of tapeworms in a single dose within 24 hours. *(company press release)*

> **Neogen** announced the addition of ThyroKare thyroid hormone replacement therapy to its NeogenVet line of small animal products. Neogen's unique formulation minimizes product degradation by excluding the use of carbohydrates commonly used as filler ingredients in other hormone products. *(company press release)*

> **Nutramax Labs** announced the launch of Welactin, a high-potency natural salmon oil supplement for dogs and cats. Welactin contains the Omega-3 fatty acids DHA and EPA, and is being marketed as a product to support overall wellness. *(DVM Newsmagazine)*

> United Industries Corporation announced that its pet supplies and products division, **United Pet Group**, has completed the acquisition of **Firstrax**, a privately held marketer of portable dog houses, collapsible animal containment systems, pet bedding, and toys. Firstrax distributes its products throughout the US and in several international countries under two brands: Noztonoz and Petnation. The Noztonoz brand, or N2N, represents products created and distributed for the pet specialty retail industry. The Petnation brand represents products distributed through general mass-market retailers and club stores. Firstrax generated annual sales of more than \$20 million in 2004. Terms of the transaction were not disclosed. *(Business Wire)*

> **PetMed Express, Inc.** announced that the six consolidated supposed class action suits against PetMed Express and several of its officers were voluntarily dismissed by the plaintiffs. PetMed Express has maintained from the inception of these suits that they were without merit. *(Business Wire)*

\*\*\*\*\*

NATIONAL CATTLEMAN'S BEEF ASSOCIATION

ANNUAL CONVENTION: FEBRUARY 2 - 5, 2005

The attendance at this week's NCBA meeting was reported to be up from last year. My observations on the Trade Show floor were that traffic looked good but the number of exhibitors and total exhibit space were down, perhaps owing to the continued consolidation of suppliers.

The four big issues, of course, continue to be BSE, animal identification, exports to Japan and the Canadian border. And these issues are all intertwined. Attendance at the Cattlemen's College session in identification was standing room only. A fresh insight from one of the branded beef suppliers was that Canadian cattle are coming into the US as boxed beef rather than on the hoof. So Canada, having added slaughter capacity, will be a bigger competitor for foreign markets once the bans are lifted. This same thing happened to the US after the Russian wheat embargo.

*John Mannhaupt*

\*\*\*\*\*

### **ANIMAL HEALTH NEWS**

> FRANCE - BSE IN GOAT CONFIRMED A two-year old French goat, slaughtered in 2002, has been confirmed to have contracted BSE, not the similar scrapie which was first reported. EU officials said they plan to increase testing of the Union's 11.6 million goat herd for at least six months. This marks the first time a case of BSE has been confirmed in an animal other than cattle. (*Meating Place*)

> US - AVIAN INFLUENZA IN TURKEYS A turkey breeder flock in North Carolina has been confirmed to have H3N2 influenza. The most likely source of the virus is a swine herd in the area. This diagnosis has significance for those that export product to the Russian Federation, according to state veterinary officials. The export agreements made with Russia include the requirement to report all subtypes of influenza diagnosed in commercial poultry. (*Wattnet Meatnews*)

> US - NEW ANIMAL ID WEBSITE The USDA's Animal and Plant Health Inspection Service has a new Web site to inform stakeholders about the national animal-identification system. Available at [www.usda.gov/nais](http://www.usda.gov/nais), it's designed as a one-stop resource for NAIS information, with regular updates. It will provide national news, as well as information for state and local animal health authorities. With the passage of the government's Fiscal Year 2005 Consolidated Appropriations Act, the APHIS will receive about \$33 million to implement the NAIS. The USDA also transferred \$18.8 million from Commodity Credit Corporation during fiscal year 2004 to support the NAIS. (*Pork Alert*)

> US - TSUNAMI AID To aid countries devastated by the recent tsunami, the AVMA announced that it is pledging \$500,000 in matching funds to Heifer International, an aid organization that supports the introduction of livestock into small-scale farm efforts in 50 countries. Established over 60 years ago and already operating in some of the countries affected by the tsunami, Heifer International is monitoring the situation to determine when animals can be safely reintroduced into these areas. When appropriate, Heifer International will match agricultural livestock to the local geography and culture, and teach the recipients how to properly raise and care for these animals. For more information, visit the AVMA website at [www.AVMA.org](http://www.AVMA.org). (*PRNewswire*)

\*\*\*\*\*

### **BRAKKE CONSULTING VIEWPOINT**

The revenue and income reports from the leading animal health companies continue to be positive for 2004. There are quite a few positive indications regarding 2005. Almost all of the

companies serving the industry are increasing staff in most management functions of the company. We believe that the increase in staff demonstrates the confidence most management has regarding the coming year.

We're also encouraged by the continued investment in research and development activities. We believe some of these investments paint a positive picture for future years. We love the upbeat mode of the industry. It's a great time to be in animal health.

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](http://www.brakkeconsulting.com).

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

*In order to receive the HTML version instead of the text version of this newsletter, use the link at the bottom of this week's newsletter that states: "If you would like for us to remove your name from the circulation list, or if you need to change your profile or email address, please click here". Then click on the button below your email address that says HTML, and click "Update subscription."*

*If you need information about the effect of spam filters on receiving the newsletter, please go to <http://www.brakkeconsulting.com/newsletter/nl-spam.html>*