
**Brakke Consulting's
Animal Health News & Notes for February 25, 2005**
Copyright © Brakke Consulting, Inc.

IN THE NEWS:

earnings news:

[Maple Leaf Foods](#)

[Nestle](#)

[Provimi](#)

[Sanderson Farms](#)

[VCA](#)

[Webster Veterinary Supply](#)

other news:

[Bayer](#)

[Ben](#)

[Bioproducts](#)

[Cross VetPharm](#)

[Digital Angel](#)

[Med Pharmex](#)

[NuPetra](#)

[PetDefender](#)

[Provimi](#)

[Schering-Plough](#)

AnimalHealthJobs.com

TIP OF THE WEEK

Registered employers can search our database of over 350 qualified Jobseekers to find qualified, experienced persons that meet their criteria. Using our contingency-based payment to obtain contact information for resumes of interest means you only pay if you fill your open position.

www.AnimalHealthJobs.com

COMPANY EARNINGS RELEASES

> Patterson Companies, Inc. reported financial results for the third quarter of fiscal 2005 ended January 29. Sales of the **Webster Veterinary Supply** unit increased 64% in the third quarter to \$70.7 million, which included contributions from the acquisitions of ProVet in April 2004 and Milburn Distributions, Inc. in October. Excluding the nearly \$3 million of now-withdrawn ProHeart 6's sales in last year's third quarter and the impact of the two acquisitions earlier this year, Webster's sales increased approximately 12% in this year's third quarter. This result was particularly positive since the third quarter is Webster's seasonally lowest period of the fiscal year. *(Business Wire)*

> **Nestle SA** reported financial results for the full year 2004. The PetCare division achieved an organic growth rate of 6.2%, recording sales of CHF 5.3 billion (\$4.7 billion). North America experienced a high level of innovation focusing on health and wellness which consumers view as important for their pets as for themselves, resulting in organic growth of 8.8%. Europe achieved positive growth in spite of a difficult trading environment, while business in the rest of the world continued to gather momentum. *(company press release)*

> **VCA Antech**, Inc. reported financial results for the quarter ended December 31, 2004 as follows: revenue increased 33.2% to a fourth quarter record of \$176.4 million; net income increased 41.7% to \$13.3 million. The Company also reported the financial results for the year ended December 31, 2004 as follows: revenue increased 23.8% to \$674.1 million; net income increased 46.4% to \$63.6 million. (*company website*)

> **Maple Leaf Foods** Inc. reported financial results for the fourth quarter and year ended December 31, 2004. Sales for the fourth quarter increased 40% to C\$1.8 billion (US\$1.5 billion) compared to C\$1.3 billion last year. Sales for the year were C\$6.4 billion (US\$5.3 billion) compared to C\$5.0 billion for 2003. The increase in 2004 sales was primarily due to the acquisition of Schneider Foods on April 5, 2004. Excluding Schneider Foods, sales increased 11% in the fourth quarter and 5% in 2004. (*Business Wire*)

> **Sanderson Farms** reported a 47% drop in first-quarter net income. For the quarter ended Jan. 31, net income was \$10 million, compared with net income of \$19 million for the same period a year ago. First quarter sales were \$233 million, compared with \$226 million during first quarter 2004. According to the company, the cost structure during the first half of the quarter reflected relatively high-priced grain bought before the start of the fiscal year. (*Meating Place*)

> **Provimi Group** reported that annual turnover from international activities in animal nutrition rose to 1.58 billion (\$2.2 billion) euros in 2004 from 1.54 billion euros a year earlier, an increase of 2.3% despite a downturn in volume. The largest single-country growth was in Poland, higher by 4.2%. (*Pig enews*)

WESTERN VETERINARY CONFERENCE FEBRUARY 20 - 24, 2005

The Western Veterinary Conference, held this week in Las Vegas, saw veterinary registrations soar 20% above the 2004 level. Nearly 6,800 veterinarians were registered to attend, along with 1,800 veterinary technicians and 770 hospital managers. There were over 460 companies exhibiting their wares.

According to WVC President Dr. Jack Walther, "This year's conference numbers reflect the largest single gathering of veterinarians in the country".

COMPANY NEWS RELEASES

> The FDA amended the animal drug regulations to reflect approval of an abbreviated new animal drug application (ANADA) filed by **Cross Vetpharm Group** Ltd. The ANADA provides for oral use of ivermectin paste in horses for treatment and control of various internal parasites or parasitic conditions. (*AnimalNet - Federal Register*)

> The FDA amended the animal drug regulations to reflect approval of an original abbreviated new animal drug application (ANADA) filed by **Med-Pharmex**, Inc. The ANADA provides for use of an injectable solution of pentobarbital sodium and phenytoin sodium for humane, painless, and rapid euthanasia of dogs. (*AnimalNet - Federal Register*)

> **Bayer** HealthCare's Animal Health Division announced the acquisition of a central distribution center for animal health products in Shawnee, Kansas. The building complex will house some 380 staff working in Production, Research & Development, Sales and Marketing. (*PETS International*)

> **Bioproducts Incorporated** announced that, following the reorganization of its businesses under a new holding company, NutriScience Technologies, Inc., the Pet Food Flavors Group of Bioproducts is now **NuPetra LLC**. The new identity better reflects the company's commitment in providing the best solutions for pet food palatability on a worldwide basis. (*company press release*)

> American Television and Film Company announced that it has entered into a definitive agreement to buy **PetDefender**. The purchase will be non-diluted to current shareholders. PetDefender will offer pet owners a range of flexible accident and illness insurance programs. The innovative dual phase structure will offer some type of coverage to most pets. The PetDefender insurance plan will pay true insurance benefits after a nominal deductible. There will be two policies available with accident and illness coverage offered to help offset veterinary costs. (*Business Wire*)

> UK **Digital Angel Corp.** announced the launch in the UK of a new microchip that reads a companion animal's temperature and identifies its owner and address. It will be sold in the US as early as June 2005, along with consumer scanners for home use. The products will be distributed in the US by **Schering-Plough**, which handles the Home Again chip. The price of the new microchip is expected to stay at \$18 for veterinarians, and the scanner will retail for about \$100. (*AAHA NewSTAT*)

> POLAND **Provimi** announced that it acquired the pet food company **Ben** in Poland. Through this acquisition, Provimi becomes the number-two pet food producer in the Polish market. (*PETS International*)

ANIMAL HEALTH NEWS

> THAILAND - CLONED COWS Thai scientists have cloned more than a dozen breeding bulls and cows since 2003 and expect to clone 50 more this year to improve herds amid a ban on US imports. According to the researchers, the cloning will help Thai farmers own high-breed cows on a low budget, as the country has banned imported breeds from the US. (*AnimalNet - Agence France Presse*)

> THAILAND - AVIAN INFLUENZA VACCINATION Thailand will begin vaccinating millions of chickens and other fowl against avian influenza within the next two months to combat the lingering disease in the kingdom. The vaccine will be used in ducks, backyard chickens, fighting cocks, exotic birds, and birds in zoos, but not in chicken for export. The world's fourth largest exporter of chicken, Thailand had previously ruled out large-scale vaccinations of birds because of fears it would hurt exports. (*AnimalNet - Agence France Presse*)

> US - rBST USE The Tillamook County Creamery Association has asked all of its 147 member farmers to halt use of the recombinant bovine somatotropin hormone, or rBST, because of customer requests to do so. According to KGW News in Portland, Ore., 16 members of the association apparently don't agree with the decision and have asked to be given a chance to vote on it. Tillamook is the No. 2 maker of chunk cheese in the nation. (*Food Systems Insider*)

> Under an obscure provision of the North American Free Trade Agreement, Canadian cattlemen are asking the US government to pay hundreds of millions of dollars to cover losses they incurred when US markets were closed to Canadian beef, according to a article in the Seattle (Washington) Times. The suit focuses on Chapter 11 of NAFTA, which allows companies to claim damages from governments if laws or actions damage the trading partners. According to the suit, approximately 500 cattlemen, mostly in the province of Alberta, have filed 121 claims under NAFTA seeking at least \$325 million in compensation from the US government, the newspaper said. The Canadian cattlemen's claims are based on a clause that says companies

from other NAFTA countries are entitled to the most-favorable treatment that US companies would receive in similar circumstances. (*Wattnet Meatnews*)

BRASSE CONSULTING VIEWPOINT

It was great to see so many of you in Las Vegas this past week. Not only was this a record attendance, but the rainy weather cooperated and kept most people inside to visit the Exhibit Hall, attend the various sessions and possibly other activities.

The word from most companies is that business has been strong the first six weeks of 2005, and is expected to continue for the balance of the year.

A special congratulations goes to Dr. Crane and his staff at the Western Veterinary Conference for such a great meeting.

Have a great weekend.

Ron Brasse

This electronic newsletter is the sole property of Brasse Consulting, Inc.

Any use of the contents herein should be approved by and appropriately attributed to Brasse Consulting, Inc.

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

Brasse 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.brasseconsulting.com/newsletter/nl-spam.html>.