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**Brakke Consulting's  
Animal Health News & Notes for March 18, 2005**  
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**LAST WEEK TO GET THE PRE-ORDER DISCOUNT  
FOR THE 2005 PAIN MANAGEMENT REPORT**

See below for more details

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**COMING IN TWO WEEKS!  
PAIN MANAGEMENT PRODUCTS IN DOGS AND CATS  
2005 UPDATED REPORT**

In March 2004, Brakke Consulting published a report reviewing pain management in small animals, and the products used to treat pain. The new 2005 report updates this report with current sales data on the pain management products used in small animal practice, as well as news on new and developing products in the pain management area. Included are sections on nutraceuticals and, new this year, joint support prescription diets.

The report also includes a survey of approximately 190 small animal veterinarians regarding their usage of pain management products, including NSAIDs, nutraceuticals, and the new joint support therapeutic diets.

**This is the last week to receive the early-bird price!**

The report will be completed in early April. Orders placed on or before **March 25, 2005** will

receive the early-bird discounted price of \$4,750. Orders received after March 25 will receive the regular price of \$5,500.

For more information, contact Dr. Lynn Fondon at [lfondon@brakkeconsulting.com](mailto:lfondon@brakkeconsulting.com) or 972-243-4033.

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## COMPANY EARNINGS RELEASES

> **Bayer** reported financial results for the full year 2004. The Animal Health division reported sales of 786 million euros (\$1,072 million), a decrease of 0.5% compared to the full year 2003. Sales increased 4.5% in local currencies. All regions contributed to the growth. Notable success was achieved with the launch of Advantix in Italy and with Advantage and Baytril businesses in the US. (*company website*)

> **CEVA Sante Animale** Group reported results for the full year 2004. Consolidated turnover was 231 million euros (\$315 million), up 7% on the 2003 financial year. Operating profit was up 14% at 25.6 million euros (\$35 million). Business was strong in the European Union, with growth of 9.5%. In the rest of the world, the Group recorded strong performances in Latin America, the Middle East, South Africa and Eastern Europe, notably thanks to the strength of local currencies. Business in Sub-Saharan Africa suffered from the political crises affecting the continent. (*company communication*)

> **Embrex, Inc.** announced financial results for the year ended December 31, 2004. Consolidated revenues in 2004 totaled \$48.7 million, an increase of 6% over 2003 revenues of \$46.0 million. Net income for the year was \$3.3 million in 2004, a 56% decrease from net income of \$7.6 million for 2003. The 2003 net income included \$3.7 million attributable to a legal settlement with Fort Dodge. (*company website*)

> **Dechra Pharmaceuticals** announced results for the six months ended December 31, 2004. Turnover for the six-month period increased by 12% to 103 million pounds sterling (\$198 million). Operating profit increased 23% to 5.4 million pounds (\$10.4 million). (*Animal Pharm*)

> **OurPet's Company** reported financial results for its year ended December 31, 2004. For the year net sales were a record \$5.4 million, an increase of 5% compared to \$5.2 million for the prior year. The income before extraordinary item for the year was \$13,000 compared to a loss of (\$408,000) in the prior year. After the extraordinary item from the litigation settlement in 2003, the net income for the current year was \$13,000 compared to net income of \$440,000 for the prior year. (*Business Wire*)

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## **Animal Agriculture Alliance Fourth Annual Stakeholders Summit March 21 - 23, 2005**

The Animal Agriculture Alliance announced its fourth industry-wide Stakeholders Summit. This year's Summit is focused specifically on animal welfare and its importance to all stakeholders in the food chain. This day and a half conference, "**Animal Welfare Initiatives, Needs, Regulation and Communication: Building on the Past, Preparing for the Future,**" is scheduled for March 21 – 23, at the Marriott Crystal City Hotel in Arlington, Virginia. Registration for the Summit can be made securely via the Alliance website at [www.animalagalliance.org](http://www.animalagalliance.org).

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## COMPANY NEWS RELEASES

> **Merial** announced the introduction of a new inactivated vaccine, Gallimune Flu H5N9, developed and shown to be effective specifically for use against the highly pathogenic avian influenza virus H5N1. Once vaccinated by Gallimune Flu H5N9, chickens can be readily differentiated from infected birds through the use of the DIVA (differentiating infected from vaccinated animals) serological diagnostic test, which detects a non-pathogenic influenza strain contained in the vaccine. *(PRNewswire)*

> **PR Pharmaceuticals**, Inc. and **Merial** Limited announced that they have formed a strategic alliance for the development of animal health products using PRP's sustained release formulation and manufacturing technologies. The alliance will leverage the strengths of both companies in bringing innovative technology and products to the animal health industry. Under the terms of the agreement, Merial has exclusive worldwide rights to develop, register, market and distribute animal health products using PRP's technologies. In a previous agreement between the partners, Merial became PRP's worldwide marketing and distribution partner for Duralease, a long duration formulation for use by the North American beef industry. Financial terms were not disclosed. *(PRNewswire)*

> The National Cattlemen's Foundation (NCF) and **Pfizer Animal Health** announced the establishment of the Cattle Learning Center, which will offer producers detailed educational programs they can pursue at home. The first program concerns beef cattle reproduction and is now available, according to the announcement. A second course on respiratory disease is under development and will be followed by other programs on nutrition, risk management, biosecurity, estate planning and other topics designed to help beef and dairy cattle producers improve their businesses. *(Feedstuffs online)*

> **Elanco Animal Health** initiated a recall of Lot Number 43650A of Micotil 300 (tilmicosin Injection), 250 ml vial. The lot of Micotil was distributed without the Client Information Sheet included. The remainder of the product labeling (label, package insert) was correctly placed on the product; and these items do contain the same information. There are no other product defects associated with this lot. *(PRNewswire)*

> **Synbiotics** launched several new veterinary diagnostics tests at the recent VIV Asia conference in Thailand. The company announced the launch of the Flu Detect Antigen Capture Test Strip Kit, which detects all 15 H sub-types of Type A influenza, including H5N1. Flu Detect Test Strips can be used on the farm or in the laboratory, with results in 15 minutes. Synbiotics also announced the launch of two new ELISA tests for Porcine Circovirus type 2: Serelisa PCV2 Ab Mono Blocking (for use on serum or feces samples) and Serelisa PCV2 Ag Capture (for use on feces samples). All three tests will be marketed in certain Asian and European countries immediately, and will become available in the US and elsewhere once government approvals are granted. *(company press release)*

> **Meridian Bioscience**, Inc. announced that its wholly owned subsidiary, **Viral Antigens**, Inc. has entered into a Distribution Agreement with **Synbiotics** Corporation for the distribution of VAI's veterinary products through Synbiotics' global sales, marketing, and distribution channels. Synbiotics will immediately begin marketing VAI's line of Pseudorabies Virus Antibody (PRV) test kits. VAI will continue to supply PRV test kits directly to Japan. *(Business Wire)*

> The **Hartz Mountain Corporation** announced an agreement with the **Bertin Group** and **Harper Pet Products**, Inc. The Hartz Mountain Corporation will be purchasing Harper and will work with Bertin globally. Bertin Group, based in Lins, Brazil, is one of the world's largest fully integrated bovine production operations. Harper Pet Products, Inc. is a wholly-owned subsidiary of Bertin and supplies pet chews in the US and Canada. *(Business Wire)*

> **eMerge Interactive** Inc. announced the sale of its **Professional Cattle Consultants** (PCC) group to PCC founder Tom Tippens. Terms of the transaction, which was completed March 9, were not released. PCC provides customized benchmarking and market analysis services to cattle feedlots and, as such, did not fit eMerge's long-term objectives in animal identification and management and food safety, according to the company. (*Feedstuffs online*)

> **PetCARE Television Network**, Inc. announced that it entered into a Definitive Term Sheet to obtain a private funding of \$250,000 through the issuance of Convertible Debentures to Vicis Capital Master Series Trust, a fund managed by Vicis Capital, LLC. The \$250,000 will be used for general corporate purposes including growth and capital initiatives. (*Business Wire*)

> **By Vets Only** announced the launch of PetaMint, a natural supplement designed to reduce dog odors. PetaMint's ingredients inhibit the circulation of odor-causing chemicals throughout the dog's body. (*Animal Pharm*)

> EU Dutch-based **Cedi** announced it has earned European Commission approval for CediTect, a new rapid BSE test kit. In addition to delivering results in under four hours, CediTect also tests the quality of tissue samples, reducing the likelihood of false positives due to poor quality tissue samples. The test can be used in cattle, sheep and goats but will initially be marketed as a test for cattle. (*Animal Pharm*)

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### **1st Annual Global Pet Expo March 13 - 15, 2005**

The first Global Pet Expo co-sponsored by the American Pet Products Manufacturers' (APPMA) and the Pet Industry Distributors Association (PIDA) was conducted in Orlando, Florida March 13-15. The Trade Show set records for the US Pet Industry with over 2,000 exhibit spaces and over 650 exhibiting companies. Over 3,000 buyers attended the first day of the show. According to the APPMA's recently completed 2005-2006 National Pet Owners Survey, Pet spending in 2004 was approximately \$34.4 billion compared to \$17.0 billion in 1994 and is projected to reach \$35.9 billion in 2005. Based on these estimates and the Expo attendance record, one must conclude the industry is very healthy with a bright future.

Jay Lockhart

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### **ANIMAL HEALTH NEWS**

> **INDONESIA - AVIAN INFLUENZA** Indonesia's agriculture ministry reported that avian influenza has re-emerged in Indonesia's main island of Java and South Sulawesi province since the start of the year. To prevent bird flu outbreaks from spreading, the government has ordered isolation and culling in the affected areas, and vaccinations in areas in a five kilometer distance. Wasito was further cited as saying that more than a million doses of vaccine had been distributed. (*AnimalNet - Reuters*)

> **NORTH KOREA - AVIAN INFLUENZA** Japan has halted imports of poultry from North Korea following a South Korean report about a bird flu outbreak in Pyongyang, and though it has not been able to confirm the facts with North Korean authorities, it has decided to impose a preemptive import embargo. The Japanese ministry will work to confirm the outbreak through letters with North Korea and the Office International des Epizooties, an international authority on animal health and disease of which North Korea is a member. (*AnimalNet - AP*)

> US - COMPOUNDING GUIDELINES The drug compounding task force of the American Association of Equine Practitioners released guidelines regarding the responsible use of compounded medications by veterinarians. The AAEP is one of the first organizations to directly address the mounting ethical dilemmas and consequences related to illegal compounding. The FDA is currently reviewing its compliance policy guideline on drug compounding. (*Feedstuffs*)

> US - ANIMAL ID Two bills have been introduced in Congress pertaining to animal identification. Both bills would amend the Animal Health Protection Act. The first proposal, H.R. 1254, requires the establishment of an electronic, nationwide, livestock-identification system within 90 days of enactment. The bill contains measures to prevent the unauthorized release of information collected under the livestock-identification system and would promote an objective review of the USDA's responses to livestock disease outbreaks. The bill was referred to the House Agriculture Committee. American Meat Institute officials say the second proposal, H.R. 1256, would limit the disclosure of certain animal-identification information. It also would exempt certain information from disclosure under the Freedom of Information Act. Exempted information would include numbering information and the character of the identification system. The bill also was sent to the House Agriculture Committee as well as to the House Committee on Government Reform. (*Pork Alert*)

> CANADA - COMPLAINT FILED WITH NAFTA Canadian Cattlemen for Fair Trade, which represents about 100 family businesses across Canada, has filed a formal grievance with the North American Free Trade Agreement authority, claiming damages of \$300 million in the nearly two-year closure of the U.S. border to their cattle. In the complaint, the cattlemen charge that the closure is a trade and investment dispute, not a public health issue. A spokesman said that the US has ample evidence that Canadian cattle are not a health threat. (*Meating Place*)

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### **NIAA Symposium: Focus on Zoonotic Diseases April 7, 2005**

The National Institute for Animal Agriculture (NIAA) is hosting a focused symposium in conjunction with its 2005 Annual Meeting in St. Paul, Minn. **Protecting the Global Food Supply: Growing Concerns for Emerging Zoonotic Diseases** will be held on April 7 at the Radisson Riverfront Hotel.

The symposium is co-sponsored by the National Center for Food Protection and Defense and the Center for Animal Health and Food Safety at the University of Minnesota. The agenda is scheduled from 8:00 a.m. to 5:00 p.m., followed by a reception. For more information on the symposium, including speakers and registration, go to [www.animalagriculture.org](http://www.animalagriculture.org) or call 270-782-9798.

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### **AGRIBUSINESS NEWS**

> EU - GM CORN DECISION DELAYED European Union regulators delayed a decision March 7 on whether to approve a genetically modified (GM) variety of corn for feed use, even though EU scientists earlier cleared the product. The decision by the European Commission's Regulatory Committee to postpone its vote on Pioneer Hi-Bred International's "1507" Bt corn shows that the EU's system of regulating agricultural biotechnology is broken, industry complained. The US, Canada and Argentina are currently challenging the EU's system of approving new GM crops before a trade panel of the World Trade Organization. Complaining countries said the EU's system acts as a de facto barrier to imports. The European Food Safety Authority, the supposed arbitrator of the science behind approvals, has already cleared 1507 corn for food and feed use as well as for planting. (*Feedstuffs online*)

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## **BRAKKE CONSULTING VIEWPOINT**

There are various stories this week related to the continuing avian influenza problem. While outbreaks continue to appear in various parts of the world, industry is busy introducing diagnostics and vaccines that will improve the detection and prevention of this troublesome disease.

We've been saying for several years that new diagnostics will play a larger role in animal health in the future. There has been limited commercial success to date, but the research activity for new diagnostics has been increasing dramatically at universities and small startup companies.

Ultimately, we believe that diagnostics will play an important role early, rapid detection of disease outbreaks within a facility or general area. Early and accurate detection can significantly improve the health of the species involved.

Have a great weekend.

*Ron Brakke*

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