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**Brakke Consulting's  
Animal Health News & Notes for July 13, 2007**  
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**COMPANY EARNINGS RELEASES**

> **Virbac SA** reported sales for the first half of 2007 totaled EUR 216 million (\$278 million), representing growth of 12% year-on-year and driven by good growth in all geographical areas and notably in India and the US. Sales for the second quarter were EUR 111 million (\$150 million), up 10% on the same period a year earlier. The companion animal and food animal divisions both performed well over the first half, registering respective sales growth of 13.5% and 20.5% at constant exchange rates. The majority of sales growth in food producing animals segment came from acquisitions in India and Italy. (*company website*)

> **TW Medical Veterinary Supply** announced continued strong sales performance in the second quarter of 2007. Net sales for the quarter ended June 30, 2007, totaled \$5.3 million. Sales for the six months ending June 30 were \$11.4 million a 27% increase over the same period last year. (*company press release*)

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**COMPANY NEWS RELEASES**

> **Ceva Sante Animale** announced the acquisition of Brazilian animal health company **Vetbrands**. Vetbrands reported sales of \$32 million in 2006. The acquisition of Vetbrands' cattle and companion animal expertise complements Ceva's existing poultry and swine businesses in Brazil, and ranks the combined company 9th in the Brazilian animal health market. Financial terms were not disclosed. (*company website*)

> The FDA's Center for Veterinary Medicine has issued warning letters to several companies regarding misleading advertising materials. **Elanco** was warned over advertising for Reconcile (fluoxetine); **Bayer** was warned over advertising for Advantage Multi (imidacloprid/moxidectin);

**Heska** and **Schering-Plough** were warned over advertising for TriHeart Plus (ivermectin/pyrantel); and **Merial** was warned over advertising for Heartgard Plus (ivermectin/pyrantel). The companies were asked to cease disseminating the specified advertising materials and provide written notice of the proposed steps to address the concerns. (CVM website)

> **Pets Best Insurance** announced it has pledged \$1 million to the Morris Animal Foundation (MAF) canine cancer cure campaign. In addition to the monetary pledge, Pets Best will be collaborating with MAF on programs to educate pet parents about canine cancer, resources and treatment options. With this pledge Pets Best has been recognized by MAF as a "Canine Cancer Campaign SuperHero," joining Pfizer Animal Health as the second \$1 million contributor to the campaign. (company press release)

> **Doctors Foster and Smith** recently announced the debut of its dog food and dog furniture at Target beginning July 15, 2007. This marks the first time the company will be selling its products on retail shelves. (Pet Nutrition e-news)

> EU **Prionics** introduced a highly sensitive and specific test for the detection of *Trichinella* spp. in pigs. PrioCHECK Trichinella Ab, an ELISA assay, detects antibodies in serum and meat juice samples of infected pigs with larval loads as low as 0.02 larvae. (PRNewswire)

> BRAZIL **Grupo Ouro Fino** has struck an R\$105 million (\$55 million) agreement with BNDESPar, part of the National Economic and Social Development Bank (BNDES), which will allow the Brazilian animal health company to invest in new business opportunities. The deal gives BNDESPar a 20% stake in Ouro Fino. (Animal Pharm)

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## ANIMAL HEALTH NEWS

> US - LOW PATHOGENIC AVIAN INFLUENZA During routine testing of poultry flocks prior to slaughter, the Virginia Department of Agriculture and Consumer Services determined that a turkey flock tested positive for antibodies of low pathogenic avian influenza. Further testing confirmed the presence of avian influenza antibodies, which indicates possible prior exposure to the AI H5 virus. So far testing has not identified the actual virus that caused the birds to produce the antibodies. The affected flock contains 54,000 birds which will be euthanized as a precaution, and will be composted on-site. (AnimalNet)

> CZECH REPUBLIC - AVIAN INFLUENZA Tests confirmed the H5N1 type of the avian influenza virus in poultry at two farms in the eastern Czech Republic. The virus was found at the two farms with 71,000 poultry, bringing the number of outbreaks at Czech farms to four. The two farms where disease was reported are within a 3km (1.9-mile) protective zone around another farm where H5N1 had been found; the standard 3km protection zone and 10km surveillance zone have been extended to include the two farms. (Reuters)

> US - FINALISTS FOR NEW ANIMAL LAB The final list of five sites from which the location will be chosen for the new National Bio & Agro-Defense Facility (NBAF), the nation's premier animal disease research facility, has been released. The sites still under consideration are Manhattan, Kansas; Athens, Georgia.; San Antonio, Texas, at Texas Research Park; Granville County, North Carolina; and Madison County, Mississippi, at Flora Industrial Park. The new, 520,000 sq. ft. laboratory complex will integrate work on animal diseases that could threaten national security and cause serious consequences to public health. Eventually, the new facility will replace the Plum Island Animal Disease Center off the eastern shore of Long Island, New York. (Feedstuffs)

> US/EU - FOOD SAFETY AGREEMENT The European Food Safety Authority (EFSA) and the US FDA have signed an agreement on the assessment of food safety risks, the first formal cooperation between the two bodies in this area. The agreement is intended to facilitate the sharing of confidential scientific and other information, such as methodologies to ensure that food is safe. Informal cooperation and dialogue had already been established, and the agreement aims to formalize and extend this. (*Animal Pharm*)

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## **BRAKKE CONSULTING VIEWPOINT**

We look forward to the upcoming AVMA convention in our Nation's Capitol, which starts this weekend and runs into the middle of next week. Based on the number of requests for private meetings and the attendance at our Mid-Year Industry Overview, it appears that the meeting will be well attended. We look forward to visiting with many of you and learning about the successes and concerns the first 6 months of the year.

Here in Texas (Dallas in particular) it will just not stop raining. We've yet to break 100 degrees but the humidity makes up for the difference on the heat index thermometer.

The good news for the industry is that all the insects species are thriving so don't let your sales people indicate that it won't be a good flea, tick and mosquito season in our area. Our store and clinic inventory checks are finding lots of open shelf space the end of each day or week. It appears that all retail sectors are having difficulty in keeping pest control products on the shelves.

This week I had the opportunity to drive right up the heart of the central Midwest and found it lush and green. I heard some concerns over the state of the large animal marketplace, but in general everyone I visited with is positive.

Have a good weekend and we'll see many of you at the AVMA!!

*Ron Brakke*

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