
**Brakke Consulting's
Animal Health News & Notes for July 16, 2004**
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IN THE NEWS:

other news:

Agenix
Bioniche
Del Monte
Merial
MorphoSys
Novartis
Novoplant
Peptech
Premium Standard Farms

WONDERING WHAT YOUR CUSTOMERS ARE THINKING?

Brakke Consulting maintains proprietary databases of well over 1,000 small animal veterinarians, as well as several hundred equine veterinarians, available for market research projects. Surveys can be web-based or conducted via fax with a turnaround time of less than a month. We also offer market surveying capabilities using your company's customer lists.

If you're looking for information to help shape your marketing programs, or considering a new product launch, we can give you up-to-the-minute feedback from the people who will determine your success.

For more information, please call 972-243-4033 or email Lynn Fondon at lfondon@brakkeconsulting.com.

COMPANY NEWS RELEASES

> **Merial** announced its entry into the cattle implant market with Duralease (estradiol benzoate), a first-of-its-kind implant that uses liquid suspension technology. Duralease is the only implant to combine the benefits of a sustained-release estradiol benzoate implant with the consistency of patented Theraphase (microencapsulation) technology. The suspension implant uses a standard syringe to deliver a small 1-mL dose, which makes it less invasive and eliminates special equipment and pellets. (*company press release*)

> **Novartis Animal Health** announced the launch of Vira Shield 6, the first 3-way bovine viral diarrhea (BVD) vaccine. The vaccine contains Noncytopathic (NCP) Type 1, NCP Type 2, and Cytopathic (CP) Type 1 virus strains. In addition to BVD, new Vira Shield 6 combinations protect animals against IBR, PI3, and BRSV. The new product is safe for use in any cow, bull or calf in any stage of production. (*company press release*)

> **Bioniche Life Sciences** announced it has secured financing totaling 10.8 million euros for its pharmaceutical unit Bioniche Pharma to expand its manufacturing site in Ireland. The new expansion will help boost production of three veterinary drugs. The funds come from two loans from the Bank of Ireland, as well as a 1.9 million euro grant from an Irish development

corporation, which also acquired 700,000 euros of preferred shares in the company. (*Animal Pharm*)

> **Agenix** has called off plans for a merger between the company and **Peptech**, after it was denied access to documents concerning Peptech's licensing dispute with Johnson & Johnson unit Centocor over the antiinflammatory drug Remicade. Peptech's executive chairman stated that strict confidentiality agreements prevented Peptech from sharing the information. (*Animal Pharm*)

> **Del Monte Pet Products** announced that it has launched major new product introductions across the dog food and dog snacks categories. New products include: Kibbles 'n Bits wet dog food; new Meaty Bone Chew-Lotta dog snacks; and Snausages to Go!, Pup-Peroni to Go! and Meaty Bone to Go! dog treats. (*Business Wire*)

> **Premium Standard Farms** announced it is building a fertilizer plant on its farm in eastern Sullivan County, Missouri. The company will break ground for construction on July 15. This new fertilizer plant will convert hog manure to a fertilizer in pellet form, which will then be sold commercially. The process will eliminate the use of anaerobic lagoons at the Valley View farm for manure treatment and storage. Once operational, the plant will produce eight thousand tons of fertilizer per year and employ 11 people full time. (*Wattnet Meatnews*)

> GERMANY **MorphoSys** AG and **Novoplant** GmbH announced a collaboration for developing therapeutic antibodies in animal health applications. Under the three year agreement, Novoplant received a license to use MorphoSys' HuCAL GOLD technology to develop and commercialize antibodies against viruses, parasites and pathogenic bacteria for use as livestock and poultry feed additives. MorphoSys will receive a technology access fee from Novoplant, as well as milestone fees and royalties from the subsequent development and marketing of any resulting products. MorphoSys retains all rights to any human therapeutics or diagnostics that emerge from the collaboration. (*AnimalNet*)

AAIV 50th ANNIVERSARY LUNCHEON AT THE AVMA CONVENTION IN PHILADELPHIA

The American Association of Industrial Veterinarians is celebrating the organization's 50th anniversary this year. Come socialize with your fellow veterinarians working in the animal health industry at the annual luncheon at the AVMA Convention in Philadelphia.

The luncheon is at 12:00 pm on Monday, July 26, and will feature Hilton Klein VMD as speaker. Dr. Klein is the Board of Trustees Representative for AAALAC International. Non-members are welcome to attend.

Please contact Ms. Peggy Miller at 785-224-8164 or aaiv@ruralnet1.com for more information.

ANIMAL HEALTH NEWS

> THAILAND - AVIAN INFLUENZA Thailand confirmed two additional outbreaks of bird flu at farms just north of Bangkok. It is not known if they are the H5N1 strain that was found in two central provinces last week. (*AnimalNet - Reuters*)

> VIETNAM - AVIAN INFLUENZA Vietnam's Agriculture ministry confirmed that fresh outbreaks of avian influenza were caused by the H5N1 strain of the disease that killed 16 people earlier this year. The outbreaks have occurred in 14 districts in seven southern provinces and cities since

mid-April. A total of 22,470 chickens, 169 ducks, and 13,000 quail have either died or been destroyed as a result of the outbreaks. (*AnimalNet - Agence France Presse*)

> MEXICO - BEEF EXPORTS Japan announced that it will import \$250 million worth of beef from Mexico for the first time ever. Japan has banned beef from the United States, Canada and the European Union because of concerns over bovine spongiform encephalopathy. Currently it receives most of its beef from Australia. The deal with Japan comes on the heels of Mexico's first beef export to South Korea in January, just after a BSE-positive cow was discovered in America. (*Meating Place*)

> US - BSE REGULATIONS The FDA announced that it has banned brains and other cattle parts that could carry BSE from use in cosmetics and dietary supplements. The action puts the agency's restrictions in line with those issued by the USDA to keep those cattle parts out of meat after BSE was found in December in a Holstein cow in Washington state. The restrictions prohibit the use of the brain and spinal cord, as well as skulls, eyes, and nervous system tissue close to the spinal cord. However, the use of tallow, a processed fat made from cattle, will still be allowed provided it carries less than 0.15% impurities, which could include proteins. Tallow is used in cosmetics, but FDA has said that the high heat and pressure used to make it should minimize any risk of having BSE in tallow. Also banned in cosmetics is any material from cattle that cannot stand on their own. Since January, those animals cannot be used for meat but they can be sent to rendering plants, which produce tallow. (*AP*)

> CANADA - BSE REGULATIONS The Canadian Food Inspection Agency will introduce a regulatory proposal to require the removal and redirection of specified risk material and dead and downer cattle from all animal feed, including pet food. SRM are tissues that, in infected cattle, harbor the BSE agent. These tissues, mainly the brain and spinal cord from cattle older than 30 months, currently are removed from all animals slaughtered for human consumption. (*Wattnet Meatnews*)

> US - BSE TEST RESULTS ONLINE The USDA announced two inconclusive BSE tests last month, which further testing confirmed to be negative. The announcements, however, caused several days of concern, confusion and market disruption, leading to criticism of the agencies policy for announcing inconclusive tests. According to the Texas Cattle Feeders Association, the USDA plans to continue making the test results public but will discontinue the technical briefings held to discuss inconclusive tests. Instead, the agency will post test results weekly on a Web site, which has been available since the enhanced-BSE-testing program began June 1. To view the site, go to www.aphis.usda.gov/lpa/issues/bse-enhan_surv/bse_test_results.html (*Drovers Alert*)

> CANADA - BEEF INDUSTRY Officials in Alberta, Canada have developed a new plan for making the Canadian cattle industry more independent, according to the Calgary Sun. The plan mirrors a goal recently voiced by cattlemen as well: Making sure all Canadian beef is processed within its own borders. Alberta's Agriculture Minister is endorsing the plan, saying that Canada's cattle industry has the capacity to become independent by 2006. (*Meating Place*)

> US - ANIMAL ID The USDA will test a livestock identification system pioneered in Wisconsin as a possible model for its national livestock identification system, according to Wisconsin Ag Connection. The USDA said that the Wisconsin Livestock Identification Consortium's system will be used as the interim premises registration system for states that choose to use it. It would apply to all types of livestock raised in the country. (*Wattnet Meatnews*)

> UK - PET OWNERSHIP LAWS A proposed bill in Great Britain will make it illegal to sell an animal to children under age 16, raising the age from 12. It would also ban owners and breeders from docking dogs' tails for cosmetic reasons or giving away animals as prizes. It would also ensure owners provide suitable housing, food and water for animals in their care. Britain's Animal

Health and Welfare Minister stated that the bill is the most comprehensive review of the law on pets since 1911. (*AnimalNet - Reuters*)

BRASSE CONSULTING VIEWPOINT

There is only a limited amount of news to report this week. Hopefully many of you will return from vacation shortly and start making some news. It's difficult preparing the comments when it's been a relatively quiet week.

I've been in the upper Midwest for the past week and most of the news here is weather related. It seems like everywhere I go there is challenging weather. I've observed some very damp fields and corn that is significantly behind in its development. It seems like it can't stop raining in some parts of the country and refuses to rain in other parts. Some key cow/calf areas of the country are experiencing record drought. The USDA is still projecting a large corn crop at 10.6 billion bushels along with strong harvests of other feed grains. This should result in low feed grain prices and a continual strong market in the production of protein for the year. Purchasing of companion animal products remains strong with some consumers moving away from the veterinarian as the source for some important dispensed items.

Have a great weekend.

Ron Brasse

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