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**Brakke Consulting's  
Animal Health News & Notes for September 23, 2005**  
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**COMPANY EARNINGS RELEASES**

> **Church & Dwight** reported financial results for its second quarter ended July 1, 2005. The company reported 5.7% growth with sales of \$442 million for the quarter, with strong growth in pet care products. Results included 6% growth in the household products business, which includes cat litter, and 8% growth in specialty products, which includes animal feed ingredients. *(Pet Product News)*

> **Pet Valu** reported financial results for its second quarter ended July 2, 2005. Revenues were \$31.6 million for the quarter, compared to \$29.6 million in the comparable period in 2004. The company's net income for the quarter was \$1.0 million, compared to net income of \$140,000 in the second quarter of 2004. Pet Value has pet specialty stores in Canada and the US. *(Pet Product News)*

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**AnimalHealthJobs.com**

**14 New Positions Posted on AnimalHealthJobs.com in September!**

The new positions include Sales and Marketing Managers, Quality Control, Business Development, and other professional jobs in animal health.

AnimalHealthJobs.com now has over 1,000 registered qualified Jobseekers.

Check us out at [www.animalhealthjobs.com](http://www.animalhealthjobs.com)

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## COMPANY NEWS RELEASES

> **IDEXX Laboratories**, Inc. announced the completion of its acquisition of ITS Innovative Technologies and Systems, LLC, an animal health company that sells veterinary-specific, direct-to-digital radiography (DR) systems. ITS' EquiView Digital Diagnostic System is a portable, diagnostic imaging system designed specifically for the equine practitioner. Financial terms were not disclosed. (*company website*)

> **Vetoquinol** announced the launch of Epakitin, a new nutritional supplement that helps protect renal function in dogs and cats with chronic renal failure. Epakitin contains calcium carbonate and chitosan; both substances play a role in binding phosphates, and chitosan binds some uremic toxins which cause many of the clinical symptoms seen with CRF. (*DVM Newsmagazine, company website*)

> **Hill's Pet Nutrition** Inc. announced that Hill's Prescription Diet brand pet foods are now available at **Banfield, the Pet Hospitals** located within PetSmart stores across the country. The Prescription Diet products can be dispensed using a valid MedCard, following an examination and specific Prescription Diet product recommendation from a Banfield veterinarian. (*company press release*)

> **Cargill Meat Solutions** Corp. announced that it has reached a preliminary agreement to acquire the stock of several interrelated Fresno, Cal., meat businesses: **Beef Packers Inc., Fresno Meat Co., RPM Beef Inc., King-O-Meat Inc.** and **Ore-Cal Transportation Inc.** The transaction is expected to be completed by Dec. 31. Financial details were not disclosed. Cargill said the Fresno business will be a part of the Cargill Taylor Beef business unit within Cargill Meat Solutions. (*Feedstuffs online*)

> **Cargill** Inc. announced an agreement to purchase the food ingredients operations of **Degussa** AG for \$670 million. The unit manufactures flavors and thickeners, is one of the world's largest suppliers of the soybean derivative lecithin and had fiscal 2004 sales of \$441 million. The deal does not involve Degussa's animal agriculture operations. (*Feedstuffs online*)

> **Dow Agrosciences** LLC and **Chlorogen Inc.** have entered into two research agreements that could result in Dow obtaining commercial licenses to use chloroplast transformation technology (COT) in their animal health and agricultural biotechnology businesses. The companies will collaborate to develop the use COT for the production of animal health products in plant cell cultures. Dow is currently attempting to utilize this technology in the development a new generation of animal health vaccines. This agreement also includes an option for an exclusive license for the use of Chlorogen's patented technology in the animal health, plant cell-culture arena. COT is a unique method for expressing foreign genes in plant cells. (*checkbiotech.org*)

> **Bovigen** announced the release of GeneStar Quality Grade, a genetics-based test that will assist beef cattle producers in their efforts to improve the consistency and quality of beef. (*Feedstuffs*)

> **Monsanto** announced it has developed a breakthrough in semen technology which should improve the odds of getting a heifer calf. Decisive Semen for Advanced Gender Selection will improve the odds from 50/50 to 85% predictability. Across a couple of hundred pregnancies, about seven of every eight calves will be heifers, statistically speaking. Monsanto expects that the gender-sorted semen will become commercially available in the second half of 2006. (*Food Systems Insider*)

> **Lily & Me** Inc. announced the launch of ThePetCheckup, an at-home health screening kit designed to detect 10 cat and dog illnesses. The kit is intended for monthly use, between regular veterinary visits, according to the company. It consists of a urine test that checks for diabetes, kidney disease, bladder and kidney infections, autoimmune diseases, and liver disease. (*Pet Product News*)

> CANADA **Kane Veterinary Supplies** Ltd. announced the formation of the Kane Pet Supplies division in an effort to reduce confusion among its channels. Although the company has had a pet supplies department for 15 years, and publishes a separate pet supplies catalog, operating under the same name was misleading to international partners and prospective partners. (*Pet Product News*)

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**Brakke Consulting, Inc.**  
**2006 U.S. Animal Health Manufacturers, Distributors & Services Directory – Updating Company Information**

**THREE WEEKS LEFT TO BE INCLUDED**

To be included in Brakke's 2006 directory at no charge, update your listing and fax it to 972.243.0925 by **October 15th**. The 2006 directory will have current contact information, website addresses, general email addresses, company descriptions, and key personnel for 275 or more companies in the animal health, pet product, and related industries. To request information on how your company can be listed or to request an order form with prices, contact Jane Morgan at 972.243.4033 or email her at [jmorgan@brakkeconsulting.com](mailto:jmorgan@brakkeconsulting.com).

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**ANIMAL HEALTH NEWS**

> DENMARK - BSE Denmark discovered its 14th confirmed case of BSE earlier this month. The 9-year-old Holstein was euthanized and did not reach the food supply, and the rest of the herd is under surveillance. Former herdsmates are also being identified and isolated. Until now, it had been Denmark's policy to cull the entire herd whenever a case was identified, but that policy is under review, and a decision as to future approaches will be made within weeks, authorities said. (*Meating Place*)

> US - ANTHRAX Montana's state veterinarian reported that anthrax has killed 37 cattle on a northeastern Montana ranch now under quarantine. Hundreds of remaining cattle were moved to a different pasture and animals deemed susceptible or possibly exposed were given antibiotics and vaccinations. (*AnimalNet - AP*)

> US - BOVINE TB The Minnesota Board of Animal Health announced that cattle from two operations that shared fence lines with a Roseau County herd infected with bovine tuberculosis also have tested positive. That brings to 3 the number of beef herds in Minnesota that have tested for bovine TB. The newly detected herds are smaller operations with minimal animal movement. (*Grand Forks Herald*)

> US - NEW CANINE INFLUENZA A new, highly contagious and sometimes deadly canine influenza is striking kennels and dog tracks around the country. The virus, which scientists say mutated from an influenza strain that affects horses, has killed racing greyhounds in seven states and has been found in shelters and pet shops, though the extent of its spread is unknown. How many dogs die from the virus is unclear, but scientists said the fatality rate is more than 1% and could be as high as 10% among puppies and older dogs. The symptoms often are mistaken for

"kennel cough," a common canine illness caused by the *Bordetella bronchiseptica* bacteria. (*New York Times*)

> US - LEPTOSPIROSIS THREAT IN HURRICANE AREAS According to Dr. Kenneth Harkin, an expert on leptospirosis, leptospirosis could be a threat in flooded areas in the Gulf Coast that were not contaminated by sewage and chemicals. While the greater part of New Orleans will most likely not experience the threat of leptospirosis, some areas in Mississippi and Louisiana could be affected. Areas that received a large amount of rain, even without substantial flooding, would be at a higher risk. Harkin's research has found that, in Thailand, leptospirosis ranked just behind Dengue fever in one disease outbreak following flooding. In Puerto Rico in 1996, the prevalence of leptospirosis jumped four-fold in Dengue-negative patients following a Hurricane. (*dvmac.org*)

> CANADA - BSE RULES Canada says it hopes to have stricter livestock feed rules finalized by the end of the year that would ban cattle brains, spines and other risk materials from all animal feed, according to the director of policy for the Canadian Food Inspection Agency. Canada banned protein made from cattle and other ruminants from cattle feed in 1997 to prevent the spread of BSE. However, the protein is still allowed in pig and poultry feed, since neither pigs nor poultry is at risk for BSE. Banning risk materials from all animals is intended to ensure that cattle protein isn't directly or indirectly used in cattle feed. (*Meating Place*)

> US - PRICE REPORTING The US House of Representatives unanimously passed the bill to reauthorize the Livestock Mandatory Reporting Act of 1999. If the Senate follows suit, the amendment would extend the price reporting for five years. (*Pork Alert*)

> AUSTRALIA - PORK IMPORTS An Australian appeals court has ruled to keep the country's pork market open to frozen and processed US pork. The court's decision upholds a risk assessment that Australia's Department of Agriculture, Fisheries and Forestry conducted and released. While US pork producers have not had full-market access to Australia, the limited access has proven beneficial. (*Pork Alert*)

> US - PERMANENT BAN ON DOWNER COWS In an amendment to the \$100 billion agriculture spending bill passed on Wednesday, the Senate made permanent the USDA's temporary ban on the use of non-ambulatory, or downer cattle, in the human food supply. Non-ambulatory animals of any species, including horses and swine, would also not be allowed in the human food chain unless they passed both antemortem and postmortem examinations at a slaughter plant. (*Meating Place, Feedstuffs online*)

> CANADA - NEW VETERINARY SCHOOL The Alberta government announced C\$25.3 million for several projects, including C\$16 million for the Faculty of Veterinary Medicine. The faculty will provide research into the detection, containment and eradication of diseases that can spread from species to species and affect humans, and it will prepare veterinary medical practitioners and researchers focused on food supply safety. It will also produce multi-species/multi-disciplinary veterinarians through its focus on production animal medicine of all species, population medicine and investigative medicine. The program will be housed at the University of Calgary and will be linked closely with the Division of Health Sciences. It is expected to graduate 30 veterinarians each year. (*university website*)

> SPAIN - NEW MASTERS DEGREE The Spanish Small Animal Veterinary Association (AVEPA) announced a new Master's Degree in Management and Administration of Veterinary Centers, equivalent to a full-fledged MBA. The degree course will be offered through the collaboration of The Spanish Institute of Veterinary Economic Studies and the Autonomous University of Barcelona. According to AVEPA, the course is the first of its kind in Europe. (*association press release*)

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**BRAKKE CONSULTING VIEWPOINT**

The news this week reflects the continued need for new and improved products for various animal health diseases. While there has been a lot of progress made in preventing and treating animal diseases, there are still many opportunities for innovation. Those topping the list are BSE, anthrax, bovine tuberculosis, a new canine influenza, and of course avian influenza.

As companies put together their budgets for 2006, we hope they include sufficient funds for innovative research. It takes more than reformulation and repositioning of products to solve many of the difficult diseases.

Here in Texas and Louisiana, we're looking forward to a visit from "Rita." Hopefully, we'll not have a repeat of the devastation caused by Katrina just a few weeks ago.

Have a great weekend.

*Ron Brakke*

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