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Brakke Consulting's
Animal Health News & Notes for January 16, 2009
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IN THE NEWS:

earnings news
National Beef

other news
Abaxis
Celldex
Henry Schein
IDEXX
Intervet/Schering-Plough
IRIS Int'l
Lohmann
Neogen
Noviko
Oasmia

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US ANIMAL HEALTH INDUSTRY OVERVIEW
Registration is now open

Brakke Consulting will be presenting its annual US Animal Health Industry Overview at the North American Veterinary Conference and the Western Veterinary Conference in 2009.

NAVC Overview
Monday, January 19th
LAST CHANCE TO REGISTER!
2:00 – 4:00 pm
Gaylord Palms, Orlando

WVC Overview
Monday, February 16th
2:00 – 4:00 pm
Four Seasons, Las Vegas

Registration is now open for the NAVC and WVC Overviews.

To register, go to www.brakkeconsulting.com and look for the Overview box on the home page. Payment by major credit card is required at time of registration.

www.BrakkeConsulting.com

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COMPANY EARNINGS RELEASES

> National Beef Packing Co. reported that higher beef prices helped the company narrow its first-quarter profit loss. The company posted a net loss of ($3.2 million) during its first fiscal

quarter ended Nov. 29, an improvement on the loss of ($13.7 million) in the same period a year earlier. Sales rose 2% to $1.43 billion. *(Meating Place)*

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COMPANY NEWS RELEASES

> The American Association of Equine Practitioners and **Intervet/Schering-Plough** Animal Health announced the creation of the Unwanted Horse Veterinary Relief Campaign (UHVRC), a nonprofit program that will provide equine vaccines to qualified equine rescue and retirement facilities across the US. Through the UHVRC, Intervet/ Schering-Plough will donate equine vaccines to qualifying equine rescue and retirement facilities to provide healthcare so they can rehabilitate, revitalize and, ultimately, re-home America's unwanted horses. *(Equestrian Magazine)*

> Henry Schein, Inc. announced the acquisition of European veterinary company **Noviko**. Noviko is the leading distributor of veterinary supplies in the Czech Republic, with 2008 sales of approximately EUR 52 million ($70 million). Noviko sells products for both small and large animals, and veterinary clinics. Financial terms were not disclosed. *(RTTNews)*

> IRIS International announced that it has entered into a manufacturing and supply agreement with **IDEXX Laboratories**, Inc., for internal centrifugal drive systems and related whole blood separators developed by IRIS for use in the new IDEXX Catalyst Dx Chemistry Analyzer. *(Business Wire)*

> Neogen Corporation announced it has received approval from the FDA and National Conference on Interstate Milk Shipments (NCIMS) for its BetaStarUS test for dairy antibiotics in milk. BetaStar US test detects dairy antibiotic residues in the beta-lactam group and is an extremely simple dipstick test that requires only minimal training and equipment. *(company press release)*

> Abaxis, Inc. announced that it will launch the VetScan VSpro Coagulation Analyzer and VetScan Canine Heartworm Rapid Test at the North American Veterinary Conference. The VetScan VSpro Coagulation Analyzer will allow veterinarians to evaluate PT and aPTT results using a state-of-the-art, in-house / point of care technology; the VetScan Canine Heartworm rapid test is expected to be the first in a series of rapid, lateral flow tests to be released by Abaxis. *(company website)*

> Celldex Therapeutics, Inc. announced that it has entered into an agreement to sell its poultry vaccines business to **Lohmann Animal Health International**. Since 2002, Lohmann has performed all manufacturing, marketing and distribution activities for Celldex's marketed MeganVac 1 and MeganEgg poultry vaccines and has paid Celldex product royalties. Financial terms of the transaction were not disclosed. *(MarketWatch)*

> Oasmia Pharmaceutical announced that the FDA has granted it Expedited Review Status (ERS) for the company's animal health product candidate Paclical Vet (paclitaxel in a water soluble, solvent free nanoparticle formulation). The company also changes the name of the candidate from Paclical Vet to Paccal Vet in order to use the same name world-wide. *(MSNBC)*

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ANIMAL HEALTH NEWS

> SPAIN - BSE The Environmental Council of the Madrid Regional Government reported that a 10-year-old cow slaughtered in a local abbatoir has been confirmed to have BSE. The case did

not affect the food chain. This is Spain's first case of BSE since 2004. *(AnimalNet - Typically Spanish)*

> US - COOL The USDA announced it has issued details of its final regulation for the mandatory country of origin labeling (COOL) program. The rule becomes effective on March 16, 2009. The final rules provide for penalties of up to $1,000 per violation for both retailers and suppliers not complying with the law. The final rule can be viewed at http://www.federalregister.gov/OFRUpload/OFRData/2009-00600_PI.pdf *(Meating Place)*

> US - CEM Wisconsin state animal health officials confirmed that a stallion has contracted contagious equine metritis, or CEM. Another stallion in Texas has been confirmed with the disease. Nationwide, the CEM investigation involves at least 275 horses in 38 states. *(Wisconsin Ag Connection, TheHorse.com)*

US - GM ANIMAL GUIDANCE ISSUED The FDA issued a final guidance for industry on the regulation of genetically engineered (GE) animals under the new animal drug provisions of the Federal Food, Drug and Cosmetic Act (FFDCA). The guidance, titled "The Regulation of Genetically Engineered Animals Containing Heritable rDNA Constructs," clarifies the FDA's statutory and regulatory authority, and provides recommendations to producers of GE animals to help them meet their obligations and responsibilities under the law. To read the complete guidance document, go to http://www.fda.gov/cvm/GEanimals.htm *(FDA)*

> US - RESEARCH SITE FINALIZED The US Department of Homeland Security announced its final decision to build the National Bio and Agro-Defense Facility at Kansas State University in Manhattan, Kansas. The $450 million facility is expected to be completed in 2015, but research probably will begin before then at K-State's existing Biosecurity Research Institute, which is adjacent to the NBAF site. *(Kansas City Business Journal)*

> US - PUBLICATION FOR DISTRIBUTORS *Veterinary Advantage* Magazine has announced the release of its first publication targeting animal health distributors, which will debut at the North American Veterinary Conference in Orlando. The magazine will be published six times in 2009, along with six electronic supplements. *(company press release)*

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BRAKKE CONSULTING VIEWPOINT

Like many of you, we are heading off to the NAVC this weekend. The NAVC meeting is always a nice start to the New Year and the weather is generally warmer in Orlando than other parts of the country.

Many companies use the NAVC to launch new products and programs, so it will be interesting to observe the quality and quantity of the new marketing initiatives and products. We have been encouraged to hear that several new companies will be exhibiting their products and technology for the first time at NAVC.

The growth of the industry is dependent on new technology and products to increase the revenue, which benefits all parties involved, including improved health for the animals. In the past few years the business tone of the meeting has been very positive. Hopefully that will continue in 2009 as the industry faces some challenges resulting from the now-recognized consumer recession.

We look forward to seeing many of you in Orlando and wish you safe travels!!

Ron Brakke

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