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**Brakke Consulting's  
Animal Health News & Notes for October 17, 2014**  
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**BRAKKE CONSULTING, INC.  
2014 CANCER IN DOGS AND CATS  
NOW AVAILABLE!**

In 2009, Brakke Consulting published an overview of the treatment of cancer in dogs and cats. We are pleased to announce that an update of this highly regarded report is now available.

The 2014 Cancer Study includes information on the incidence, diagnosis, and treatment of the common veterinary cancers, including treatment cost estimates. The study includes a survey of 250 general veterinary practitioners as well as interviews with veterinary oncologists. Reviews of new and developing veterinary cancer chemotherapeutics are included in the report as well.

The report is now available \$8,500. For more information, please visit our website or contact Dr. Lynn Fondon at [lfondon@brakkeconsulting.com](mailto:lfondon@brakkeconsulting.com).

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## COMPANY EARNINGS RELEASES

> **Virbac SA** announced financial results for the third quarter of 2014. Consolidated sales amounted to EUR 203 million (\$257 million), an 11% growth compared to the same period of 2013. Growth at constant exchange rates was 10% in the quarter. (*company website*)

> **Nestle SA** reported results for the 9 months ended Sept 30, 2014. Petcare sales were CHF 8.2 billion (\$10.4 billion), a decline of 2% compared to the comparable period in the prior year. Sales were impacted by substantial negative foreign exchange; real internal growth was +5%. (*company press release*)

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## COMPANY NEWS RELEASES

> **Bayer Animal Health** announced the launch of Dermoscent, a specialty line of pet skin care products that combine the benefits of plant-derived essential oils and essential fatty acids with convenient delivery methods. (*PRNewswire*)

> **Pharmgate LLC** announced an agreement to acquire **Pennfield Animal Health**. This acquisition will establish Pharmgate as a key supplier of finished medicated feed additive and water soluble products to the US, Canadian, Mexican and Latin American livestock and poultry markets. The acquisition is expected to be completed before the end of 2014. Financial terms were not disclosed. (*company press release*)

> **Kemin Industries** announced the sale of its companion animal health line of veterinary supplements, Resources, to **Garmon Corporation**. The Resources line of nutraceuticals for dogs and cats includes 18 different products across several categories. Financial terms were not disclosed. (*Newswiretoday.com*)

> **VetriScience Laboratories** announced the launch of Express Ease, a palatable stick for dogs to support proper stool consistency for anal gland health. Unlike canned pumpkin or pumpkin treats, Express Ease offers dogs immune, digestive and colonic support by providing three types of fiber. (*company press release*)

> **Central Garden & Pet Company** announced that, after an extensive review, its Board of Directors unanimously concluded that it will not pursue two proposals received from Harbinger Group Inc. in June to acquire all of Central's common stock at \$10 per share in cash or, alternatively, to acquire the Company's Pet segment for \$750 million in cash. (*Business Wire*)

> **Aratana Therapeutics** and **Atopix Therapeutics Ltd.** announced the completion of a global licensing agreement for the development and commercialization of a novel oral CRTH2 antagonist for animal health indications. CRTH2 is a G protein-coupled receptor expressed selectively by key cells that mediate allergic responses that has been shown to play an important role in both allergic sensitization and effector responses to allergen. Aratana plans to conduct a dose-ranging pilot study in client-owned dogs in atopic dermatitis. (*bezinga.com*)

> The AARP announced its first ever pet-focused benefit, an exclusive deal with **Petplan** pet insurance that offers AARP members various discounts when they purchase a Petplan insurance policy. (*Veterinary Advantage*)

> **LifeLearn** has partnered with IBM Watson to provide a new kind of search tool for the veterinary industry. The tool, called LifeLearn Sofie, is an intelligent treatment support tool for

veterinarians. The Sofie app is in beta testing now and will likely be available to the veterinary industry in early 2015. *(company press release)*

> **Animal Oralectrics** has invented a new medical device that fights oral bacteria linked to bad breath and gum disease in dogs. The device, called Zumby, is disguised as a dog toy and uses a very small, safe and undetectable amount of electrical stimulation, known as micro-current technology, to eliminate harmful oral bacteria. *(PRNewswire)*

> UK MSD Animal Health (**Merck**) in the UK introduced Finadyne Transdermal (flunixin meglumine) Pour-on solution for cattle to reduce pyrexia (fever) associated with bovine respiratory disease (BRD). The innovative technology of Finadyne Transdermal Pour-on allows for rapid absorption of flunixin through the skin and into the bloodstream. *(cattlenetwork.com)*

> BRAZIL **InVivo** announced will acquire **Total Alimentos** for an undisclosed sum. Total Alimentos, which has annual sales of about EUR 170 million (\$215 million), is the joint # 3 pet food supplier in Brazil by volume and is also a leading player in Uruguay and Colombia. *(Reuters.com)*

> JAPAN **Kanematsu**, a major general trading firm in Japan, announced it has acquired pet food manufacturer **NorthPet**. Kanematsu said it intends to manufacture and sell these products not only on the Japanese market but also in Thailand and Hong Kong. The company expects to increase its revenue of pet products from Yen 25 billion (\$230 million) at present to Yen 60 billion (\$550 million) in the future. Financial terms were not disclosed. *(Animal Pharm)*

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## ANIMAL HEALTH NEWS

> US - CWD A US captive deer herd in north central Iowa has tested positive for chronic wasting disease (CWD). The Iowa Department of Agriculture (IDA) said 80% of a herd of 356 white tailed deer were found to be infected and will be quarantined. *(Animal Pharm)*

> US - BSE TESTING Beginning Sept. 24, the USDA's Animal & Plant Health Inspection Service (APHIS) Veterinary Services (VS) stopped collecting samples from calves younger than 12 months of age as part of its ongoing surveillance testing for bovine spongiform encephalopathy (BSE). This is a change from the current process where cattle of any age showing central nervous system signs are tested for BSE. This change applies only to the BSE Ongoing Surveillance Program. If epidemiological investigations of BSE cases lead to animals less than 12 months of age, they will be tested. *(Feedstuffs)*

> EUROPE - ANTIMICROBIAL USE Sales of antibiotics used in food-producing animals fell by 15% between 2010 and 2012 in Europe, according to a report by the European Medicines Agency (EMA). The report suggests this decline could be attributed to national campaigns on the responsible use of antimicrobials, restrictions on the use of certain antimicrobials, increased awareness of the threat of antimicrobial resistance and the reduction of targets for the use of antimicrobials in animal production in certain Member States. It was also suggested that fluctuations in size and types of animal populations could have contributed in a drop in sales. *(Animal Pharm)*

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## BRASSE CONSULTING, INC. EXECUTIVE AND SALES FORCE RECRUITING

Recruiting Means More than Resumes

At Brakke Consulting we find the right person to fit your company's needs. As part of our executive recruiting services, we manage the entire process of identifying and recruiting top candidates, including:

- Developing metrics to help rank candidates
- Scheduling interviews and arranging for travel
- Maintaining communications with candidates

Our involvement in every step of the process helps maintain communications with candidates, allowing them to ask questions and get another perspective on the company.

For more information about our recruiting services, visit our website or call one of our consultants:

- John Mannhaupt at 972.243.4033
- Ken Berkholtz at 772.223.3079
- Jay Lockhart at 314.821.3368

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## **BRASSE CONSULTING VIEWPOINT**

Stories this week include consolidation of a couple of companies and one product line, plus some new product and technology introductions. One thing that is becoming obvious is that companies that develop new products or technologies for companion animals have little or no trouble finding interested investors or purchasers.

Even with some current challenges in the stock market, the financial community continues to have a high level of interest in animal health. The animal health companies that have gone public in 2013 and 2014 have clearly educated the financial community regarding opportunities in the industry. This has the benefit of outside capital funding investments in new technologies and products. We believe this is positive for all industry participants.

Have a great weekend!!

*Ron Brakke*

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