
**Brakke Consulting's
Animal Health News & Notes for December 3, 2010**
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**COMING NEXT WEEK
US FLEA CONTROL AND HEARTWORM MARKETS
2010 UPDATE**

Brakke Consulting will soon be publishing our 2010 report on the US Flea Control and Heartworm Markets. The report includes valuable information on the US market for small animal parasiticides including:

- an overview of the veterinary and OTC flea control markets
- Product descriptions, prices, and sales for the leading veterinary flea and heartworm products

The report also includes a 2010 survey of over 200 veterinarians regarding topics such as product usage, brand switching, the effect of the economy on product sale; the impact of product sales outside the veterinary clinic channel; and developing resistance to new-generation products.

The report on the US Flea Control & Heartworm Markets is available for a purchase price of \$5,500.

Please contact Dr. Lynn Fondon at (972) 243-4033 or lfondon@brakkeconsulting.com to pre-order the report, or for more information visit our website at www.BrakkeConsulting.com

COMPANY EARNINGS RELEASES

> **Del Monte Foods** reported results for the second quarter fiscal 2011 ended October 31. Pet Products net sales were \$433 million, an increase of 2.6% over net sales in the prior year period. (*company website*)

COMPANY NEWS RELEASES

> **Dechra Pharmaceuticals** PLC announced that it has acquired **Genitrix Limited** for an initial cash consideration of GBP 5.4 million (\$8.4 million). A further GBP 0.8 million is payable upon achievement of specific milestones. In the year ended March 31, 2010, Genitrix achieved revenues of GBP 2.4 million (\$3.7 million). (*company press release*)

> **Norbrook Laboratories**, Ltd. announced the introduction of Hexasol Injection (oxytetracycline and flunixin meglumine). Hexasol Injection is indicated for the treatment of bacterial pneumonia associated with *Pasteurella* spp. and for the control of associated fever in beef and non-lactating dairy cattle. (*company press release*)

> **Bioniche Life Sciences** Inc. announced that it has signed an agreement with **Thorn BioScience** LLC, a subsidiary of CreoSalus, Inc. The agreement provides exclusive rights to Bioniche to market and distribute CreoSalus' SucroMate Equine product in the US, with a first right of negotiation to expand the territory. SucroMate Equine, registered in the US by the FDA in 2010, is a controlled release injectable of deslorelin acetate, used to time ovulation in horses and increasing the likelihood of conception during breeding. (*PRNewswire*)

> **Life Technologies Corporation** introduced the Applied Biosystems VetMAX-Gold BVDV Detection Kit, its first USDA-licensed real-time PCR test to detect bovine viral diarrhea virus. (*Business Wire*)

> **Del Monte Foods** announced it has agreed to be acquired for \$4 billion in cash by an investor group led by Kohlberg Kravis Roberts & Co. (which briefly owned Del Monte), Vestar Capital Partners, and Centerview Partners. The investor group will also assume \$1.3 billion in debt. (*SeattleTimes.com*)

> **MiracleCorp Products** announced the addition of the pet Nail Shaper finishing tool to its product offerings. The patent pending Nail Shaper is specially contoured to fit all pet nails and is for use by groomers and pet owners and provides an excellent finish after a nail trim and smoothes rough nails between trims. (*company press release*)

> The Humane Society of the United States (HSUS) filed a lawsuit against **Perdue** Inc. over what HSUS argues is Perdue's "false advertising of factory farmed chicken as 'humane.'" The suit, a class action for all consumers "duped" by Perdue, claims that the company illegally markets its Harvestland and Perdue chicken products with labels that say the chickens were "Humanely Raised" in violation of the New Jersey Consumer Fraud Act. (*Feedstuffs*)

ANIMAL HEALTH NEWS

> **KOREA - FMD** Cattle at a local farm in southeastern South Korea tested positive for foot-and-mouth disease, a day after the outbreak of the disease was discovered at two pig farms in the vicinity. The latest outbreak of the disease in South Korea came two months after the country was cleared free of the disease by the World Organization for Animal Health (OIE) in late September. (*Xinhuanet*)

> **US - BRUCELLOSIS** Brucellosis has been confirmed in two heifers from a second herd in Wyoming. The heifers were from a herd within Wyoming's designated surveillance area. These cases are not related to an earlier case detected in October; both cases appear to be associated with exposure to free ranging elk. (*Powell Tribune*)

> CANADA - AVIAN INFLUENZA The Canadian Food Inspection Agency (CFIA) has completed the depopulation of an 8,200 bird turkey breeding flock at a farm north of Winnipeg, Manitoba where the low-pathogenic H5N2 strain of avian influenza was confirmed. The strain is not the more virulent H5N1 strain of avian flu that has recently reappeared in Asia. (*Feedstuffs*)

> US - FOOD SAFETY The US Senate has passed the FDA Food Safety Modernization Act (Senate Bill 510). The Act must now be reconciled with the House version, which was passed last year. The bill gives the FDA increased authority to oversee food safety. (*APPA News*)

> US - ANIMAL HEALTH FUNDING Paul G. Allen, an investor, philanthropist and co-founder of Microsoft Inc., has made the largest gift to Washington State University in the school's history, \$26 million to support programs and fund construction of the university's School for Global Animal Health. Part of the gift will be used to complete the matching portion of the funding for construction of the \$35 million School for Global Animal Health Building, which is partially funded through a \$25 million grant from the Bill & Melinda Gates Foundation. The school and its researchers work to unlock the secrets of zoonotic diseases. (*Feedstuffs*)

**REGISTER NOW FOR
BRAKKE CONSULTING'S 2011 INDUSTRY OVERVIEW
AT NAVC AND WVC**

Brakke Consulting will be presenting its annual US Animal Health Industry Overview at the North American Veterinary Conference and the Western Veterinary Conference in 2011.

NAVC Overview
Monday, January 17th, 2011
2:00 – 4:00 pm
Gaylord Palms, Orlando

WVC Overview
Date: **Tuesday, February 22, 2011**
Time: 2:00 - 4:00 pm
Place: The Four Seasons Hotel, Las Vegas

To register, go to www.brakkeconsulting.com and look for the Overview link in the "What's New" box. Payment by major credit card is required at time of registration.

BRAKKE CONSULTING VIEWPOINT

We're now in the last few weeks of 2010 and it appears that the industry will end the year on a positive note. There do appear to be a few dark clouds looming related to 2011. Though our information is limited, it's not obvious that any company is about to introduce a new blockbuster product in 2011 to create new revenues. We consider blockbusters to be \$50 million and up in the first full year. Nor have we seen or heard of many new approvals from the regulatory bodies, which of course need to come first.

We do hear rumors that various generic products will emerge sometime during 2011, particularly in the flea/tick area. If a number of generics do reach the marketplace in 2011 and the pricing is below the value of the original branded product, industry revenue could erode. It's not obvious that the generics will create new customers and volume. So, like you, we wait with interest to see what actually happens in 2011.

Since it is the time of the year when some of you are looking for gifts for friends or colleagues, I'd like to suggest that you consider giving them a book. One book you could consider giving is "The History of the US Animal Health Industry". We still have a number of books left from the first edition that can be shipped quickly. You can either call our office or go to our website for more information.

Have a great weekend!!

Ron Brakke

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