
**Brakke Consulting's
Animal Health News & Notes for December 19, 2014**
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**BRAKKE CONSULTING, INC.
2014 INDUSTRY OVERVIEW
ONLINE REGISTRATION NOW OPEN**

Brakke Consulting will present the 2014 US Animal Health Industry Overview twice this winter - once at the North American Veterinary Conference in Orlando, Florida and once at the Western Veterinary Conference in Las Vegas, Nevada. These dates are:

- NAVC: Monday, January 19, 2:00 – 4:00 pm, Gaylord Palms.
- WVC: Tuesday, February 17, 2:00 – 4:00 pm, Four Seasons.

Registration for the Industry Overview at the NAVC and WVC is now open. Seating is very limited this year, so register early!

To register, go to www.brakkeconsulting.com and scroll down to the "What's New" box. The price is \$385 per person for online registration; late registration is \$425.

www.BrakkeConsulting.com

COMPANY EARNINGS RELEASES

> **Neogen Corporation** announced results for the second quarter of fiscal 2015, which ended Nov. 30. Revenues for the second quarter of fiscal 2015 increased 15% to \$68 million; net income for the quarter increased 26% to \$7.8 million. Animal Safety revenues increased 14% to \$35.5 million, aided by the November 2013 acquisition of Prima Tech (veterinary instruments) and January 2014 acquisition of Chem-Tech (agricultural insecticides). (*company press release*)

COMPANY NEWS RELEASES

> **Zoetis** announced that the new combination WITNESS FeLV-FIV Feline Leukemia Virus (FeLV) Antigen and Feline Immunodeficiency Virus (FIV) Antibody Test Kit is now available for preorder. The WITNESS FeLV-FIV Test Kit uses Rapid Immuno Migration (RIM) technology, providing results in approximately 10 minutes. (*company press release*)

> **Bayer** announced a definitive agreement to sell equine veterinary products to **Merial**. The deal to sell the products - Legend/Hyonate and Marquis - is expected to close in the first quarter. Financial terms were not disclosed. (*Reuters*)

> **IDEXX Laboratories, Inc.** announced the launch of the CardioPet ECG Device. The CardioPet ECG Device allows veterinarians to view the electrocardiogram (ECG) to ensure the quality of tracings before submitting it, and practices can now submit cases electronically. Veterinarians can also combine ECGs, radiographs and/or echocardiograms in a single transmission when requesting a comprehensive cardiac consultation. (*company website*)

> **PetSmart** announced that it has agreed to be acquired for \$8.7 billion by a group of investors led by BC Partners. The investors will pay \$83 a share for the company, a 39% premium from the company's stock price before it began exploring a possible sale in early July. PetSmart's net sales in 2013 were \$6.9 billion. (*CNN.com*)

> **Putney, Inc.** announced the launch of Putney Carprofen Chewable Tablets. With this product approval, Putney is the only company with FDA-approved generics of all three dosage forms of carprofen products (chewables, caplets and injectable). (*company press release*)

> **AllAccem, Inc.** announced that the US Army Public Health Command, Veterinary Medical Standardization Board Formulary Committee has approved SANOS gingival dental sealant, allowing Army Veterinary Treatment Facilities to use SANOS gingival dental sealant to provide care for both Military Working Dogs and pets owned by Department of Defense personnel. (*Businesswire*)

> **Tristar Equine Marketing, LLC** announced it is voluntarily recalling all lots of Gastrotec (omeprazole and misoprostol), previously marketed by Tristar as an OTC drug for use in horses. Gastrotec is not approved by the FDA; consequently, Tristar has ceased all production and sales of Gastrotec and is recalling the product. (*FDA*)

> **Phillips Pet Food and Supplies** announced it has acquired **Dizzy Dogg**, a distributor in the Chicago market. Financial terms were not disclosed. (*Pet Age*)

> ISRAEL **Allflex** announced its acquisition of **SCR Engineers Ltd.**, a company headquartered in Netanya, Israel, that is known throughout the world for cutting-edge livestock-monitoring and intelligent milking solutions. SCR will operate independently, as part of the Allflex Group. Financial terms were not disclosed. (*company press release*)

> GERMANY **Qiagen N.V.** announced it is providing a broad range of advanced testing solutions for veterinary laboratories and agencies to combat influenza A in poultry. The virotype Influenza A

assay kit enables detection within just two hours of the RNA for the 16 HA and nine NA subtypes of the virus in poultry and swine samples, including the highly pathogenic H5N8 subtype. (company press release)

ANIMAL HEALTH NEWS

> ITALY - AVIAN INFLUENZA Italy has reported an outbreak of the highly pathogenic H5N8 avian influenza virus on a turkey farm in the northeastern part of the country near Venice. More than 1,200 birds were found dead from the virus; control measures will be applied in the restriction zones established. (Reuters)

> US - AVIAN INFLUENZA Washington state has confirmed two cases of avian influenza in wild birds near the Canadian border. The cases were a captive falcon with the H5N8 strain of avian flu, and a wild duck with the H5N2 strain. Neither virus has been found in commercial poultry in the US. (Bellinghamherald.com)

> VIETNAM - AVIAN INFLUENZA There have been sizeable outbreaks of highly pathogenic avian influenza (HPAI) in south East Vietnam. The H5 outbreaks resulted in the deaths of 447 chickens out of susceptible flocks of 1,207 birds. Quarantine controls have been implemented and farms disinfected. According to the official Vietnam News Agency a vaccination strategy has been implemented in the region. (Animal Pharm)

> US - BRUCELLOSIS Montana state livestock officials reported two cases of brucellosis in cattle from different herds in the past two weeks. Both herds have been quarantined. (Idahostatejournal.com)

> US - COMPOUNDING ADVISORY COMMITTEE The FDA announced the membership of the Pharmacy Compounding Advisory Committee. The committee is comprised of 14 members - 12 voting and two non-voting - who will provide advice on scientific, technical and medical issues concerning drug compounding under sections 503A and 503B of the Federal Food, Drug, and Cosmetic Act. (FDA)

BRASSE CONSULTING, INC. MARKET RESEARCH

Look Before You Leap

Depend on Brasse Consulting to build a market study to meet your company's needs, whether it is:

- Assessing the feasibility of a new product or technology
- Identifying the opinions and trends of veterinarians, pet owners or producers
- Determining the current market for products

With our in-house database of veterinarians and the ability to custom-tailor surveys of a wide variety of target audiences, we provide reliable insights into this unique industry. We also produce multi-client reports in a number of high-interest animal health market areas. For more information, see our website or call our Dallas office at 972-243-4033.

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BRAKKE CONSULTING VIEWPOINT

As we close out 2014, most of the stories making headlines are small, medium and large acquisitions or new product launches. The only questions that remain regarding consolidation is who is next and when? Will there be another mega-merger of large animal health companies in 2015? While one might think not, I would not place any bets against it.

The appetite for investments in the animal health, veterinary and pet businesses continues to drive higher values of all the firms serving the industry. While most executives in our recent executive survey thought the increasing interest in the market by financial firms was positive for the industry, they all commented that it was costing more to acquire companies or products. We will be sharing additional insights from our industry executive interviews in our 2015 Animal Health Industry Overviews. We think you'll find it interesting!!

Have a great holiday season!!

Ron Brakke

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