
**Brakke Consulting's
Animal Health News & Notes for April 14, 2017**
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Zoetis (Witness Lepto)
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**BRAKKE CONSULTING, INC.
US ANIMAL HEALTH INDUSTRY WEBINAR
APRIL 19, 2017
LAST DAY TO REGISTER IS MONDAY, APRIL 17**

Brakke Consulting, Inc. will present a two-hour webinar entitled “What’s Driving the U.S. Animal Health Industry” on Wednesday, April 19 from 10 am - 12 pm CDT.

Presented by senior consultants John Volk and Cary Christensen, DVM, the two-hour presentation will include a review of industry performance over the last year, comments on leading companies, plus current issues impacting industry and the veterinary profession. The webinar will also provide insights on factors affecting both the food animal market and companion animal market and key findings from several recent studies. The webinar is interactive; participants will have the opportunity to ask questions.

The cost of registering for the webinar is \$395 per person. The deadline for registering is Monday, April 17.

To register, go to www.BrakkeConsulting.com and scroll to the “What’s New” box.

www.BrakkeConsulting.com

COMPANY EARNINGS RELEASES

- **Virbac** reported results for the first quarter of 2017. Consolidated sales were EUR 200 million (\$215 million), down 5.5% compared to the same period in 2016 (-8% at constant parities). In the US, activity was down in the first quarter by 42%; this impact was expected and is related to the destocking by distributors of the products sold by the Group at the end of 2016. *(company website)*
- India's **Himalaya Drug Company** reported financial results for its most recent fiscal year. Animal health revenues were Rs 100 crore (\$15 million) from four categories: aquaculture (11%), companion care (12%), livestock (44%), and poultry (33%), representing growth of 30%. *(Deccanherald.com)*

COMPANY NEWS RELEASES

- **Zoetis Inc. and Nexvet Biopharma plc** announced an agreement in which Zoetis will purchase Nexvet, an innovator in monoclonal antibody therapies for companion animals, for a purchase price of \$6.72 per share, representing an aggregate equity valuation of approximately \$85 million. This per share consideration represents a 66% premium over Nexvet's closing price on April 12, 2017. *(company press release)*
- **Zoetis** announced the launch of Witness Lepto, a rapid, point-of-care test for canine leptospirosis as early as four days after infection. Witness Lepto is the first point-of-care test available in the US for specific detection of anti-Lepstospira immunoglobulin M (IgM) antibodies to four of the most common serovars — Canicola, Grippotyphosa, Icterohaemorrhagiae and Pomona — affecting dogs. *(company press release)*
- **Zomedica Pharmaceuticals** announced it has raised C\$ 4.35 million (\$3.27 million) from its second tranche of equity funding. This additional investment brings the company's total proceeds from the round to C\$ 5.54 million, which will be used to bring its fledgling pipeline to fruition. *(Animal Pharm)*
- **HIPRA** announced plans to build its North American headquarters on Rowan University's South Jersey Technology Park in New Jersey. The company says it will build out 375,000 square feet of space in several phases. *(pressofatlanticcity.com)*
- Smithfield Foods Inc. announced the launch of **Smithfield Bioscience**, a new strategic platform within the organization that leverages byproducts from the meat production process for the development of pharmaceuticals, nutraceuticals and medical device solutions. Smithfield currently sells byproducts to pharmaceutical and nutraceutical companies; Smithfield Bioscience will expand upon these efforts. *(Feedstuffs)*
- **AgTech Accelerator** announced a \$5 million Series A investment into **Skyline Vet Pharma, Inc.** Skyline Vet Pharma uses proven, in-licensed delivery technologies to reformulate known drugs not yet approved for use in animal health. *(Business Wire)*
- **VitusVet** announced the launch of its veterinary communication package including VitusVet Connect, a text and picture messaging feature, along with its targeted email campaign tool. VitusVet Connect integrates to most practice management software and is built specifically for veterinary messaging, allowing staff to use personal devices without disclosing their phone numbers to clients. *(Benzinga.com)*
- **How I Met My Dog** announced the launch of their online service matching adopters and individual dogs using an algorithm based on knowledge and experience from the company's

team of animal behaviorists, trainers and animal welfare experts. The website is launching first in New England with plans to roll out nationally throughout 2017. The service includes rescue and shelter dogs as well as dogs that need to be re-homed by private families. (*Pet Business*)

ANIMAL HEALTH NEWS

- **US - GMO REGULATION** The FDA is issuing draft revised Guidance for Industry #187, Regulation of Intentionally Altered Genomic DNA in Animals, to clarify how developers of animals produced using emerging technologies, including genome editing, may meet applicable statutory and regulatory requirements. The FDA encourages public comments on draft revised guidance #187 as well as on several questions the agency posed in the notice of availability announcing the guidance in the Federal Register. To electronically submit comments to the docket, visit www.regulations.gov and use docket number FDA-2008-D-039. The public comment period has been extended to June 19, 2017. (*FDA*)
- **US - AQUACULTURE** The USDA's National Institute of Food & Agriculture (NIFA) announced \$1.2 million in available funding for aquaculture research projects in the areas of genetics, disease, production systems and economics. The funding is made through NIFA's Aquaculture Research Competitive Grants Program. Applications are due by 5 p.m. (EDT) on May 17. (*Feedstuffs*)
- **US – JOHNE'S RESEARCH** Researchers at the University of Tennessee have identified a more sensitive test for detecting the early stages of Johnne's disease in cattle. Using mathematical models and statistical simulations, the researchers found that a macrophage-based test could be a better marker for paratuberculosis infections. The research was published March 20 in *Nature's Scientific Reports*. (*Feedstuffs*)

BRAKKE CONSULTING, INC. ANIMALHEALTHJOBS.COM Hiring Hotspots

From time to time, we will be highlighting functions, disciplines, and job categories that have increased interest on the part of the companies using our web site. Right now, at least two major companies are looking for experienced regulatory personnel, some at management levels. The concern with new products carries over to direction of product development and R&D project management. Finally, the dairy segment is in need of people with both sales and technical skills. View our complete listings at:

www.AnimalHealthJobs.com

BRAKKE CONSULTING VIEWPOINT

There are some interesting stories in the news this week as we all prepare for a long holiday weekend. There were two early stage company financings announced, as well as the purchase of one of the recent IPO companies by the world's largest animal health company. The purchase of Nexvet again demonstrates the challenges of taking a company from early stage technology through successful product commercialization. The cost and time required to move technology through the regulatory process requires a large and solid balance sheet. We're of the opinion that this trend will continue for the foreseeable future. Those firms with large market shares and cash will continue to consolidate those firms that do not have the financial depth for success.

This Saturday, April 15th, Brakke Consulting will be celebrating its 31st year of serving the animal health, pet, veterinary and nutritional markets. No way does it seem that long ago that I paid my income tax and then filed the “doing business as papers” for what is today Brakke Consulting, Inc. During the past 31 years the industry has changed significantly with new and exciting challenges occurring every week.

Brakke Consulting would not exist today if it were if it were not for our many loyal clients and dedicated consultants. Several of our consultants have served the industry as a Brakke Consultant for more than 20 years. Thanks to each of them for their current and past service to the firm and the industry. On to the next 30 years!

We want to wish each of our readers a wonderful and safe Easter and Passover weekend!

Ron Brakke

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