
**Brakke Consulting's
Animal Health News & Notes for April 30, 2010**
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**BRAKKE CONSULTING, INC.
EXECUTIVE RECRUITING SERVICES**

Since 1986 Brakke Consulting, Inc. has successfully assisted many clients in acquiring exceptional employees at all levels, in the many departments of animal health, pet, veterinary and specialty chemical companies.

We pre-qualify candidates, allowing clients to choose from a few of the best applicants for a position. Our approach increases the efficiency and effectiveness of the Human Resources Departments of client companies. For more information, visit us at www.BrakkeConsulting.com

COMPANY EARNINGS RELEASES

> Sanofi-aventis reported results for the first quarter of 2010. **Merial** recorded first quarter net sales of \$724 million, up 6% compared to the first quarter of 2009 (1% on a constant exchange rate basis).

> **Bayer** reported results for the first quarter of 2010. Animal Health sales increased 14% to EUR 259 million (\$348 million). Sales of Advantage grew 14%, resulting mainly from the first-time use of a new distribution channel in the US; sales of Baytril grew 9%. (*company website*)

> **Vétoquinol** reported results for the first quarter of 2010. Revenue totaled EUR 64.5 million (\$87 million), an increase of 13% over the same period in the preceding year. The increase in sales was driven by sustained organic growth and the contribution of its Indian acquisition. (*company website*)

> Colgate-Palmolive Company announced results for the first quarter of 2010. **Hill's Pet Nutrition** sales grew 2% during the quarter to \$516 million. Unit volume decreased 2%, pricing decreased 0.5% and foreign exchange was positive 4.5%. (*company press release*)

> **ABAXIS**, Inc. reported financial results for the fiscal year ended March 31, 2010. Veterinary market sales for the year were \$92 million, up 25% year-over-year. (*company press release*)

> The **Provimi Group** reported its 2009 annual results. Revenues decreased by 22% to EUR 1,687 million (\$2,417 million), impacted by raw materials trends, acquisitions and divestments, and unfavorable exchange rates. Volumes in the Animal Nutrition business decreased by 10% in complete feed and by 11% in premix and specialties; volumes in the Pet Food business increased by 9% compared to 2008. (*company press release*)

> **VCA Antech**, Inc. reported financial results for the first quarter ended March 31, 2010 as follows: revenue increased 5% to a first quarter record of \$331 million; gross profit increased to \$82.8 million. Animal hospital revenue in the first quarter increased 4% to \$247 million driven by acquisitions made in the past twelve months; Laboratory revenue in the first quarter increased 0.4% to \$78 million. (*company press release*)

> **Ridley** Inc. reported its financial results for the third quarter of fiscal 2010 ended March 31. Revenue of \$142 million in the third quarter of fiscal 2010 was higher by \$0.8 million from the same period last year. Net earnings were \$2.5 million compared with \$3.5 million in the same period of fiscal 2009. (*company website*)

COMPANY NEWS RELEASES

> **Webster Veterinary** announced it has discontinued its Companion Animal Health relationship with **Bayer Animal Health** and will no longer represent this product line. (*company press release*)

> King Pharmaceuticals Inc announced that it has completed its review of its **Alpharma Animal Health** business and has determined that it will not alter its current structure. In January, King had said it was conducting a review of the business unit, looking at its potential value and overall strategic position. (*Reuters*)

> **KMG Chemicals**, Inc. announced that it has signed a distribution agreement with **R&D LifeSciences** to distribute RDL's product line of farm animal feed additives in North and South America. RDL's product line includes Zymace, Lactomace and Protomace. (*Business Wire*)

> **Veterinary Products Laboratories** announced the introduction of Duralactin Canine and Feline Liquid, a highly palatable liquid for cats and small dogs that combines the benefits of MicroLactin dried milk protein with the added effects of fatty acids. (*company press release*)

> **AgriLabs** announced it has acquired the exclusive sales, marketing and distribution rights for **American Animal Health's** Pulmo-Guard family of *Pasteurella* cattle vaccines. Financial terms were not disclosed. *(company press release)*

> **NORWAY Intervet/Schering-Plough Animal Health** announced that the Oslo District Court has ruled that its Pancreatic Disease (PD) patent NO 317.547 is valid and infringed by **Pharmaq AS**. Intervet/Schering-Plough's NORVAX Compact PD, an inactivated virus vaccine against Pancreatic Disease for intraperitoneal injection in Atlantic salmon, is the only approved vaccine against this disease that is available on the market. *(company press release)*

ANIMAL HEALTH NEWS

> **INDIA - CANINE BLOOD BANK** India has opened the country's first blood bank for dogs in Chennai at the Tamil Nadu Veterinary and Animal Sciences University. The University said 28 owners had already registered their dogs for donation. *(AVMA SmartBrief)*

> **US - VETERINARY LEGISLATION** Two US Senators have introduced a bipartisan bill that would formally establish a chief veterinary officer in the Department of Homeland Security; a companion bill has been introduced in the House. According to its sponsors, the bill strengthens DHS' food defense and agricultural security capacity and ability to respond to a crisis related to veterinary health by ensuring that there is a veterinary leader within the department who is fully prepared and empowered to respond. The bill specifies formal qualifications and responsibilities for the chief veterinary officer and does not create an additional layer of management within DHS. *(Feedstuffs)*

BRASSE CONSULTING VIEWPOINT

It continues to look like we're off to a good start in 2010 according to companies reporting thus far. As mentioned at a recent meeting, we're also observing a significant increase in the hiring area. It appears that animal health is currently exceeding other industries in job growth. That is particularly positive because of the recent and pending mergers that have or will occur; those qualified individuals who might have been restructured out of an organization should have a number of position options available to them.

With the weather heating up in most parts of the country the flea and tick season will soon be in high gear. This should create some interesting market share fights including channel switching to watch this summer. As mentioned in other venues we think most of the other major product categories in 2010 will be static with some minor growth in unit volume.

Have a great weekend!!

Ron Brasse

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