
**Brakke Consulting's
Animal Health News & Notes for May 8, 2009**
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COMPANY EARNINGS RELEASES

> **Vétoquinol's** revenue for the first quarter of 2009 reached EUR 57.1 million (\$75 million), an increase of 4% over the first quarter of 2008. Business activity benefited from the acquisitions made in 2008 in Italy and Scandinavia. When both exchange rates and the scope of business are held constant, sales fell by 2%. (*company website*)

> **ImmuCell Corporation** announced results for the three-month period ended March 31, 2009. Product sales decreased by 10% to \$1,460,000 in comparison to the same period in 2008. The net loss was \$(35,000) in contrast to net income of \$78,000 during the same period in 2008. (*company press release*)

> **Animal Health International, Inc.** announced that net sales declined 12% to \$151 million for the three months ended March 31, 2009. Net loss for the quarter was \$(0.3 million); last year, net income for the third quarter was \$1.9 million. (*company website*)

> **Central Garden & Pet** Company announced results for its second quarter ended March 28, 2009. Fiscal second quarter net sales for the Pet Products segment were \$229 million, a decline of 1% compared to the fiscal 2008 period. (*Business Wire*)

> **Nutreco** reported a 7% fall in first-quarter revenue due to lower demand for feed and lower sales prices. Revenue in the period was EUR 1.04 billion (\$1.36 billion), compared with EUR 1.12 billion a year ago. *(Animal Pharm)*

> **Novozymes** results for the first quarter of 2009. Revenue was 5% up over the same period of last year, at DKK 2.13 billion (\$378 million). The feed enzymes business contributed DKK 197 million (\$35 million) to turnover, a 7% rise over the first quarter of 2008. *(Animal Pharm)*

> **Evalis** reported results for the third fiscal quarter. Revenues for the quarter were EUR 247 million (\$326 million), an increase of 5% compared to the comparable period in the prior year. *(Business Wire)*

> **Spectrum Brands** announced results for the second quarter ended March 29, 2009. The Global Pet Supplies Segment reported net sales of \$142 million, down 4% from the same period of last year. Companion animal sales were up 13.5% while aquatics sales declined 12.5%. *(company website)*

> **Tyson Foods Inc.** reported a loss of \$(104 million) in its second fiscal quarter ended March 28 compared with a loss of \$(5 million) in the year-earlier quarter. Overall sales in the second quarter decreased to \$6.31 billion from \$6.34 billion. *(Meating Place)*

COMPANY NEWS RELEASES

> **Pfizer Animal Genetics** announced it has moved its DNA testing facilities, Customer Service and administration from Harahan, Louisiana, to new, custom-built facilities in Kalamazoo, Michigan, the headquarters of Pfizer Animal Health's Veterinary Medical Research and Development. *(company press release)*

> **Teva Animal Health** announced the retirement of Fintan Molloy as President and CEO effective May 1. David Cunningham has been promoted to President and CEO of Teva Animal Health. Mr. Cunningham joined Teva AH in November 2008, most recently serving as Executive Vice President. *(company press release)*

> **Neogen Corporation** announced it has acquired **International Diagnostic Systems Corp.** (IDS), a leading developer, manufacturer and marketer of test kits to detect drug residues in food and animal feed, and drugs in forensic and animal samples. IDS has distribution in the US, France, Italy, Spain, Germany, and China, and recorded revenues of approximately \$2 million in its most recently completed fiscal year. Terms of the acquisition were not disclosed. *(PRNewswire)*

> **Veterinary Products Laboratories** announced the launch of Thrush-XX Thrush Treatment Aid Aerosol to treat equine thrush. The unique spray applicator provides a consistent, even spray pattern that eliminates the mess associated with traditional treatments. *(company press release)*

> **MWI Veterinary Supply** and **Vetstreet** announced a partnership to provide veterinarians with their own proprietary online stores, to enable them to compete with online retailers. *(company press release)*

> **Webster Veterinary Supply** announced the release of DIA Reception, which is integrated with Lifelearn client handouts. Pet owners can watch pet health videos and review handout content in the reception area or exam room and then e-mail themselves a handout to review at home later. *(company press release)*

> **Lucky Litter** LLC announced it has changed its name to **Brilliant Pet** to allow the company to expand its product line beyond litter boxes and into a wider range of pet care products. (*Pet Business*)

ANIMAL HEALTH NEWS

> US - NATIONAL PET WEEK May 3 - 9 is National Pet Week in the US. The American Veterinary Medical Association (AVMA) and the Auxiliary to the AVMA created the holiday of sorts in 1981 to promote responsible pet ownership, celebrate the human-animal bond, and promote public awareness of veterinary medicine. (*BaltimoreSun.com*)

> CANADA - SWINE FLU Canada has reported the world's first case of 2009 H1N1 flu jumping to pigs from a human, and health officials there speculate that it may have been caused by a farm worker in Alberta who became ill after a trip to Mexico. Canadian Food Inspection Agency reported that about 10% of the Alberta farm's 2,200 pigs showed symptoms of the same H1N1 strain. The herd has been placed under quarantine, and there is no risk to the food supply, CFIA said. CFIA also stressed that the chance that the pigs could transfer the virus to a person is remote. (*Meating Place*)

> US - SELENIUM OVERDOSE IN POLO PONIES The 21 polo ponies that died at the US Open Polo Championship in Wellington, FL two weeks ago most likely succumbed to an overdose of selenium, used to help muscles recover after strenuous exercise. The source of the toxic overdose appears to be supplement injections, prepared by **Franck's Pharmacy**, that the horses received a few hours before they began falling to the ground. (*Scientific American*)

> US - NAIS Only one-third of cattle, hog and poultry farmers are enrolled in the voluntary livestock traceback system intended as a primary US defense against BSE and other diseases, according to the USDA Chief Veterinarian. To be effective, participation must be at least 70%. USDA will tour the country over the next several months to help it answer questions such as whether traceback should be mandatory or voluntary, who should control the data and who should pay for the program. (*Reuters*)

> US - CANCER RESEARCH Researchers at North Carolina State University are investigating genistein, a compound found in the soya bean, as a way of treating canine cancers more effectively. A team of researchers found that a commercially available form of the molecule, genistein combined polysaccharide (GCP), was able to kill canine lymphoid cells in the laboratory. The study was published in *Clinical Cancer Research*. (*Animal Pharm*)

BRAKKE CONSULTING VIEWPOINT

Most of the companies reporting this past week continued the trend of negative results for the first quarter. It's a tough time in the marketplace and with the uncertainty generated by the two large pending mergers, there seems to be a lot of decisions being put on hold. We appreciate those firms that have continued to expand their marketing and research during this period. We believe these investments will pay off and you'll be winners in the long run.

The best news of the week was that the H1N1 flu scare seems to be subsiding here in the US (at least in Texas). Many of the students in our area enjoyed another spring break! Did we learn any lessons from this one? We think that it does add credibility to the need for closer cooperation between the human and animal organizations on common health issues. It may put more wind in the sails of the One Health Initiative of the AVMA & AMA.

Next week I'll be on the East Coast attending the Agricultural Animal Alliance meeting, as well as making a couple of additional stops to see clients. If your company does not have a

representative attending the Alliance meeting, there is still time to register at www.animalalliance.org. If you sell products or services to producers of animal protein you need to be supportive of this organization's efforts. In 2007 it's reported that animal welfare groups collected over \$300 million in gifts and we assume the number was at least that large in 2008.

Have a great weekend!!

Ron Brakke

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