
**Brakke Consulting's
Animal Health News & Notes for May 2, 2014**
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Editor: Lynn Fondon DVM MBA

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**BRAKKE CONSULTING, INC.
VETERINARY PRACTICE MANAGEMENT**

Veterinary CE Seminars – Providing Value-added Service to Your Customers

Is your company is looking for new ways to increase your exposure to current and prospective veterinary customers? Practice Management Consultant Jessica Lee of Brakke Consulting speaks on a wide array of topics that can provide added value to your veterinary customers.

Jessica will be speaking at CVC East in Washington DC on Friday, May 9th on a variety of practice management topics.

Jessica also regularly publishes articles in leading veterinary publications. You can read her article for *Veterinary Team Brief* on talking to clients about vector-borne diseases at <http://www.veterinaryteambrief.com/article/ticks-vector-borne-diseases-conversation-opportunities-clients>.

For more information on how to book Jessica for speaking engagements, contact her at jglee@brakkeconsulting.com or 919-444-3279.

www.BrakkeVPMG.com

COMPANY EARNINGS RELEASES

> **Merck** reported results for the first quarter of 2014. Animal Health sales totaled \$813 million, a 3% decrease compared with the first quarter of 2013, including a 3% negative impact due to foreign exchange. Excluding sales of Zilmax, sales of which were suspended by Merck in 2013, Animal Health sales increased 5% in the first quarter, driven by higher sales of poultry, swine and aqua products. (*BusinessWeek.com*)

> Sanofi reported results for the first quarter of 2014. Sales for animal health division **Merial** totaled EUR 517 million (\$710 million), a decline of 2% compared to the first quarter of the prior year. (*company website*)

> **Bayer** reported financial results for the first quarter of 2014. Animal Health Division sales were EUR 330 (\$454 million), a 1% increase compared to the first quarter of 2013. Sales rose by 8% when foreign exchange & portfolio adjusted. (*company website*)

> **Kyoritsu Seiyaku** announced results for the fiscal year ended May 2013. Total sales were ¥ 40.2 billion (\$470 million), an increase of 8.3% to compared to 2012. (*Animal Pharm*)

> **Nutreco** reported results for the first quarter of 2014. The company posted revenue of EU 853 million (\$1.18 billion), an increase of 8% compared to the first quarter of last year. Fish feed revenue increased by 27% to EUR 415 million, while revenues for the animal nutrition segment were EUR 439 million, a decrease of 5%. (*Animal Pharm*)

COMPANY NEWS RELEASES

> **Zoetis** announced the addition of Hoof-Tec footbath products to its dairy wellness portfolio. (*Feedstuffs*)

> **TyraTech** announced the US launch of Natunex, a new line of non-toxic biocides that provides insect control in livestock and production animal facilities. The active ingredients in Natunex are plant-derived essential oils that have natural insecticidal properties. Natunex will be distributed by **Novartis Animal Health US**. (*Interactive Investor*)

> **iM3 Inc.** announced the launch of the Revolution 4DC dental radiography system for veterinarians. (*Veterinary Practice News*)

> **Scanostics** announced the launch of Petnostics, a patented urine-collection cup for dogs and cats. The cup has colorimetric chemical test strips on the lid that change colors when used. Once a sample is collected in the cup, the lid screws on, and the top can then be scanned via a free iOS app available from the Apple App Store. Results are then shown, instantly. The test strips are the same type as those used in veterinary clinics. (*BusinessWire*)

> **Integrated Environmental Technologies** Ltd announced that it has received EPA approval to market Excelyte VET, a nontoxic disinfectant for veterinary use. Excelyte VET is approved to fight 16 pathogens, including canine distemper, parvovirus, and kennel cough. (*Veterinary Practice News*)

> **Equashield** announced the launch of SU-1, a closed-system syringe unit designed for use in animal cancer patients. (*Veterinary Practice News*)

> **JBS United** Inc. announced that it has acquired substantially all of the assets of **JLM Enterprise** Inc., an industry leader in silage inoculants and feed additives for the dairy industry. JLM owns the Silage Maker and Yeast N More product lines. Financial terms were not disclosed. (*Feedstuffs*)

> The **WH Group** Ltd. has abandoned its initial public offering (IPO) plan to raise \$1.9 billion via the Hong Kong Stock Exchange to reduce debt incurred after purchasing US pork company Smithfield Foods Inc. last year. After negative response from investors, the company decided to delay the IPO without releasing a timetable for future actions. (*Feedstuffs*)

> **Harris Teeter** announced that it began labeling its Reserve Angus beef brand with the USDA Certified Very Tender label in its stores starting April 23. **Cargill Meat Solutions**, Harris Teeter's supplier of its private label Reserve Angus Beef, was the first processor to have its tender program certified by USDA. (*Feedstuffs*)

ANIMAL HEALTH NEWS

> **US - AVIAN INFLUENZA** Low-pathogenic avian influenza was detected in a quail flock at a farm in California. The case was confirmed by the federal agriculture agency, and the farm has been quarantined. Veterinarians are humanely euthanizing birds at the farm as called for in established protocols, which also include epidemiological investigations, further testing of any at-risk flocks, and communication with other poultry farms to ensure that the disease is contained. (*Bloomberg.com*)

> **JAPAN - PEDV** Japanese veterinary authorities have reported 418 outbreaks of Porcine Epidemic Diarrhea (PEDV) as of April 24 to the World Organization for Animal Health (OIE). The direct source of PEDV infection remains unknown. The following measures are being applied: movement control inside the country; disinfection of infected premises/establishment(s); no vaccination; supportive care for affected animals. (*ThePigSite.com*)

BRAKKE CONSULTING VIEWPOINT

Last week, we noted that the merger of Elanco and Novartis would result in a company with combined sales of \$3.3 billion. We neglected to include the impact of Elanco's previously announced acquisition of Lohmann Animal Health, which would add an estimated \$350 million in revenues. This would give the new Elanco over \$3.67 billion in sales, making it the #2 company worldwide and consolidating 50% of the animal health market in the hands of the top 3 companies!

I spent the past few days at the AVDA meeting in Phoenix, where the program was excellent. Congratulations to the AVDA board in putting together an excellent program of speakers, food, etc. It's always exciting to establish new industry relationships and renew others. Sometimes we all work too hard in achieving the current budget and forget about the excellent qualities and attitudes of the individuals involved in the animal health industry.

Have a great weekend!

Ron Brakke

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Brakke Consulting, Inc.
12005 Ford Rd., Suite 530
Dallas, TX 75234 USA