
**Brakke Consulting's
Animal Health News & Notes for June 28, 2013**
Copyright © Brakke Consulting, Inc.

Editor: Lynn Fondon DVM MBA

IN THE NEWS:

[Brakke Consulting news
transaction assistance](#)

[earnings news
Del Monte](#)

[other news
Aratana Therapeutics
Astro Manufacturing
Elanco
Hendrix Misr
Heska
Huvepharma
JBS United
KoVax
Milburn Equine
Novartis
Nutreco
Patterson
Ruff Dawg
Virbac
Zoetis](#)

**BRAKKE CONSULTING, INC.
TRANSACTION ASSISTANCE**

Let Brakke Consulting provide assistance for all your complicated transactions.

In the past few years, Brakke Consulting has been the finder of record, agent of record or consultant for a number of successfully completed projects. We assist with valuations and provide due diligence on confidential transactions as well as offering executive counsel on a number of potential transactions.

Brakke Consulting has the experience, insight, ability and contacts to provide clients with the highest quality services in the animal health, pet, veterinary and specialty chemicals markets. Please contact any of our offices for a confidential consultation.

www.BrakkeConsulting.com

COMPANY EARNINGS RELEASES

> **Del Monte Foods** reported net sales for the fourth quarter fiscal 2013 ended April 28. Pet Products net sales were \$507 million, an increase of 3% from net sales in the prior year period. *(Business Wire)*

COMPANY NEWS RELEASES

> **Zoetis** animal health announced it has completely separated from former parent company Pfizer. Pfizer reported it accepted shares of its own stock in exchange for all of its nearly 401 million shares of Zoetis common stock, according to the preliminary results of its exchange offer. *(NJ.com)*

> **Heska Corp.** announced the sale of certain non-core assets useful for the production of both bovine and feline vaccines to **Elanco Animal Health**. Heska said it does not anticipate any change in its current bovine and feline vaccine production at its wholly-owned facility in Des Moines, Iowa, as a result of the agreement with Elanco. Financial terms were not disclosed. *(Feedstuffs)*

> **KoVax**, a Jerusalem-based biotechnology business, announced a lawsuit against **Novartis Animal Health** over a distribution agreement for an aquaculture vaccine. KoVax alleges the KV3 vaccine, which protects against Koi herpesvirus, was not fully supported by Novartis in the US. Furthermore, KoVax alleges that Novartis did not purchase a minimum quantity of vaccines as specified in the agreement. *(Animal Pharm)*

> **Aratana Therapeutics**, Inc. announced the pricing of its initial public offering of 5,750,000 shares of its common stock at a price of \$6.00 per share. The shares are expected to begin trading on The NASDAQ Global Market on June 27, 2013 under the ticker symbol "PETX." All of the common stock is being offered. *(company press release)*

> **Huvepharma** announced it has acquired the global rights for the OptiPhos phytase feed enzyme from the Enzyvia, a subsidiary of **JBS United**. The transaction includes all related patents, intellectual property, trademarks, global regulatory registrations, and production assets. Huvepharma previously distributed OptiPhos in the Middle East, Europe, Africa and Asia. Financial terms were not disclosed. *(Animal Pharm)*

> **Patterson Veterinary** announced that the name of its equine business will be transitioning from **Milburn Equine** to Patterson Veterinary Equine Division. *(company press release)*

> **Ruff Dawg** announced it has acquired **Astro Manufacturing Co.** Financial terms were not disclosed. *(Pet Product News)*

> EGYPT **Nutreco** announced it has completed the acquisition of the remaining 67% of shares held by its partners in its Egyptian participation **Hendrix Misr**. Nutreco entered the Egyptian market in 2001 by acquiring 33% of Hendrix Misr. Hendrix Misr is Egypt's market leader in extruded fish feed and a leading producer of poultry feed concentrates. Financial terms were not disclosed. *(Feedstuffs)*

> AUSTRALIA **Virbac** announced the opening of a new vaccine research facility at its Penrith premises in Sydney, Australia. The A\$10 million (\$9.1 million) investment in the VIVID center on the site is designed to research and develop new veterinary vaccines and bring promising candidates to market sooner. *(Animal Pharm)*

ANIMAL HEALTH NEWS

> US - WEST NILE VIRUS A horse in Texas has tested positive for West Nile virus (WNV), the first equine WNV case reported in the US this year. Only nine states (Alaska, Delaware, Hawaii, Kansas, Maine, New Hampshire, Rhode Island, Vermont, and West Virginia) remained equine WNV-free in 2012. (*Vet Advantage*)

> US - CONTRACEPTIVE VACCINE A collaboration between the USDA National Wildlife Research Center and Spay First is studying the use of the contraceptive vaccine GonaCon in wild dogs on Indian reservations. Veterinarians will capture 300 wild female dogs and administer GonaCon; the animals will also be microchipped, collared and tattooed before being released. They'll be recaptured after a year to assess their response to the vaccine. (*AVMA SmartBrief - USA Today*)

> US - FIP RESEARCH Researchers at Cornell University's College of Veterinary Medicine have found a consistent subset of mutated proteins present when feline enteric coronavirus (FECV), a common benign intestinal virus, mutates into the deadly FIP virus. The discovery unlocks the door to developing effective diagnostics, preventions and therapies for FIP in cats. The research will be published in *Emerging Infectious Disease* in July. (*AVMA SmartBrief - Cornell Chronicle*)

> US - BRD RESISTANCE A survey of records of bovine respiratory disease (BRD) cases at the Kansas State Veterinary Diagnostic Laboratory showed that drug resistance in *Mannheimia haemolytica*, one of the primary pathogens that cause BRD, has increased over a three-year period. Researchers found that 63% of *M. haemolytica* bacteria recovered from cattle lungs were resistant to at least three of the six antimicrobial drugs typically used to treat that pathogen, compared with 42% two years previously. The researchers also found, however, that no specimens were resistant to all six antimicrobial drugs. (*Feedstuffs*)

> JAPAN - FMD DIAGNOSTICS The Japanese National Institute of Animal Health (JNIAH) has developed a new diagnostic technology for foot-and-mouth-disease (FMD) viruses that is six times as sensitive as the traditional test method. The JNIAH research claims to be able to detect FMD viruses such as subtypes O, A, C and Asia 1 at high sensitivity levels of up to 87%. (*Animal Pharm*)

> US - FMD DIAGNOSTICS USDA's Agricultural Research Service (ARS) scientists have developed a new cell line that rapidly and accurately detects foot-and-mouth disease virus (FMDV). The research was published online in the *Journal of Clinical Microbiology*. (*Vet Advantage*)

BRAKKE CONSULTING VIEWPOINT

There were two things in the newsletter that caught my eye this week. The first is the contraceptive vaccine for use in dogs that will be tested in the field this year. One unresolved problem in animal health is the overpopulation of both dogs and cats in wild and domestic environments. A chemical or vaccine solution to the overpopulation problem has been a challenging technical issue. Maybe this or another technology will assist in solving this problem not only in the US but around the world in the near future.

The other item was the three separate developing technologies in the diagnostics area. We continue to believe that improved diagnostics will play an important role in improving the health of all animal species in the future.

The past three weeks I have been in Europe for some vacation and business meetings. It was great to have the opportunity to visit a number of our clients at their facilities. Thanks to each of

you for your hospitality; I enjoyed the food, beverages and the conversations. I look forward to the next visit!

Have a great weekend!

Ron Brakke

Trouble viewing this newsletter? You can view it online at www.BrakkeConsulting.com

*This electronic newsletter is the sole property of Brakke Consulting, Inc.
Any use of the contents herein should be approved by and appropriately attributed to Brakke Consulting, Inc.*

For more information about Brakke Consulting's services and syndicated studies, visit our website at www.brakkeconsulting.com.

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