
**Brakke Consulting's
Animal Health News & Notes for August 12, 2016**
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BRAKKE CONSULTING, INC.
NEW REPORT COMING IN DECEMBER 2016:
New Strategies for Health and Performance in US Livestock and Poultry Production
Last week for early order discount

This new study from Brakke Consulting examines what changes producers are and will be making due to the loss of shared use antibiotics for growth promotion and the new Veterinary Feed Directive (VFD) effective Jan. 1, 2017. The study examines:

- Changes in production systems
- New approaches, technologies and products producers are adopting
- New feed additives they are considering
- Who and what most influence decision-making
- Quality of information and support from supplier companies
- How producers will measure results of changes

The cost of the study is \$16,000; companies that **order by Aug. 19** and pay by Sept. 20 earn a 10% early order discount. In addition, early order subscribers will have an opportunity to review the survey questionnaire in advance.

For a detailed prospectus or other additional information, contact John Volk at john@volkonline.com or (773) 327-4941.

www.BrakkeConsulting.com

COMPANY EARNINGS RELEASES

- **Ouro Fino Saúde Animale** reported results for the second quarter of 2016. Sales were R\$135 million (\$43 million), an increase of 1% compared to the prior-year quarter. Sales from its domestic companion animal products increased 16% to R\$18 million, but its core food animal segment declined 6% to R\$106 million. Second-quarter earnings before interest, taxes, depreciation and amortization (EBITDA) were R\$6.3 million compared to R\$18.9 million during the corresponding quarter last year. (*Animal Pharm*)
- **ImmuCell Corporation** announced financial results for its second quarter ended June 30, 2016. Total sales were \$2.4 million, an increase of 21% year-over-year. Net loss for the quarter was \$(9,000) compared to net income of \$94,000 during the second quarter of 2015, primarily attributable to an increase in selling, administrative and product development expenses. (*company press release*)
- **Kindred Biosciences, Inc.** announced financial results for the second quarter ended June 30, 2016. KindredBio reported a net loss of \$(4.9) million, as compared to a net loss of \$(6.9) million for the same period in 2015. As of June 30, 2016, KindredBio had \$66.3 million in cash, cash equivalents and investments. The company plans to launch its two lead product candidates by the first half of next year. (*company press release*)
- **Bioveta** reported results for the first half of 2016. Revenues totaled EUR 29.3 million (\$38 million), representing 26% organic sales growth. (*Animal Pharm*)
- **Balchem Corporation** reported results for the second quarter of 2016. The Animal Nutrition & Health segment sales were \$38.4 million, a decrease of 8% on a 4% increase in volumes compared to the prior year quarter. Earnings from operations for the ANH segment decreased 2% to \$7.3 million. (*Globenewswire*)

2016 KC Animal Health Corridor Events **August 29-30, 2016** **Kansas City, MO**

The KC Animal Health Corridor hosts a trifecta of exceptional industry events during Global Animal Health week this year.

Market Insight Seminar

August 29, 3:30 – 5:00 pm

click here for details <http://kcanimalhealth.thinkkc.com/events/market-insight-seminar>

Animal Health Corridor Homecoming Dinner

August 29, 5:00 – 9:00 pm

click here for details <http://kcanimalhealth.thinkkc.com/events/homecoming>

Animal Health Investment Forum

August 30, 7:30 am – 5:00 pm

Click here for details <http://kcanimalhealth.thinkkc.com/events/investment-forum>

COMPANY NEWS RELEASES

- **Zoetis Inc.** announced that it has completed the purchase of **Scandinavian Micro Biodevices**, a pioneer in developing and manufacturing microfluidic “lab on a chip” diagnostic analyzers and tests for veterinary point-of-care services for \$80 million. The company currently sells its QuickVet analyzer and test cartridges in international markets, and it supplies the VSpro line in North America to Abaxis through a distribution agreement. *(company press release)*
- **Boehringer Ingelheim Vetmedica** announced the launch of Ultra Hybrid FVRCP, a low-volume non-adjuvanted vaccine and, according to the company, the only combination vaccine with dual strain calicivirus shown to provide broad spectrum cross-neutralization of field isolates of feline calicivirus. *(Animal Pharm)*
- **Blue Buffalo Company** announced the launch of two new veterinary-exclusive therapeutic diets: KS Kidney Support for Dogs and KM Kidney + Mobility Support for Cats. *(Yahoo Finance)*
- **VetBiotek, Inc.** announced they have signed a four-year extension to its License Agreement with **Bio-Gate AG** through December 2022. The License Agreement grants VetBiotek the usage rights and the know-how for developing, marketing and selling products featuring MicroSilver BG, a silver powder made up of micronized particles of pure medical grade silver, for use in the veterinary channel. *(Vet-Advantage)*
- **Assisi Animal Health** announced the launch of The Assisi-Hero Loop-Aid, the company's first product in an accessory line targeted at enhancing treatment when using the Assisi Loop. *(company press release)*
- **Petco** announced it has redesigned a number of its stores to feature to encourage more interaction with employees and other pet owners. Among the new features: a concierge desk where customers can get advice on pet nutrition or training, or schedule grooming appointments and training classes; a demonstration area where customers can sample new products; and a “Critter Connection” area where customers can play with their pets and test supplies. *(Seattletimes.com)*
- CANADA **Modern Veterinary Therapeutics, LLC** announced that the Canadian Veterinary Drugs Directorate (VDD) has approved Cloprostenol Veyx SW (cloprostenol injection) for use in swine to induce farrowing in sows and gilts. *(company press release)*
- AUSTRALIA **Bayer Animal Health** announced that the Australian Pesticides and Veterinary Medicines Authority has approved Piranha Pour-On Lousicide (thiacloprid) for sheep. *(Animal Pharm)*
- AUSTRALIA **Elanco** announced that the Australian Pesticides and Veterinary Medicines Authority has approved Ovugel (triptorelin acetate) for the synchronization of time of insemination in weaned sows to facilitate a single fixed-time artificial insemination. *(Animal Pharm)*
- AUSTRALIA **Ceva Animal Health** announced that the Australian Pesticides and Veterinary Medicines Authority has approved Prilactone Tablets (spironolactone) for use in combination with standard therapy for the treatment of congestive heart failure caused by mitral valvular regurgitation in dogs. *(Animal Pharm)*

ANIMAL HEALTH NEWS

- DENMARK - AVIAN INFLUENZA Denmark has reported two outbreaks of avian influenza in the central western part of the country. A large outbreak of high pathogenic avian influenza H7N7 among ducks was reported a week ago; the same area has now reported an outbreak of low pathogenic avian influenza H5N2. (*Animal Pharm*)
- US - VETERINARY SCHOOLS The American Veterinary Medicine Association's Council on Education has voted to deny a finding of "reasonable assurance" for the University of Arizona's proposed School of Veterinary Medicine. The Council told the school's Dean that it has several concerns and specifically detailed each of them. The school plans to appeal the Council's decision, believing that it has already answered all the AVMA's questions in detail. (*Bizjournals.com*)
- US – SPAY/NEUTER GUIDELINES The Association of Shelter Veterinarians announced the publication of the 2016 Veterinary Medical Care Guidelines for Spay-Neuter Programs. The Spay-Neuter Task Force initially convened in 2006 and published their first set of guidelines in 2008; the 2016 update includes newly updated and expanded professional guidelines that encompass all aspects of the spay-neuter process. (*association press release*)
- WORLD - PROBIOTICS RESEARCH The FAO has conducted an investigation into the efficacy of probiotics in animal feed and found that they are effective in some cases, while in others their performance is highly variable. To read the full report, go to <http://www.fao.org/documents/card/en/c/e6232d34-e38e-4b4c-9a45-70fa75f7da23/> . (*Animal Pharm*)

BRAKKE CONSULTING, INC. STRATEGIC PLANNING SERVICES

Brakke Consulting is an excellent resource for your company's strategic planning. Some of the services we offer include:

- Reviewing revenue estimates and success probability of your product pipeline.
- Reviewing the timing of various new product introductions and estimate the impact of various scenarios.
- Benchmarking various functions against company competitors in the larger markets, which might include sales force size, technical services and/or R&D spending vs. sales.

Through strategic planning, Brakke Consulting can help improve the likelihood of success for your company's future endeavors.

Contact us for professional assistance in any of these areas.

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BRAKKE CONSULTING VIEWPOINT

This week's newsletter references a number of activities by companies related to products or brands outside of the normal animal health product categories. As consumers continue to push producers and food companies to produce products they consider safer, we believe we will see continuing erosion in the use of some animal health products. Is your firm addressing these challenges to assist your producer customers in supplying the products consumers desire? We

are interfacing with a number of smaller companies new to the animal health industry that have possible new solutions in both the food and companion animal area. These firms are seeking marketing partners or financing to move their research and development activities to the next level. New innovative products are needed to continue to grow the industry revenue at rates above other industries.

Have a great weekend and stay cool!

Ron Brakke

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