
**Brakke Consulting's
Animal Health News & Notes for August 18, 2017**
Copyright © Brakke Consulting, Inc.

Editor: Lynn Fondon DVM MBA

IN THE NEWS:

Brakke Consulting news
OTC Channel

earnings news

Alivira Animal Health
Blue Buffalo
ImmuCell
Kane Biotech

other news

Animal Care Technologies
AVImark
Banfield Pet Hospital
Bio-Vet
Ethos Veterinary Health
Healthy Pet
Henry Schein
ImproMed
NovaVive
Rapport
RoboVet
RxWorks
Southern Veterinary Partners
Tetracore
Thermo Fisher Scientific
Vetstreet
VisionVPM
Zoetis

**APPLIED REPRODUCTIVE STRATEGIES IN BEEF CATTLE WORKSHOP
KANSAS STATE UNIVERSITY
AUGUST 29-30, 2017
MANHATTAN, KS**

Kansas State is proud to host the 2017 Applied Reproductive Strategies in Beef Cattle Workshop (ARSBC) on Aug. 29-30 at the Hilton Garden Inn and Conference Center in Manhattan, Kansas. The program is targeted toward commercial and seedstock producers, the artificial insemination (AI) and allied industries and veterinarians interested in using or improving implementation of reproductive management tools and associated genetic tools. A live stream of the proceedings will be available online at liveauctions.tv.

For more information, go to <http://www.appliedreprostrategies.com/>

COMPANY EARNINGS RELEASES

- SeQuent Scientific Limited announced its financial results for the first quarter of fiscal 2018 ended June 30, 2017. Subsidiary **Alivira Animal Health**'s sales for the quarter were around \$27 million, compared to sales of \$15 million in the comparable prior-year quarter. (*company communication*)
- **ImmuCell Corporation** announced unaudited financial results for the quarter ended June 30, 2017. Product sales for the quarter totaled \$1.7 million, a decrease of 26% compared to the comparable quarter of 2016. Net loss was (\$218,000) in comparison to a net loss of (\$9,000) during the second quarter of 2016. (*company press release*)
- **Kane Biotech Inc.** announced its second quarter 2017 financial results. Revenues for the quarter were C\$106,006 (US\$81,387), a decrease of 23% compared to the quarter ended June 30, 2016. The net loss was C\$(790,549) (US\$606,952), an improvement of 7% compared to the quarter ended June 30, 2016. (*company press release*)
- **Blue Buffalo** reported results for the second quarter of 2017. Net sales grew 3% to \$295 million. The company's net income reached \$43 million, an increase of 17%. (*Petfood Industry*)

COMPANY NEWS RELEASES

- **Zoetis** announced the commercial launch of Clavamox Chewable (amoxicillin and clavulanate potassium tablets), which is effective in treating skin infections in dogs and cats, periodontal infections in dogs and urinary tract infections in cats. (*Vet Advantage*)
- **Bio-Vet Inc.** announced the launch of QuadriCal AC, an all-calcium bolus in which four types of calcium provide for rapid, intermediate and sustained calcium release. (*Feedstuffs*)
- **Henry Schein** announced it has placed all of its veterinary software offerings under one umbrella, called Henry Schein Veterinary Solutions. This includes **AVImark** and **ImproMed**, **Vetstreet** and **Rapport**, and the UK's **RoboVet** and **RxWorks** and Australia and New Zealand's **VisionVPM** and **RxWorks**. (*Vet Advantage*)
- **Thermo Fisher Scientific** introduced the Applied Biosystems VetMAX PEDV/TGEV/SDCoV Kit, the first and only PCR test designed to simultaneously screen for three swine coronaviruses in environmental and feed samples. (*company press release*)
- **Healthy Pet** announced plans to invest \$9.3 million at its existing facility in Wayne County, Georgia. The funds will be used for new machinery and equipment that will provide for a new cat litter line, ökocat, and equipment to automate their packaging operations. (*APPA SmartBrief - Atlanta Business Chronicle*)
- **Animal Care Technologies (ACT)** has launched a free series of weekly Video Practice Tips to practice owners and industry leaders in a wide variety of management related areas. (*company press release*)
- **Banfield Pet Hospital** announced the grand opening of its 1,000th hospital, located in Franklin, Tennessee. (*Vet Advantage*)

- **Southern Veterinary Partners** announced the purchase of two small animal veterinary hospitals in South Carolina and three in Texas. The five additions give Southern Veterinary Partners a total of 26 hospitals in nine states. Financial terms were not disclosed. (*Today's Veterinary Business*)
- **Ethos Veterinary Health** announced the addition of the 15th hospital, located in Sacramento, California, to its network of specialty and emergency veterinary hospitals across the US. Financial terms were not disclosed. (*company press release*)
- Scientists at the UK's Pirbright Institute say they have successfully validated two new portable tests for the diagnosis of foot-and-mouth disease (FMD). One diagnostic test confirms the presence of the FMD virus; the other differentiates between the four different FMD serotypes prevalent in Africa. The kits are battery powered and can process eight samples at once, and the pellets for the test do not need to be refrigerated. The commercially available kits were developed with US biotechnology company **Tetracore**. (*Animal Pharm*)
- CANADA **NovaVive** Inc. announced that Immunocidin Equine, an equine-specific version of its Immunocidin product for equine sarcoid tumors, is now available to Canadian veterinarians. (*company press release*)

ANIMAL HEALTH NEWS

- **US - HUMAN-ANIMAL BOND** A new RAND Corp. study of over 5,000 children in California found that having a dog or cat in the home does not improve the mental or physical health of children, contrary to popular belief. Unlike earlier smaller studies on the topic, the RAND work used advanced statistical tools to control for multiple factors that could contribute to a child's well-being other than pet ownership, such as belonging to a family that has higher income or living in a more affluent setting. The results were published online by the journal *Anthrozoos*. (*Feedstuffs*)
- **US - ANTIMICROBIAL REPORTING** The FDA is publishing a paper proposing the use of a biomass denominator to adjust annual data on the amount of antimicrobials sold or distributed for use in food-producing animals in the US. A biomass denominator is defined as the population of a given livestock species in the US multiplied by the average weight of that species. The agency will seek public comment on this proposal for 90 days beginning August 15, 2017. To submit comments to the docket electronically, visit <http://www.regulations.gov> and type FDA-2017-N-1197 in the search box. (*FDA*)
- **US – PET INSURANCE** According to the North American Pet Health Insurance Association (NAPHIA), premiums paid for pet health insurance in 2016, including insurance sold both as a voluntary benefit and to individuals, rose 21% and the number of pets insured in North America grew by 11.5%. Much of this increase is attributed to the increasing number of companies offering their employees pet health insurance as a voluntary job benefit. (*Veterinary Medicine Executive Briefing - American Veterinarian*)
- **US - PET FOOD** Research from the Dog and Cat Food Ingredient Center (DCFIC) shows grain-free pet food formulas are now mainstream. In dry dog food, 44% of the recipes in the DCFIC database do not contain grain; of these, 28% have grain-free in their product name or in the formula name. Dry cat food numbers are similar. (*Petfood Industry*)

**BRAKKE CONSULTING, INC.
UNDERSTANDING THE OVER-THE-COUNTER MARKET**



Whether your business is considering the OTC channels for new business opportunities or you have been distributing in the OTC channels for years, Brakke Consulting's team can provide significant and quality assistance to businesses seeking to learn more about the details of the OTC channels of distribution. If you are looking for meaningful insights into the OTC channels, the trends found there, and the opportunities that exist, contact our Dallas office or Joel Adamson at adamson.joel@cox.net.

www.BrakkeConsulting.com

BRAKKE CONSULTING VIEWPOINT

The company earnings releases this week reflect how difficult it is to grow a small business in animal health these days. Competition from larger companies and obtaining distribution sales support in a crowded market requires a unique product or product line that can be differentiated with the end customer. One has to be impressed with the growth of Blue Buffalo the past few years; Blue Buffalo has been able to differentiate their pet food in the minds of pet owners via advertising and branding.

The newsletter has two announcements related to the continuing consolidation in the companion animal clinic area. Banfield opened their 1,000th clinic and Southern Veterinary Partners announced the purchase of 5 additional clinics. The interest in companion animal clinics by financial institutions and others remains high.

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