
**Brakke Consulting's
Animal Health News & Notes for August 20, 2010**
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LAST WEEK TO REGISTER!
**KC ANIMAL HEALTH CORRIDOR
HOMECOMING 2010
MONDAY, AUGUST 30
5:30 - 9:00 pm**

The Kansas City Animal Health Corridor cordially invites the animal health industry to join them for an exclusive gathering of animal health CEOs and industry leaders from across the country at its annual Homecoming Event in Kansas City. The event will feature an appearance by Jack Hanna, Director Emeritus of the Columbus Ohio Zoo and Aquarium. In addition, the Iron Paw award will be presented to animal health industry leader Bob Wheeler, former CEO of Hill's Pet Nutrition.

To register, go to www.kcanimalhealth.com/homecoming

COMPANY EARNINGS RELEASES

> **PetSmart**, Inc. reported net income of \$48 million in the second quarter of 2010, compared to \$39 million in the second quarter of 2009. Total sales for the second quarter of 2010 increased 6% to \$1.4 billion. Comparable store sales grew 5% in the second quarter. (*company website*)

> **JBS S.A.** reported second quarter net profits of R\$3.7 million (\$2.09 million), compared to R\$125.9 (\$70.5 million) in last year's second quarter. Revenues rose by 52% to R\$14.1 billion (\$7.9 billion) in the quarter, incorporating the acquisitions of Pilgrim's Pride and Bertin. (*Meating Place*)

COMPANY NEWS RELEASES

> **Professional Veterinary Products** issued a statement that it is evaluating all strategic options while cutting expenses and reducing costs as part of an overall turnaround and reorganization effort. To assist in that effort, the company has hired the Omaha legal firm McGrath North Mullin & Kratz as well as financial and restructuring advisers. On July 12, PVP defaulted on a credit agreement with Wells Fargo and is currently in forbearance, according to the SEC. (*Omaha World-Herald*)

> **Modern Veterinary Therapeutics** announced that the USDA-Center for Veterinary Biologics has approved its Canine Parvovirus Antigen Test Kit. This new Canine Parvovirus Antigen Test Kit is the first rapid diagnostic kit using highly purified antibodies produced by biotechnology for the detection and capture of all pathogenic parvovirus antigens (patent pending). (*company press release*)

> **Embrace Pet Insurance Agency** and RLI Insurance Company announced a new agreement that will allow RLI to underwrite admitted pet insurance policies for Embrace. (*Business Wire*)

> Irving Place Capital announced an agreement to acquire **Pet Supplies “Plus”**, the third largest pet specialty retailer in the US. Irving Place Capital will be investing in partnership with PSP’s CEO, COO and CFO. PSP currently operates 240 franchised stores in 22 states, primarily in the Midwest, Southeast and Northeast. Financial terms were not disclosed. (*company press release*)

> Quincy Bioscience, a biotechnology company working to develop anti-aging medicines, announced the launch of the **Quincy Animal Health** division. Based on the company’s experience with patented jellyfish protein apoaequorin in human trials, Quincy Bioscience has begun product development for canine health. (*Milwaukee Business Journal*)

**BRAKKE CONSULTING, INC.
MERGERS, ACQUISITIONS, DIVESTITURES
TECHNOLOGY LICENSING**

Are you interested in growing your business by purchasing another company, product line or technology? Have you been thinking about selling, licensing or divesting? Have you considered merging your company with another firm to improve shareholder value?

Brakke Consulting, Inc. has successfully assisted many clients with mergers, acquisitions, divestitures and technology licensing. For more information, go to www.BrakkeConsulting.com.

ANIMAL HEALTH NEWS

> US - EQUINE PIROPLASMOSIS Blood tests recently identified Equine piroplasmosis in 11 horses in four locations across North Carolina. Equine piroplasmosis was thought to have been eradicated from the US, but has resurfaced in North Carolina and 19 other states over the past two years. The NC Department of Agriculture and Consumer Services is conducting an investigation to determine the source of the disease and whether it has spread beyond the locations where the infected animals were housed. (*wral.com*)

> US - LYME DISEASE Veterinarians in Central New York have noticed a significant rise in Lyme disease among pets they've been testing. At one practice, 210 dogs and cats tested positive for the disease in this year alone. Common in Eastern New York, the deer tick, which is the primary vector for the disease, has become increasingly prevalent in Central and Northern New York. (*AVMA SmartBrief*)

> US - RABIES Colorado is on track to break the record for wildlife rabies due to the spread of rabies in skunks, according to the Colorado Department of Public Health and Environment. So far this year, 99 animals have tested positive for rabies, including 34 skunks and 54 bats. In addition, seven foxes, one domestic cat, one horse, one mule deer and one muskrat have tested positive for the virus (*VetsU*)

BRAKKE CONSULTING VIEWPOINT

Another warm week in most of the US! It was pleasure to again participate in the Banfield Industry Summit earlier this week, where it was warm even in Portland! This excellent meeting provides the opportunity for industry executives to network and discuss in an open forum some of the issues facing the veterinary profession and industry growth. It's generally agreed that more industry cooperation is needed to resolve some of the larger issues the industry faces.

Have a great weekend!!

Ron Brakke

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