
**Brakke Consulting's
Animal Health News & Notes for September 18, 2009**
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**NEW BRAKKE CONSULTING STUDY:
CANCER IN DOGS AND CATS
COMING IN OCTOBER**

In 2002, Brakke Consulting published an overview of the treatment of cancer in dogs and cats. We are pleased to announce that an update of this highly regarded report will be completed in October 2009.

The 2009 Cancer Study will include up-to-the-minute information on the incidence and treatment of the common veterinary cancers. The study includes a survey of over 200 general veterinary practitioners as well as interviews with veterinary oncologists. Reviews of new and developing veterinary cancer chemotherapeutics are included in the report as well.

The report is priced at \$8,500, but pre-publication orders placed by October 16 will be eligible for a discounted price of \$7,000.

For more information, please visit our website at www.BrakkeConsulting.com or contact Dr. Lynn Fondon at lfondon@brakkeconsulting.com .

COMPANY EARNINGS RELEASES

> **Genus** PLC announced its preliminary results for the fiscal year ended June 30, 2009. Revenue for the year was GBP 280 million (\$462 million), an increase of 14% compared to the prior fiscal year. Revenues declined 1% at constant currency rates. (*company website*)

COMPANY NEWS RELEASES

> Sanofi-aventis SA and Merck & Co., Inc. announced that the acquisition by sanofi-aventis of Merck's 50% interest in **Merial Limited** has been completed. Sanofi-aventis acquired Merck's interest in Merial for a cash consideration of \$4 billion. (*company press release*)

> **Merial** announced a licensing agreement with **AP Pharma** to develop a long-acting analgesic product for cats and dogs. The product, which contains an undisclosed active ingredient, uses a polymer-based drug delivery technology called Biochronomer developed by AP Pharma to provide sustained drug levels and pain relief over several days following a single administration. The product is currently undergoing animal efficacy studies. (*Animal Pharm*)

> **Merial** announced it has licensed the Clean Genome *E. coli* developed by **Scarab Genomics**, LLC, for commercial production of an upcoming veterinary vaccine. In addition, Merial and Scarab will collaborate on a separate two-year research project using Scarab's unique *E. coli* strains to develop a novel technology for additional vaccines. (*Reuters*)

> **Pfizer Animal Health** announced development of derquantel, the first molecule of a new class of anthelmintics, the spiroindoles (SI) with a unique mode of action which controls worms that are resistant to established anthelmintic compounds. The company intends to market derquantel as a sheep drench in a formulation together with the macrocyclic lactone abamectin. (*Animal Pharm*)

> Eli Lilly announced a new operating model and has announced its five business units: oncology, diabetes, established markets, emerging markets, and **Elanco Animal Health**. Jeffrey Simmons will lead Elanco, where he currently serves as president. (*company press release*)

> **AgraQuest** Inc. and **Alpharma Animal Health** announced that they have agreed to terms for a supply agreement in which AgraQuest will supply their proprietary strain of *Bacillus subtilis* to Alpharma. This input will be used as a key ingredient in a new poultry nutrition product under development by Alpharma. Alpharma plans to launch the new product using AgraQuest's technology during the fourth quarter of 2009. (*Market Wire*)

> **PRN Pharmacal** announced the addition of REACT Ethylene Glycol Test Kit to their product line. The PRN EGT Kit has been the standard in the market for over twenty years. New REACT works up to 5 times faster and is effective for the diagnosis of ethylene glycol poisoning in cats, something no other test kit on the market currently offers. (*company press release*)

> **Mars Veterinary** announced the launch of Wisdom Panel Insights, the new do-it-yourself canine DNA test kit for dog owners. With the simple swipe of a cheek swab, Wisdom Panel Insights can determine the ancestry of a mixed-breed dog by testing for more than 170 breeds, the largest database on the market. (*PRNewswire*)

> **Nutro** announced the launch of a reformulated Nutro Ultra food for dogs. The Ultrassential Superfood Blend has proteins, antioxidant-rich fruits and vegetables, whole grains and healthy oils, and has no artificial flavors or colors. (*Petfood Industry*)

> After delivering the fifth and final set of dog clones in September, **BioArts International** has discontinued its commercial dog cloning services. As such, the company has also ended its partnership with South Korean cloning vendor Sooam Biotech Research Foundation and its head Dr. Hwang Woo-Suk. (*APPA Newsletter*)

> **Sarnoff Corporation** announced it has been selected by **Global Animal Management, Inc.** (GAM) to develop the first portable equine iris capture and identification system to help identify and track horses. Based on Sarnoff's Iris on the Move (IOM) technology, the system will quickly capture a horse's iris image with a low visibility infrared light source from a distance, even while the animal is moving. (*Reuters*)

> **Pilgrim's Pride Corp.** announced that under a reorganization plan filed under Chapter 11 bankruptcy, the company will sell 64% of its new common stock to **JBS S.A.** for \$800 million in cash. The overall transaction, which JBS S.A. is executing through its JBS USA Holdings Inc., represents an enterprise value of some \$2.8 billion. (*Meating Place*)

> **Smithfield Foods Inc.**, announced that it will sell \$250 million in common stock this fiscal quarter. The company will use the proceeds of the offering for working capital and general corporate purposes, including perhaps paying down debt and otherwise strengthening its balance sheet. One of Smithfield's directors and an advisory director have quit the company's board because they do not support the company's \$250 million common equity offering. (*Meating Place*)

> **Sanomedics International Inc.** announced the introduction of the world's first non-contact pet thermometer at the SuperZoo 2009 trade show. Pet owners will be able to use the device to help them decide if medical attention is needed. (*Business Wire*)

> EU **Pfizer** announced the EU launch of Trocoxil (mavacoxib), a once-monthly chewable tablet for the management of degenerative joint disease in dogs. (*Vetsurgeon.org*)

> ARGENTINA Argentine biotechnology company **Biogénesis Bagó** announced it has entered the companion animal market with the launch of Desmopresina, a hemostatic injectable solution for the treatment of breast cancer in female dogs. According to the company, when administered before and after mastectomy, it reduces the risk of metastasis and increases the lifespan of the animal. The product contains the active ingredient desmopressin, a synthetic version of the antidiuretic hormone vasopressin which is commonly used in animals with diabetes insipidus, and as a hemostatic agent in surgeries. (*Animal Pharm*)

> BRAZIL **JBS S.A.** announced it will acquire Brazilian beef rival **Bertin S.A.** in a stock transaction. Together the companies would create a new holding company in which JBS's controllers would put all of their stock and Bertin's controllers would contribute a 73.1% stake. JBS and Bertin respectively would have 60/40% control of the new holding company. (*Meating Place*)

ANIMAL HEALTH NEWS

> US - ANIMAL HEALTH CORRIDOR The US House of Representatives passed resolution HR 317 recognizing the region from Manhattan, Kansas, to Columbia, Missouri, as the **Kansas City Animal Health Corridor**. The resolution, which was sponsored by congressmen from Kansas and Missouri, passed the House by a vote of 312-108-1. (*Cattle Network*)

> US - BOVINE GENETIC TESTING Researchers at Iowa State University's College of Veterinary Medicine are researching a method to determine if a bovine is genetically sound when it is still an embryo prior to being implanted in its mother. This process, if successful, would allow producers to select which embryos are valuable before spending the time, effort and expense of producing a calf only to find out that it has genetic defects that render it of little value. The researchers are working with **Ames Center for Genetic Technologies**, Inc. as their corporate partner. (*KSU Bites - Eurekalert.org*)

**BRAKKE CONSULTING, INC.
DUE DILIGENCE SEMINAR
OCTOBER 27 - 28, 2009
KANSAS CITY**

Brakke Consulting announces a two day seminar covering the details of due diligence, a key element in the successful acquisition of companies, assets and intellectual property.

The seminar is designed to increase a company's probability of success in a purchase or sale by providing the details to ensure that all the important phases of the due diligence process are included. Speakers at the Brakke seminar will include Ron Brakke, John Mannhaupt and Joel Adamson, Brakke personnel who are well experienced in due diligence, as well as outside speakers from the finance industry and the legal profession.

For more information on the seminar, visit our website at www.BrakkeConsulting.com

BRAKKE CONSULTING VIEWPOINT

We are pleased to see so many announcements of licensing agreements and new products being developed or launched. We continue to believe that innovation and research are the keys to a vibrant, thriving animal health industry in the future.

On another note, congratulations to the KC Animal Health Corridor for being formally recognized by the US House of Representatives. Raising the profile of the region and our industry is a rising tide that lifts all ships.

Have a good weekend!!

Lynn Fondon

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