Brakke Consulting’s
Animal Health News & Notes for May 26, 2017
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Editor: Lynn Fondon DVM MBA
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IN THE NEWS:

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Recruiting

earnings news
Avivagen
Patterson
Pets at Home
Premier Veterinary Group

other news
AgriLabs
Arla Foods
Biogénesis Bagó
Deltex Medical Group
Elanco (Arla Foods)
Elanco (Gates Foundation)
Hile Biotechnology
Jaguar Animal Health
Nutro
Petmate Holdings
The Farmer’s Dog
Zoetis

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2017 KC Animal Health Corridor Events
August 28-29, 2017
Kansas City, MO

Market Insight Seminar
August 28, 3:30 – 5:00 pm
The KC Animal Health Corridor Market Insight Seminar provides an update on the dynamics of the companion animal veterinary channel.

Animal Health Corridor Homecoming Dinner
August 28, 5:00 – 9:00 pm
The KC Animal Health Corridor’s annual Homecoming Dinner is an exclusive gathering of industry leaders from around the world to celebrate global industry successes and growth.

Animal Health Investment Forum
August 29, 7:30 am – 5:00 pm
The KC Animal Health Investment Forum is one of the only opportunities in the world for early stage animal health companies to present their vision and business plan to potential investors.

For details, go to http://kcanimalhealth.thinkkc.com/events/annual-events
REGISTER NOW for Early Bird Pricing: https://www.eventbrite.com/e/2017-annual-kc-animal-health-corridor-events-tickets-30866590804

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COMPANY EARNINGS RELEASES

- **Patterson** Companies reported results for its fiscal year ended April 29, 2017. Animal Health sales for the year were $3.2 billion, an increase of 10% compared to the prior year. *(Business wire)*

- **Premier Veterinary Group** PLC reported results for the six months ended March 31, 2017. Revenue was GBP 1.2 million ($1.5 million), up from GBP 859,000 in the comparable prior-year period. The pretax loss was GBP (2.1) million ($2.6 million), compared to a pretax loss of GBP (1.5) million the prior year. *(lse.co.uk)*

- **Pets at Home** reported results for the fiscal year ended March 24. Group revenue climbed 7% to GBP 834 million ($1.04 billion); pre-tax-profit was 6% higher at GBP 95.4 million ($119 million). Sales growth in the pet supplies retail business 3% higher at GBP 717 million; the services business, which includes joint-venture vets practices and dog grooming, increased 45% to GBP 118 million. *(Telegraph.co.uk)*

- **Avivagen** reported results for the quarter ended April 30, 2017. Total revenue was C$39,563 (US$29,000) compared to revenue of C$51,021 in the comparable prior-year quarter. Comprehensive loss for the quarter was C$(1.45) million compared to a comprehensive loss of C$(0.60) million in the comparable prior-year quarter. *(company website)*

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COMPANY NEWS RELEASES

- The FDA is alerting dog owners and veterinarians about the risk of accidental overdose to dogs treated with the **Zoetis** drug Sileo, a prescription gel that is given to dogs by mouth to treat noise aversion. Sileo is packaged in an oral dosing syringe with a ring-stop mechanism on the plunger that must be “dialed” and locked into place in order to set the correct dose for the dog. Overdose can result if the ring-stop is not fully locked. Therefore, it is very important that the person administering the product understands how to operate the syringe correctly before giving the product to the dog. *(FDA)*

- **Elanco** announced a legal action May 19 in the U.S. District Court against **Arla Foods** demanding that Arla immediately cease its false advertising campaign and unfair business practices against recombinant bovine somatotropin (rbST). According to Elanco, Arla’s “Live Unprocessed” campaign is built on a child’s interpretation of what rbST is and brings that perception to life as an animated, six-eyed monster with “razor-sharp horns” and electrified fur. *(Feedstuffs)*

- **AgriLabs** announced the launch of AiM-A Abamectin VetCaps delivered via the VetGun precision-dosage system. AiM-A VetCaps can be used in an in-season rotation program with AiM-L VetCaps (lambda-cyhalothrin) to manage horn fly resistance in beef cattle. *(company press release)*

- **Jaguar Animal Health** filed an 8-K notice of delisting from the Nasdaq stock exchange as its common stock over the last 30 consecutive business days have closed below the minimum $1 per share required for continued listing on the Nasdaq. The stock exchange has granted the firm a 180 calendar day grace period, until November 13, 2017, to regain compliance with the minimum price requirement. *(MarketExclusive.com)*
- Private equity firm Olympus Partners announced it has acquired Petmate Holdings Co. Financial terms were not disclosed. *(Pet Age)*

- Nutro announced the launch of Nutro Limited Ingredient Diets dry or wet dog foods, which do not contain ingredients that may cause food sensitivities in dogs. *(Petfood Industry)*

- The Farmer's Dog announced the closing of an $8.1 million Series A round led by Shasta Ventures. Founded in 2015, the company delivers subscription-based, customized individual meals for dogs and claims to have delivered over one million meals. *(APPA enews - Techcrunch.com)*

- AFRICA Elanco Animal Health announced it received a grant of nearly $2.9 million from the Bill & Melinda Gates Foundation to support the company's animal health and productivity initiatives for subsistence cow and chicken farmers in Kenya, Uganda and Tanzania. *(insideindianabusiness.com)*

- CHINA Biogénesis Bagó announced it has become the first international company to produce cattle and swine foot-and-mouth (FMD) vaccines in China. The Jinhai production facility was built as part of a joint venture with Chinese livestock vaccine specialist Hile Biotechnology. *(Animal Pharm)*

- EU Deltex Medical Group announced the launch of its first oesophageal doppler monitoring (ODM) system designed specifically for veterinary use. The system's probes are designed for smaller animals such as dogs and cats and allowed multiple uses for a period of 30 days. *(StockMarketWire.com)*

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ANIMAL HEALTH NEWS

- WORLD - TILAPIA VIRUS FAO's Global Information and Early Warnings System has issued a Special Alert regarding Tilapia Lake Virus (TiLV). The virus has now been confirmed in five countries on three continents: Colombia, Ecuador, Egypt, Israel and Thailand. Currently, active TiLV surveillance is being conducted in China, India, Indonesia and it is planned to start in the Philippines. The outbreak should be treated with concern and countries importing tilapias should take appropriate risk-management measures. *(News.Trust.org)*

- WORLD - ANIMAL HEALTH STRATEGY Member countries of the World Organization for Animal Health (OIE) have adopted the first global strategy on animal welfare. Primarily endorsed in December 2016 at the Fourth OIE Global Conference on Animal Welfare, the strategy aims to achieve: "A world where the welfare of animals is respected, promoted and advanced in ways that complement the pursuit of animal health, human well-being, socioeconomic development and environmental sustainability." The document can be read at [http://www.oie.int/fileadmin/home/eng/Media_Center/docs/pdf/85SG/AW/EN_OIE_AW_Strategy.pdf](http://www.oie.int/fileadmin/home/eng/Media_Center/docs/pdf/85SG/AW/EN_OIE_AW_Strategy.pdf). *(Feedstuffs)*

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At Brakke Consulting we find the right person to fit your company’s needs. We have an unequalled network in animal health, and unique insights into what veterinarians value in an animal health professional, including the sales rep attributes that correlate to higher sales volume.
As part of our executive recruiting services, we manage the entire process of identifying and recruiting top candidates, including:

- Developing metrics to help rank candidates
- Scheduling interviews and arranging for travel
- Maintaining communications with candidates throughout the process

For more information about our recruiting services, visit our website or call one of our consultants:

- John Mannhaupt at 972.243.4033
- Terry Fritz at 336.312.0667

www.BrakkeConsulting.com

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BRAKKE CONSULTING VIEWPOINT

A couple of the stories in this week's newsletter cover activities in undeveloped countries where animal health is still working to increase the production of locally produced, safe animal protein. As the industry looks forward, the growing human populations in the next 30 years are going to consume increasing amounts of animal proteins in their diets, and not all of that protein can be produced in a few developed countries. We see continued expansion of meat production in underdeveloped countries, but the process will be slow and challenging.

This weekend in the US we will be observing our Memorial Day weekend where we pay honor to those who have lost their lives serving our country. It is a great time for reflection and thanks to those who have gone before us. Have a safe and enjoyable weekend with family and friends.

Ron Brakke

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