

**A Catalyst for 50 Years
of Collaborative Leadership
in Canadian Animal Health**

**2017-18
ANNUAL REPORT**



Message from the Chair

Our Institute is experiencing another very busy year and there is more to come in the months ahead!

The move of all medically important antimicrobials from over-the-counter to prescription status saw CAHI in a leadership position, working with regulators and communicating these changes to farmers, ranchers, pet owners, veterinarians and feed mills. CAHI's poster of impacted products by brand name is a high value tool that was put in the hands of prescribers and end users alike across Canada in early 2018. This is an excellent demonstration of CAHI's collaborative approach to its work.

This past fall the new challenge of service fee increases for veterinary drugs arose. They have the potential to negatively impact accessibility to veterinary drugs in Canada. True to form, as an association we have risen to the challenge through collaboration on this issue that impacts all of us. Our efforts focus on helping Health Canada and Members of Parliament understand the unintended consequences of service fees that do not reflect market size and the importance of veterinary drugs to the practice modern veterinary medicine,



Canada's trade policies, and for the promotion of health and welfare in our animals.

This year CAHI celebrates an incredible milestone—our 50th Anniversary. Back in 1968, it was agreed by the animal health industry that a formal association was needed. In our very first meeting with Health Canada the agenda included IND and NDS submissions, the lag period between NOCs and the issuance of DINs along with some advertising issues. While some things don't change, the flavour of the discussion does and we've come a long way in 50 years thanks to the collaborative leadership of CAHI. Veterinary drugs now have their own Directorate within Health

Canada. Our regulatory performance is progressive relative to those of other countries, plus our relationships with regulators are collaborative and constructive. In 1976 Dr. Ken Wells was appointed as our first Executive Secretary to the then voluntary organization. This was followed by the appointment of Dr. Julius Frank in 1983. Then in 1991 CAHI hired its first, full-time staff person Jean Szkotnicki. Her contributions to the animal health industry, both in Canada and internationally, are well recognised and we were proud to see her inducted into the Canadian Agricultural Hall of Fame in November.

Being the Chair of CAHI is an honour. I would like to thank all the staff at CAHI, the staff at Merck Animal Health and my industry colleagues for their continued engagement in the important work of the Institute. As we reflect on our past 50 years, and look forward to the challenges and opportunities that lay before us, it is important to reflect on our successes, the tremendous value of CAHI and the important work that we all do to promote animal health and welfare in Canada.

Daniel Beauchamp



REGULATORY

On October 21st, 2017 Health Canada publicly released its Fee Proposal for Drugs and Medical Devices for consultation. CAHI has serious concerns about the unintended consequences of the high fees being proposed for veterinary drugs. The Canadian animal health market is 2.5% of the global market and unlike in human medicine there are multiple species for the products companies develop. The size of the two markets is also a contrast. The Canadian human pharmaceutical business, which is 35 times larger than its animal health counterpart, benefits from a market with government subsidized drug costs. Yet the proposed service fees increases



CAHI staff meeting with TJ Harvey, MP for Tobique-Mactaquac and Chair Chair of National Liberal Rural Caucus

are similar for both the animal and human health businesses, which CAHI and its members do not think is fair.

These higher fees will hurt the availability of veterinary drugs in the Canadian market due to the loss of niche products and

increased costs for veterinary medicines. CAHI analysis finds that 80-90 percent of current veterinary drugs do not meet the sales threshold set by the proposed new service fees for veterinary drug registration and maintenance in the marketplace. These higher service fees for veterinary drugs will negatively impact the competitiveness of Canadian animal agriculture and the ability to practice sound veterinary medicine.

CAHI members and staff have

met with MPs, commissioned a third party economic analysis and engaged a government relations firm to communicate with Health Canada and Agriculture and Agri-Food Canada about the impact these proposed fees will have on the Canadian animal health market. CAHI has been actively sharing messages and soliciting support from the veterinary, agricultural and companion animal communities to help ensure the full impact of these proposed service fees is understood by all affected stakeholders. We have some assurances that our messages are being heard within Health Canada and understand a redraft of the proposed service fees is to be shared with CAHI in the spring.

ANTIMICROBIAL USE & RESISTANCE



Jean Szkotnicki and Colleen McElwain at the Ad Hoc Committee for Antimicrobial Stewardship's October 2017 Workshop

CAHI and its members support a number of Canadian regulatory and policy changes being put in place by Health Canada to increase veterinary oversight over the use of Medically Important Antimicrobials (MIA), including their move to prescription drug status by December 1, 2018. The use guidelines for CAHI's Responsible Use Logo have been finalized to support its inclusion on our members' MIA labels as they are updated and the logo has been included in public releases on the topic to increase awareness. To ensure common messaging around these regulatory and policy changes CAHI played a significant leadership role in

the development and creation of communications tools in partnership with Health Canada, the Animal Nutrition Association of Canada, the Canadian Veterinary Medical Association, the Livestock Markets Association of Canada, the Beef Cattle Research Council and others.

Animal AMS Canada

In September 2017 the Ministers of Health and Agriculture and Agri-Food released Tackling Antimicrobial Resistance and Antimicrobial Use: A Pan-Canadian Framework for Action. Forward movement in relation to this framework



Antimicrobials Requiring a Veterinary Prescription as of December 1, 2018

Based on the antimicrobial categorizations determined by Health Canada in relation to their importance to human medicine

Category	Licensed Drug	Brand Names					
I Very High Importance	Cellular Synthesis Inhibitors Enrofloxacin Polymyxin B	No change. These products already require a veterinary prescription. Includes products such as: Baytril Excenel Cellular Spectramed Special Formula 17900 Forte					
II High Importance	Tetracyclines Trimethoprim Sulfonamides	<table border="1"> <tr> <td>3-Block 3-Block + R</td> <td>L-5 20 Pivotal Lincosyn 100 Lincosyn 175 Lincosyn 45 & 130 Pivotal Lincosyn 110 + 130</td> <td>Urethane LA 200 New Animal 100 & 200 Nid New Animal Lincosyn 100 Lincosyn 175 Lincosyn 45 & 130 Pivotal Lincosyn 110 + 130</td> <td>Pivotal D Potassium 200 Spectra Pivotal 200 200 200 & 130 200 200 200 10 Pivotal D Potassium 100</td> <td>Sevan Pivotal Sevan Pivotal Sevan 22, 41 & 80 Sevan 100</td> </tr> </table>	3-Block 3-Block + R	L-5 20 Pivotal Lincosyn 100 Lincosyn 175 Lincosyn 45 & 130 Pivotal Lincosyn 110 + 130	Urethane LA 200 New Animal 100 & 200 Nid New Animal Lincosyn 100 Lincosyn 175 Lincosyn 45 & 130 Pivotal Lincosyn 110 + 130	Pivotal D Potassium 200 Spectra Pivotal 200 200 200 & 130 200 200 200 10 Pivotal D Potassium 100	Sevan Pivotal Sevan Pivotal Sevan 22, 41 & 80 Sevan 100
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Our poster of the antimicrobials moving from over-the-counter to prescription-only, by brand name, was sent to all feed mills, livestock auctions, Chief Veterinary Officers, and production animal veterinarians across Canada. It is also being used and referred to in a number of production animal industry publications, web content and social media and facility posts.

continues to be led by the Public Health Agency of Canada (PHAC) in a One Health format.

In October 2017, the Ad hoc Committee for Antimicrobial Stewardship in Agriculture and Veterinary Medicine organized the Agriculture and Veterinary Medicine Leadership Workshop on Antimicrobial Use and Resistance with PHAC support. The outcome of the meeting was to create Animal Antimicrobial Stewardship (AMS) Canada to develop the

animal health action components of the Pan-Canadian Framework for Action. CAHI, the Animal Nutrition Association of Canada and the Canadian Veterinary Medical Association committed to work together to initiate this work. It is proposed that this group will become affiliated with the National Farm Animal Health and Welfare Council and at this time it is chaired by Dr. Scott Weese with the Ontario Veterinary College at the University of Guelph.



Jean Szkotnicki and Colleen McElwain at the CVMA's Veterinary Oversight of Antimicrobial Use Workshop Series in February 2018

CVMA Veterinary Oversight of Antimicrobial Use Workshop

CAHI staff attended the CVMA's workshop series to discuss antimicrobial prudent use guidelines and surveillance in early 2018. It was agreed by participants that a database project to collect in-feed prescription antimicrobial information at commercial feed mills would be pursued. The intent of this project would be to begin collecting prescription information for in-feed use of antimicrobials with expansion of the database in the future to consider prescribing and dispensing of other dosage forms of antimicrobials.

STEWARDSHIP

CleanFARMS

Two thousand and seventeen was the last year of our three-year agreement with Cleanfarms for the Obsolete Livestock Medication program for livestock and equine. This unique program offers farmers an



Region	Livestock medications collected
British Columbia (6 sites, October 3–19) • 3 sites on Vancouver Island • 3 sites in Fraser Valley	1,470 kgs
South Saskatchewan (20 sites from October 23–27) • Davidson, SK to US Border	2,804 kgs
Quebec (25 sites from September 19 –October 5) • Province-wide (6 multi-day remote sites, 19 one-day collection sites)	421 kgs
Prince Edward Island (7 sites from November 7–September 20–30) • Province wide	12,080 kgs
Newfoundland (3 sites from October 18–20) • Province-wide	278 kgs
Total:	5,050 kgs

environmentally responsible way to dispose of unwanted or expired product, free of charge. Given the positive response to the program, and excellent working relationship developed with Cleanfarms, CAHI has entered into a new six (6) year agreement to ensure this program continues to be offered across Canada.

In 2017, a total of 5,050 kg of obsolete or unwanted animal health products were collected at 58 sites in British Columbia, Southern Saskatchewan, Quebec and Prince Edward Island. 2018 collections are scheduled in British Columbia (Okanagan, Interior and Kootenay regions), Southern Alberta, Northern Saskatchewan, Nova Scotia and New Brunswick.

Veterinary Survey for Clinic Disposal Practices

CAHI completed a survey of companion animal practices to better understand disposal practices at veterinary clinics across Canada, with the intent to inform animal health industry funded programming and policy positions. To ensure CAHI awareness of sharps disposal practices at veterinary clinics these were included in the survey.

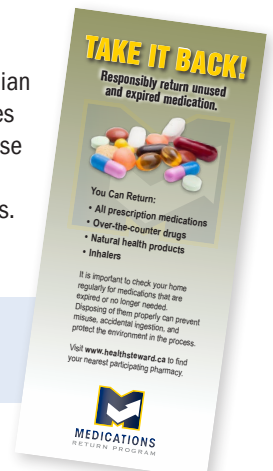
Approximately 3,000 veterinary clinics were invited to participate in the survey and a total of 217 clinic responses were used in the data analysis. Based on the responses provided by survey participants, there is wide

variation in individual clinic choices regarding obsolete and unwanted animal health product and sharps disposal practices at companion animal clinics. While approximately 25 percent of clinics indicate that they dispose of animal health products and sharps in the garbage, landfill or down the drain, in most cases (>85 percent) this was not the only option available to a clinic.

Given the high level of responsible disposal options indicated by respondents, it is recommended that no further action be taken by CAHI from a programming standpoint with companion animal veterinary clinics. However, CAHI will explore the possibility of working with the Health Products Stewardship Association in the coming year to raise companion animal owner awareness of consumer disposal options for their pets' medications, where available. From a stewardship policy perspective, CAHI will continue to participate in provincial environmental policy initiatives related to animal health product, packaging and printed paper disposal. CAHI will also continue to be open to working with non-member companies and associations on industry-led responsible animal health product disposal initiatives (e.g. Cleanfarms, sharps disposal).

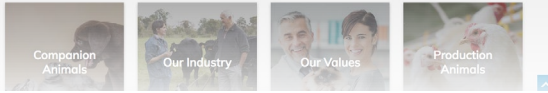
Provincial Pharmaceutical Disposal and Recycling Programs

CAHI continues to monitor pharmaceutical disposal and transportation regulations along with provincial recycling program developments in all provinces on behalf of its members. In particular, Stewardship Ontario is reviewing its Blue Box program to bring it in-line with recent regulatory amendments. Ontario's stewardship regulations are in a state of transition as it moves to implement its Strategy for a Waste-Free Ontario: Building the Circular Economy. CAHI submitted a letter as a part of the Stewardship Ontario consultation indicating support for harmonization in stewardship programming across Canadian jurisdictions. It also voiced concerns regarding the closure of the China National Sword border to recyclable material imports from foreign sorting centers resulting in stockpiled, and then landfilled, materials in many Canadian municipalities at the expense of taxpayers and stewards.



CAHI continues to participate on the HPSA Board of Directors and is supportive of its provincial *Take it Back!* programs.

Representing the manufacturers and distributors of the medications that keep animals healthy.



The redesigned CAHI website is more user friendly.

COMMUNICATIONS

In the fall 2017 the CAHI website underwent significant user and design upgrades. New functions and content updates include:

- Responsive design for optimal viewing on all screen sizes;
- Updated content includes Our Values, News & Media and Facts & Resources pages;
- Printer-friendly versions of page content with print and share icons; and
- Links to CAHI's social media feeds.

Over the course of 2017-18 the CAHI's monthly pet articles continued to be a popular outreach tool about the importance of preventive pet care and the need to work with a veterinarian to safeguard animal health.

Expanding on the success of CAHI's *Your pet has just been vaccinated. What can you expect?* tear off sheets, watch for a new livestock version to come within the next year.

MEMBER SERVICES

- As a follow-up to the 2016 Compensation Survey, PayStats initiated the **Total Rewards** portion of the Survey in April 2018 with participating member companies.
- Each year, on behalf of its members, CAHI voluntarily reports **aggregated antimicrobial distribution information by kilogram of active ingredient** to the Canadian Integrated Program for Antimicrobial Resistance Surveillance (CIPARS). CAHI is actively working with the Veterinary Drugs Directorate, CIPARS and ImpactVet to assess new federal sales reporting requirements that come into force in 2019.
- CAHI's bi-annual **Pet Population Survey** was launched in April 2018. Along with the traditional Survey, Kynetec added a new opportunity for CAHI members: subscription to *PetInsights* which focuses largely on adding value to CAHI members engaged in the flea/tick/heartworm prevention categories.



Jean Szkotnicki Inducted into the Canadian Agricultural Hall of Fame!

CAHI's president Jean Szkotnicki was inducted into the Canadian Agricultural Hall of Fame in November 2017 in recognition of her many contributions to the Canadian animal health industry over the years. Her accomplishments are many and it was highlighted that Jean is an international champion on the subject of antimicrobial resistance, public trust in Canadian agriculture and it was recognised that she has earned the trust and respect of government regulators in Canada, the United States and Europe.

"One of Jean's major achievements for Canadian agriculture was closing abused legislative loopholes that permitted importation and use of veterinary pharmaceuticals through Own Use Import and use of Active Pharmaceutical Ingredients politics that allowed large quantities of non-Health Canada licensed medications to be imported and used in Canada. Her persistence over more than two decades ultimately brought together all stakeholders including farmers, industry, veterinarians and regulators." —Canadian Agricultural Hall of Fame Press Release

Please join us in congratulating Jean on this major achievement!

The 2019 CAHI Annual Meeting will be held at the Hôtel Château-Bromont, located in the Eastern Townships of Quebec. **June 3-5, 2019, come enjoy the charm of Eastern Quebec with your animal health industry colleagues!**

CAHI is administered by a Board of Directors elected annually by the membership. Thank you to the CAHI 2017-18 Board of Directors!

Daniel Beauchamp
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