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Anatara Investors Look To Pig Out

BY TIM BOREHAM - 25/08/2017 | [VIEW MORE ARTICLES BY TIM BOREHAM](#)

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Porkers of the world rejoice! If Anatara's drug rollout goes to plan, soon their short lives in the sty will be healthier and just that little bit longer.

Anatara has won the support of global animal health arm Zoetis, a Pfizer spin-off company that has exercised an option to develop Anatara's porcine treatment Detach.

The commercial terms are yet to be negotiated, but if it pans out as expected Zoetis will assume all the ongoing costs and Anatara will pocket some fat milestone and royalty cheques.

"All I can say is they are interested in the entire global rights for the animal applications," says Anatara chairman Mel Bridges. Detach is a natural alternative to reduce scour (diarrhoea) in pigs – a major problem for pork producers globally. The treatment – derived from the roots of pineapples of all things – is an alternative to both antibiotics (a no-no in the food chain) and toxic zinc oxide.

Anatara's street cred is greatly enhanced because Detach was used in the 1990s, when it was owned by Ciba-Geigy. However the company was taken over by the global drug Novartis, which was less than enthused about animal health and let the product lapse despite strong sales.

Anatara has 5000 bottles of Detach made up already at its Sydney facility, enough for 500,000 doses. "It's easy to make and we could supply the Australian industry for a year in just for four days of manufacturing. We have bottled compliant doses ready to go and major pork producers lined up."

Bridges is confident the relevant agent, the Australian Pesticides and Medical Veterinary Authority, will grant approval by the end of the calendar year. Such assent would also provide a gateway for Detach to be adopted in Asia, especially China (the world's biggest pork producer).

While a decent sized local farm might husband 41,000 sows, the biggest Chinese farm houses 1.1 million Babes. The current standard of care for scour is zinc oxide, a soil pollutant.

"Believe it or not China has gone very green and they would like to take antibiotics out of livestock feed," Bridges says. "Meanwhile, zinc oxide is a pollutant banned in China and Europe."

Detach's active ingredient is an enzyme which blocks the receptor sites in the gut that the parasites attach to, thus causing the trotters ... er, trots. Apparently it tastes a bit like citrus acid and the pigs (who aren't the fussiest eaters) love it. With the economics of pork production finely honed, Anatara is pitching on Detach being cheaper than antibiotics.

Field trials also point to weight gains of 5-35 per cent and a reduction in mortalities of up to 50 per cent. A veteran of the biotech scene, Bridges knows the dangers of a revenue generating company squandering its funds on value-destroying product extensions. He insists that the spoils will be returned to shareholders.

Having said that, Bridges reckons that there's a bigger game to be played in developing Detach for human health, including diarrhoea and irritable bowel syndrome.

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"Apart from hokey-pokey nutraceuticals there is nothing out there for irritable bowel syndrome," he says. Still, the Zoetis deal was enough to push Anatara shares 28c (29 per cent) higher – yes, there was a 'run' on the stock -although they're still well off their December 2016 peak of \$1.78.

There's at least one industry participant who thinks Anatara's ambitions are more than pie in the sty: the Lederer family – the founder of Primo Smallgoods – recently joined the register with a 5 per cent stake.

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