Zoetis Announces the Acquisition of Platinum Performance, a Leading Nutrition-Focused Animal Health Business for Equine and Petcare Markets

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PARSIPPANY, N.J. & BUELLTON, Calif.--(BUSINESS WIRE)--Zoetis Inc. (NYSE: ZTS) today announced it has entered into an agreement to acquire Platinum Performance, a privately held, nutrition-focused animal health company. Platinum’s premium nutritional product formulas and unique approach to the field of scientific wellness for horses, dogs and cats will further strengthen and diversify Zoetis’ portfolio in the equine and petcare markets. Financial terms of the transaction are not being disclosed.

Platinum’s flagship equine products include Platinum Performance® Equine, a comprehensive wellness and performance formula, and Platinum Performance® CJ, which delivers wellness and performance with the addition of joint support ingredients. Its petcare products include Platinum Performance® formulations that focus on wellness and joint support for dogs and cats.

With the acquisition of Platinum’s premium quality, nutritional formulas, Zoetis is entering this space for horses and building on the company’s existing nutritional portfolio for dogs and cats. The expansion in nutritionals aligns well with Zoetis’ increasing focus on health and wellness as part of the continuum of animal care, which spans from prediction and prevention to detection and treatment of disease. The addition of Zoetis’ resources and capabilities to those of Platinum Performance is expected to increase the number and impact of research trials, enhance nutrition education, and strengthen its ability to serve clients. Platinum Performance will operate as a wholly owned subsidiary of Zoetis, and continue doing business from its Buellton, Calif., headquarters.

Strengthening Its Equine Portfolio for Growth

“Zoetis is excited to acquire Platinum Performance and add its high-quality, nutritional products and expertise to our diverse portfolio and team,” said Kristin Peck, Executive Vice President and Group President, U.S. Operations, Business Development and Strategy for Zoetis. “Platinum has become highly regarded in the equine community over the last 20 years for its sophisticated veterinarian-led product development; its commitment to science-backed formulations and research; and its use of high-quality ingredients in manufacturing.”

“With this acquisition, Zoetis gains an innovative leader and premium brand in the market for nutritionals and wellness solutions that cater to horses, dogs and cats. We believe Zoetis will be able to expand the Platinum equine business through our U.S. field force, accelerate the growth of its petcare product formulas with veterinarians and pet owners through our digital marketing capabilities, and evaluate international expansion opportunities over the long term,” said Peck.

Premium Products for Wellness and Prevention

The family-owned business was established in 1996 by Dr. Doug Herthel, DVM, and his son Mark Herthel, who will continue to lead the new Zoetis business unit as President of Platinum Performance. The company has become well-respected over the years for its high levels of client service and satisfaction among equine veterinarians and horse owners. Based in Buellton, Calif., with 80 employees, Platinum sells directly to veterinarians and horse owners through a sophisticated e-commerce model and an experienced team of nutritional consultants and advisors.

“Zoetis and Platinum share similar values and strengths when it comes to client service, innovative research, and high-quality manufacturing and dedication to the veterinary profession,” said Platinum Performance’s President Mark Herthel. “With our exceptional brand and proven product formulas placed in Zoetis’ commercial model, we should be able to increase the company’s scale with additional global access to veterinarians and pet owners, allowing us to continue to fulfill our family’s vision for the field of scientific wellness in animal care. Zoetis and Platinum are a terrific match, and we are thrilled to be connected to a company with the same mindset.”

“When Platinum Performance began in our family-owned equine veterinary clinic 23 years ago, my father and I knew that nutrition and wellness support belonged in the hands of equine veterinarians. With more than two decades of clinical experience and dozens of research trials conducted, we remain committed to the application of nutrient-based formulas in veterinary medicine,” said Herthel.

Today, Zoetis provides a range of equine products, including vaccines, dewormers and sedatives and analgesics that both veterinarians and horse owners know and trust for helping horses live longer, healthier lives. Equine products generated sales of $168 million for Zoetis in 2018, or approximately 3% of total annual revenue for the company; equine products for Zoetis grew 10% operationally in 2018. Zoetis also sells several dietary supplements for dogs and cats that include vitamins and
minerals to complete a pet’s nutrition.

The transaction is subject to customary closing conditions, including regulatory and anti-trust approvals. Zoetis expects to complete the acquisition in the third quarter. The company does not expect the transaction to have a material financial impact to its guidance for full-year 2019.

About Zoetis
Zoetis is the leading animal health company, dedicated to supporting its customers and their businesses. Building on more than 65 years of experience in animal health, Zoetis discovers, develops, manufactures and commercializes medicines, vaccines and diagnostic products, which are complemented by biodevices, genetic tests and a range of services. Zoetis serves veterinarians, livestock producers and people who raise and care for farm and companion animals with sales of its products in more than 100 countries. In 2018, the company generated annual revenue of $5.8 billion with approximately 10,000 employees. For more information, visit www.zoetis.com.

About Platinum Performance
Platinum Performance was co-founded in 1996 by renowned equine veterinarian and surgeon, Dr. Doug Herthel, and President Mark Herthel. From its earliest days, the company has held a strong commitment to veterinarians and the highest respect for their role in guiding the health, wellness and performance of the horse. Platinum Performance develops, manufactures and markets a broad range of premium nutritional product formulas for horses as well as a smaller range of petcare brands and human supplements. For more information, visit www.platinumperformance.com.

Forward-Looking Information
This press release contains forward-looking statements, which reflect the current views of Zoetis with respect to business plans or prospects, future operating or financial performance, future guidance, future operating models, expectations regarding products, expectations regarding the performance of acquired companies and our ability to integrate new businesses, expectations regarding the financial impact of acquisitions, future use of cash and dividend payments, tax rate and tax regimes, changes in the tax regimes and laws in other jurisdictions, and other future events.

These statements are not guarantees of future performance or actions. Forward-looking statements are subject to risks and uncertainties. If one or more of these risks or uncertainties materialize, or if management’s underlying assumptions prove to be incorrect, actual results may differ materially from those contemplated by a forward-looking statement. Forward-looking statements speak only as of the date on which they are made. Zoetis expressly disclaims any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. A further list and description of risks, uncertainties and other matters can be found in our Annual Report on Form 10-K for the fiscal year ended December 31, 2018, including in the sections thereof captioned “Forward-Looking Statements and Factors That May Affect Future Results” and “Item 1A. Risk Factors,” in our Quarterly Reports on Form 10-Q and in our Current Reports on Form 8-K. These filings and subsequent filings are available online at www.sec.gov, www.zoetis.com, or on request from Zoetis.

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