

PHIBRO ANIMAL HEALTH CORP
Form 10-K
August 27, 2018
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended June 30, 2018
OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____
Commission File Number: 001-36410

Phibro Animal Health Corporation
(Exact name of registrant as specified in its charter)

Delaware 13-1840497
(State or other jurisdiction of (I.R.S. Employer Identification No.)
incorporation or organization)

Glenpointe Centre East, 3rd Floor
300 Frank W. Burr Boulevard, Suite 21 07666-6712
Teaneck, New Jersey (Zip Code)
(Address of Principal Executive Offices)

(201) 329-7300
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Class A Common Stock, \$0.0001 par value per share
(Title of each class)

NASDAQ Stock
Market
(Name of each
exchange on
which registered)

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of Securities

Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the

Act. Yes No

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Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No
Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files.) Yes No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer		Accelerated filer
Non-accelerated filer	(Do not check if a smaller reporting company)	Smaller reporting company

Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any or new revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The aggregate market value of the registrant's Class A common stock and Class B common stock held by non-affiliates of the registrant was \$654,921,282 as of December 31, 2017, the last business day of the registrant's most recently completed second fiscal quarter based on the closing price of the common stock on the NASDAQ Stock Market. The registrant has no non-voting common stock.

As of August 20, 2018, there were 20,121,674 shares of the registrant's Class A common stock, par value \$0.0001 per share, and 20,246,034 shares of the registrant's Class B common stock, par value \$0.0001 per share, outstanding.

DOCUMENTS INCORPORATED BY REFERENCE:

Portions of the registrant's Proxy Statement for the 2018 Annual Meeting of Shareholders to be held on November 5, 2018 (hereinafter referred to as the "2018 Proxy Statement") are incorporated herein by reference in Part III of this Annual Report on Form 10-K. Such proxy statement will be filed with the Securities and Exchange Commission within 120 days of the registrant's fiscal year ended June 30, 2018.

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Forward-Looking Statements

This Annual Report on Form 10-K contains forward-looking statements that are subject to risks and uncertainties. All statements other than statements of historical or current fact included in this report are forward-looking statements. Forward-looking statements discuss our current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as “aim,” “anticipate,” “believe,” “estimate,” “expect,” “forecast,” “outlook,” “potential,” “project,” “projection,” “plan,” “intend,” “seek,” “could,” “would,” “will,” “should,” “can,” “can have,” “likely,” the negatives thereof and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events. For example, all statements we make relating to our estimated and projected earnings, revenues, costs, expenditures, cash flows, growth rates and financial results, our plans and objectives for future operations, growth or initiatives, strategies, or the expected outcome or impact of pending or threatened litigation are forward-looking statements. All forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those that we expected. Examples of such risks and uncertainties include:

- perceived adverse effects on human health linked to the consumption of food derived from animals that utilize our products could cause a decline in the sales of those products;
- restrictions on the use of antibacterials in food-producing animals may become more prevalent;
- a material portion of our sales and gross profits are generated by antibacterials and other related products;
- competition in each of our markets from a number of large and small companies, some of which have greater financial, research and development (“R&D”), production and other resources than we have;
- outbreaks of animal diseases could significantly reduce demand for our products;
- our business may be negatively affected by weather conditions and the availability of natural resources;
- the continuing trend toward consolidation of certain customer groups as well as the emergence of large buying groups;
- our ability to control costs and expenses;
- any unforeseen material loss or casualty;
- exposure relating to rising costs and reduced customer income;
- competition deriving from advances in veterinary medical practices and animal health technologies;
-

unanticipated safety or efficacy concerns;

- our dependence on suppliers having current regulatory approvals;
- our raw materials are subject to price fluctuations and their availability can be limited;
- natural and man-made disasters, including but not limited to fire, snow and ice storms, flood, hail, hurricanes and earthquakes;
- terrorist attacks, particularly attacks on or within markets in which we operate;
- our ability to successfully implement our strategic initiatives;
- our reliance on the continued operation of our manufacturing facilities and application of our intellectual property;
- adverse U.S. and international economic market conditions, including currency fluctuations;

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- failure of our product approval, R&D, acquisition and licensing efforts to generate new products;
- the risks of product liability claims, legal proceedings and general litigation expenses;
- the impact of current and future laws and regulatory changes;
- modification of foreign trade policy may harm our food animal product customers
- our dependence on our Israeli and Brazilian operations;
- our substantial level of indebtedness and related debt-service obligations;
- restrictions imposed by covenants in our debt agreements;
- the risk of work stoppages; and
- other factors as described in “Risk Factors” in Item 1A. of this Annual Report on Form 10-K.

While we believe that our assumptions are reasonable, we caution that it is very difficult to predict the impact of known factors, and it is impossible for us to anticipate all factors that could affect our actual results. Important factors that could cause actual results to differ materially from our expectations, or cautionary statements, are disclosed under “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” All forward-looking statements are expressly qualified in their entirety by these cautionary statements. You should evaluate all forward-looking statements made in this report in the context of these risks and uncertainties.

We caution you that the important factors referenced above may not contain all of the factors that are important to you. In addition, we cannot assure you that we will realize the results or developments we expect or anticipate or, even if substantially realized, that they will result in the consequences we anticipate or affect us or our operations in the way we expect. The forward-looking statements included in this report are made only as of the date hereof. We undertake no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as otherwise required by law. If we do update one or more forward-looking statements, no inference should be made that we will make additional updates with respect to those or other forward-looking statements.

Emerging Growth Company Status

We are an “emerging growth company,” as defined in Section 2(a) of the Securities Act of 1933 (the “Securities Act”), as modified by the Jumpstart Our Business Startups Act of 2012 (the “JOBS Act”). As such, we are eligible to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not “emerging growth companies.” These exemptions include, but are not limited to, (i) not being required to comply with the auditor attestation requirements of Section 404 (“Section 404”) of the Sarbanes-Oxley Act of 2002, as amended (the “Sarbanes-Oxley Act”), (ii) reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements, and (iii) exemptions from the requirements of holding a non-binding advisory vote on executive compensation and stockholder approval of any golden parachute payments not previously approved.

We have taken, and plan to continue to take, advantage of some or all of these exemptions. If we do continue to take advantage of any of these exemptions, we do not know if some investors will find our Class A common stock less attractive as a result. If some investors find our Class A common stock less attractive, there may be a less active trading market for our Class A common stock and our stock price may be more volatile. We have elected to forego the extended transition period for complying with new or revised accounting standards that emerging growth companies are permitted to take advantage of pursuant to Section 107 of the JOBS Act.

Pursuant to Section 102 of the JOBS Act, our 2018 Proxy Statement will provide reduced executive compensation disclosure.

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We expect to remain an emerging growth company until June 30, 2019, which is the end of the fiscal year following the fifth anniversary of our initial public offering. We will be required to comply with the auditor attestation requirements of the Sarbanes-Oxley Act, effective with our June 30, 2019 consolidated financial statements.

Market, Ranking and Other Industry Data

Unless otherwise indicated, information contained in this report concerning our industry and the markets in which we operate, including our general expectations and market position, market opportunity and market share, is based on management estimates and on information from Vetnosis Limited (“Vetnosis”), a research and consulting firm specializing in global animal health and veterinary medicine. The Vetnosis information cited in this document was not prepared by Vetnosis on our behalf. Management estimates are derived from publicly available information, our knowledge of our industry and assumptions based on such information and knowledge, which we believe to be reasonable. We believe these estimates are reasonable as of the date of this report, or if an earlier date is specified, as of such earlier date. However, this information may prove to be inaccurate because of the method by which we obtained some of the data for our estimates or because this information is subject to change and cannot always be verified due to limits on the availability and reliability of independent sources, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any statistical survey of market shares. In addition, purchasing patterns and consumer preferences can and do change. As a result, you should be aware that market share, ranking and other similar data set forth in this report, and estimates and beliefs based on such data, may not be reliable.

Trademarks, Service Marks and Trade Names

The following trademarks and service marks used throughout this report belong to, are licensed to, or are otherwise used by us in our business: AB20®; Animate®; Aviax®; Aviax II™; Aviax Plus™; Avi-Carb®; Banminth®; Biosaf®; Bloat Guard®; Bovipro™; Cellerate Yeast Solutions®; Cerdimix™; Cerditac™; Chromax®; Coxistac™; Emulsigen®; Eskalin™; Lactrol®; Magni-Phi®; Mecadox®; MJPRRS®; MVP Adjuvants®; Neo-Terramycin®; Neo-TM™; Nicarb®; Nicarmix®; OmniGen-AF®; Posistac™; Procreatin 7®; Provia 6086™; Rumatel®; Safmannan®; Stafac®; TAbic®; Tailor Made®; Terramycin®; TM-50®; TM-100™; V.H.®; and, V-Max®.

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PART I

Item 1. Business

Overview

Phibro Animal Health Corporation is a leading global diversified animal health and mineral nutrition company. We strive to be a trusted partner with livestock producers, veterinarians and farmers by providing solutions to help them maintain and enhance the health of their animals and produce healthy, affordable food with fewer natural resources. We sell more than 1,500 product presentations in over 70 countries to approximately 3,000 customers. We develop, manufacture and market products for a broad range of food animals including poultry, swine, beef and dairy cattle and aquaculture. Our products help prevent, control and treat diseases, enhance nutrition to help improve health and contribute to balanced mineral nutrition. We sell animal health and mineral nutrition products either directly to integrated poultry, swine and cattle integrators or through commercial animal feed manufacturers, wholesalers and distributors.

Our products include:

- Animal health products such as antibacterials, anticoccidials, nutritional specialty products and vaccines that help improve the animal's health and therefore improve performance, food safety and animal welfare. Our Animal Health segment also includes antibacterials and other processing aids used to improve production efficiency in the ethanol fermentation industry.
- Mineral nutrition products that fortify the animal's diet and help maintain optimal health.

We have focused our efforts in regions where the majority of livestock production is consolidated in large commercial farms. We believe we are well positioned to further accelerate our growth with our established network of sales, marketing and distribution professionals in markets in North America, Latin America, Asia Pacific, Europe and Africa.

We are investing development resources and exploring a future entry into the companion animal sector. Our business today is concentrated in the livestock sector.

In addition to animal health and mineral nutrition products, we manufacture and market specific ingredients for use in the personal care, industrial chemical and chemical catalyst industries. We sell performance products directly to customers in the aforementioned industries.

Unless otherwise indicated or the context requires otherwise, references in this report to "we," "our," "us," "the Company," "Phibro," "PAHC" and similar expressions refer to Phibro Animal Health Corporation and its subsidiaries. We completed our initial public offering on April 16, 2014. Our Class A common stock trades on the NASDAQ Stock Market ("NASDAQ") under the trading symbol "PAHC." Our Class B common stock is not listed or traded on any stock exchange.

Business Segments

We manage our business in three segments—Animal Health, Mineral Nutrition and Performance Products—each with its own dedicated management and sales team, for enhanced focus and accountability. Net sales by segments, species and regions were:

For the Years Ended June 30	Segments			Change			Percentage of total			
	2018	2017	2016	2018/2017	2017/2016	2018	2017	2016		
	(\$ in millions)									
Animal Health	\$ 532	\$ 498	\$ 486	\$ 34	7%	\$ 12	2%	65%	65%	65%
Mineral Nutrition	235	218	217	17	8%	2	1%	29%	29%	29%

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Performance Products	53	48	49	5	11%	(0)	(1)%	7%	6%	6%
Total	\$ 820	\$ 764	\$ 752	\$ 56	7%	\$ 13	2%			

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For the Years Ended June 30	Species			Change				Percentage of total		
	2018	2017	2016	2018/2017	2017/2016	2018	2017	2016		
	(\$ in millions)									
Poultry	\$ 321	\$ 301	\$ 292	\$ 20	7%	\$ 9	3%	39%	39%	39%
Dairy	177	157	146	20	13%	11	7%	22%	21%	19%
Cattle	80	76	96	4	5%	(20)	(21)%	10%	10%	13%
Swine	100	93	100	7	8%	(8)	(8)%	12%	12%	13%
Other(1)	142	137	116	5	4%	21	18%	17%	18%	15%
Total	\$ 820	\$ 764	\$ 752	\$ 56	7%	\$ 13	2%			

For the Years Ended June 30	Regions(2)			Change				Percentage of total		
	2018	2017	2016	2018/2017	2017/2016	2018	2017	2016		
	(\$ in millions)									
U.S. & Canada	\$ 504	\$ 502	\$ 493	\$ 2	0%	\$ 9	2%	61%	66%	66%
Latin America	126	99	109	27	27%	(10)	(9)%	15%	13%	15%
Asia Pacific	70	67	61	3	5%	6	10%	9%	9%	8%
Europe, Middle East & Africa	120	96	89	24	25%	7	8%	15%	13%	12%
Total	\$ 820	\$ 764	\$ 752	\$ 56	7%	\$ 13	2%			

(1)
Other includes sales related to: Performance Products customers; the ethanol industry; aquaculture and other minor species; adjuvants for vaccine manufacturers; and Mineral Nutrition pet food, plant nutrition and other customers.

(2)
Net sales by region are based on country of destination.

Certain amounts and percentages may reflect rounding adjustments.

Adjusted EBITDA by segment was:

For the Year Ended June 30	Adjusted EBITDA(1)			Change		Percentage of total(2)		
	2018	2017	2016	2018/2017	2017/2016	2018	2017	2016
	(\$ in millions)							

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Animal Health	\$ 142	\$ 130	\$ 127	\$ 12	9%	\$ 3	3%	87%	87%	89%
Mineral Nutrition	19	17	15	1	7%	2	16%	11%	12%	10%
Performance Products	2	2	1	(0)	(9)%	1	106%	1%	1%	1%
Corporate	(33)	(30)	(29)	(4)	*	(1)	*			
Total	\$ 129	\$ 120	\$ 114	\$ 9	7%	\$ 6	5%			

(1)

See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—General description of non-GAAP financial measures” for description of Adjusted EBITDA.

(2)

Before unallocated corporate costs

Certain amounts and percentages may reflect rounding adjustments.

Net identifiable assets by segment were:

As of June 30	Net Identifiable Assets			Change		Percentage of total				
	2018	2017	2016	2018/2017	2017/2016	2018	2017	2016		
	(\$ in millions)									
Animal Health	\$ 456	\$ 442	\$ 445	\$ 14	3%	\$ (3)	(1)%	68%	71%	73%
Mineral Nutrition	70	55	58	15	26%	(2)	(4)%	10%	9%	10%
Performance Products	24	24	22	0	1%	2	10%	4%	4%	4%
Corporate	122	102	84	20	20%	18	22%	18%	16%	14%
Total	\$ 672	\$ 623	\$ 608	\$ 49	8%	\$ 16	3%			

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Corporate assets include cash and cash equivalents, short-term investments, debt issuance costs, income tax related assets and certain other assets.

Certain amounts and percentages may reflect rounding adjustments.

Animal Health

Our Animal Health business develops, manufactures and markets more than 900 product presentations, including:

- antibacterials, which inhibit the growth of pathogenic bacteria that cause bacterial infections in animals; anticoccidials, which inhibit the growth of coccidia (parasites) that damage the intestinal tract of animals; and related products (MFAs and other);
- nutritional specialty products, which enhance nutrition to help improve health and performance (nutritional specialties); and
- vaccines, which cause an increase in antibody levels against a specific virus or bacterium, thus preventing infection from that viral or bacterial antigen (vaccines).

Our animal health products help our customers prevent, control and treat diseases and enhance nutrition to help improve health, enabling our customers to more efficiently produce high-quality, wholesome and affordable animal protein products for human consumption. We develop, manufacture and market animal health products for a broad range of food animals including poultry, swine, beef and dairy cattle and aquaculture. We provide technical and product support directly to our customers to ensure the optimal use of our products. The animal health industry and demand for many of our animal health products in a particular region are affected by changing disease pressures and by weather conditions, as usage of our products follows varying weather patterns and seasons. As a result, we may experience regional and seasonal fluctuations in our animal health segment. Animal Health net sales by product group and regions were:

For the Years Ended June 30	Product Groups			Change				Percentage of total		
	2018	2017	2016	2018/2017	2017/2016	2018	2017	2016		
	(\$ in millions)									
MFAs and other	\$ 337	\$ 321	\$ 340	\$ 15	5%	\$ (19)	(5)%	63%	65%	70%
Nutritional specialties	123	111	94	12	11%	17	18%	23%	22%	19%
Vaccines	72	65	52	7	11%	13	25%	14%	13%	11%
Animal Health	\$ 532	\$ 498	\$ 486	\$ 34	7%	\$ 12	2%			
For the Years Ended June 30	Regions(1)			Change				Percentage of total		
	2018	2017	2016	2018/2017	2017/2016	2018	2017	2016		
	(\$ in millions)									

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U.S. & Canada	\$ 221	\$ 241	\$ 235	\$ (20)	(8)%	\$ 6	3%	42%	48%	48%
Latin America	121	96	104	25	26%	(9)	(8)%	23%	19%	21%
Asia Pacific	69	67	61	2	4%	6	10%	13%	13%	12%
Europe, Middle East & Africa	121	94	86	27	29%	8	9%	23%	19%	18%
Total	\$ 532	\$ 498	\$ 486	\$ 34	7%	\$ 12	2%			

(1)

Net sales by region are based on country of destination

Certain amounts and percentages may reflect rounding adjustments.

MFAs and Other

Our MFAs and other business primarily consists of concentrated medicated products that are administered through animal feeds, commonly referred to as Medicated Feed Additives (“MFAs”). Our MFAs and other business primarily consists of the production and sale of antibacterials (including Stafac®),

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Terramycin®, Neo-Terramycin® and Mecadox®) and anticoccidials (including Nicarb®, Aviax®, Aviax Plus™, Coxistac™ and amprolium). MFAs and other also includes antibacterial products used to control bacterial infections, as well as other processing aids, for the ethanol fermentation industry.

Approximately 50% of our MFAs and other sales in fiscal year 2018 were to the poultry industry, with sales to swine, cattle, dairy and other customers accounting for the remainder. We sell our MFAs and other products in all regions where we do business, with the largest region (as measured by net sales) accounting for approximately one-third of the product group's net sales.

Nutritional Specialties

Many of our proprietary nutritional specialty products have been developed through basic research in cooperation with private research companies or by leading universities with whom we collaborate and then further develop through commercial trials with customers. Our nutritional specialty products include OmniGen-AF®, a patented nutritional specialty product that has been shown in several studies to help maintain a cow's healthy immune system; Animate®, a patented anionic nutritional specialty product that helps optimize the health and performance of the transition dairy cow; Magni-Phi®, a proprietary nutritional specialty product that has been shown in several studies to help improve immune response in poultry; and, Cellerate Yeast Solutions®, a proprietary yeast culture product that is used in all classes of livestock to help improve digestive health, which may lead to improved animal health and performance. We sell our nutritional specialty products in the United States and various other countries internationally.

Vaccines

Our vaccines products are primarily focused on preventing diseases in poultry and swine. We market vaccines in all regions in which we operate. We market our vaccine products to protect animals from either viral or bacterial disease challenges.

We have developed and distribute over 20 licensed vaccine presentations for prevention of disease in poultry including vaccines to protect against Infectious Bursal Disease, Infectious Bronchitis, and Newcastle Disease. We develop, manufacture and distribute autogenous vaccines against animal diseases in the United States. Our autogenous vaccines allow us to produce custom vaccines for veterinarians that contain antigens specific to each farm, allowing Phibro to provide comprehensive health management solutions to our customers. We also market adjuvants to vaccine manufacturers and other products. In July 2018, we accelerated the closing date and completed the purchase of intellectual property and certain other assets relating to the manufacture and sale of an autogenous vaccine against porcine reproductive and respiratory syndrome ("PRRS"). We previously were the exclusive distributor of the PRRS vaccine.

We have developed TAbic®, an innovative and proprietary delivery platform for vaccines. TAbic is a patented technology for formulation and delivery of vaccine antigens in effervescent tablets, packaged in sealed aluminum blister packages. The technology replaces the glass bottles that are in common use today, and offers significant advantages including storage requirements, customer handling and disposal. Several of our vaccine products are available in the patented TAbic format. We also focus on innovation to produce new antigens or new presentations of antigens, and have developed new vaccines, such as the inactivated subunit Infectious Bursal Disease Virus and Egg Drop Syndrome vaccines, being sold as monovalent vaccines or in combinations with other antigens.

We recently acquired an idle vaccine production facility in Sligo, Ireland and plan to develop and operate the facility to produce poultry vaccines, with longer term expectations to add swine and cattle vaccines.

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Mineral Nutrition

Our Mineral Nutrition business manufactures and markets approximately 400 formulations and concentrations of trace minerals such as zinc, manganese, copper, iron and other compounds, with a focus on customers in North America. Our customers use these products to fortify the daily feed requirements of their livestock's diets and maintain an optimal balance of trace elements in each animal. We manufacture and market mineral nutrition products for a broad range of food animals including poultry, swine and beef and dairy cattle. Volume growth in the mineral nutrition sector is primarily driven by livestock production numbers, while pricing is largely based on costs of the underlying commodity metals. Demand for our mineral nutrition products can vary in different seasons of the year and due to changes in weather conditions in a particular region, both of which may cause animal feed consumption to fluctuate. As a result, we may experience regional and seasonal fluctuations in our Mineral Nutrition segment.

Performance Products

Our Performance Products business manufactures and markets a number of specialty ingredients for use in the personal care, industrial chemical and chemical catalyst industries, predominantly in the United States.

Our Products

Animal Health

MFAs and Other

Our MFAs and other business primarily consists of the production and sale of antibacterials (Stafac, Terramycin, Neo-Terramycin and Mecadox) and anticoccidials (Nicarb, Aviax, Aviax Plus, Coxistac and amprolium). We sell our MFAs and other products in all regions where we do business.

Antibacterials and Anticoccidials

We manufacture and market a broad range of antibacterials and other medicated products to the global livestock industry. These products provide therapeutic benefits for the animals and increased feed conversion efficiency, which are proven drivers of profitability for animal producers. The table below presents our core MFA products:

Product	Active Ingredient	Market Entry of Active Ingredient	Description
Terramycin®/TM-50®/ TM-100™	oxytetracycline	1951	Antibacterial with multiple applications for a wide number of species
Nicarb®	nicarbazin	1954	Anticoccidial for poultry
amprolium	amprolium	1960	Anticoccidial for poultry and cattle