

03 Mar 2022 | News

Telehealth Firm Ro Talks More Than ED But Still DTC With Further Consumer Health Expansion

by [Malcolm Spicer](#)

Ro acquires Dadi specializing in sperm testing, analysis and storage, two weeks after adding \$150m funding and 10 months after entering female fertility product market with acquisition of Modern Fertility.

Roman Health Ventures Inc. remains entirely in direct-to-consumer sales while extending well beyond its launch market of providing erectile dysfunction drugs through telehealth services by acquiring a firm making at-home fertility tests for men 10 months after it added women's tests to its portfolio.

The announcement on 2 March by the telehealth firm, dba Ro, of acquiring Dadi LLC, a company specializing in sperm testing, analysis and storage, comes two weeks after it added \$150m funding from existing investors led by ShawSpring Partners.

Ro also announced it's launching Ro Sperm Kit, a rebranded offering of the proprietary collection, testing and storage kits Dadi's provided since the company's 2019 launch in Brooklyn to make fertility services, including cryopreservation, sperm storage, more affordable and accessible, improve education about fertility and to provide products and services for "people to take a more active role in their fertility journeys," according to Ro's announcement.

In May 2021, Ro entered the female fertility product market with the acquisition of Modern Fertility Inc., a San Francisco firm providing fertility hormone at-home tests, digital tools and online community support.

Ro's Got A Kit For That

Combining Dadi's with Modern Fertility's portfolio, Ro says, makes it "the first direct-to-patient company to offer a suite of at-home fertility services to help any individual or couple take

control of their fertility journey.

In addition to offering the Ro Sperm Kit on its Roman branded platform, Ro's making the kit available through Modern Fertility.

The kit, delivered to customers, contains a collection kit and storage capsule designed to secure and preserve sperm, including from changes in temperature or any disruptions during transit to a partner lab. When analysis of a sample is complete, each customer receives a report with an evaluation of sperm count, concentration and motility.

While adding the Ro Sperm Kit to its offerings, Ro since June 2021 has offered Kit.com's at-home, self-administered testing products to add to its direct-to-consumer services customizable, physician-ordered diagnostic tests, including finger prick blood assays, blood pressure tests and weight measurement tools, it said in announcing its acquisition of Kit.com.



RO REBRANDED DADI'S SPERM KIT AND IS OFFERING THE KIT ON ITS ROMAN PLATFORM AND THROUGH MODERN FERTILITY BUSINESS.
Source: Source: Roman Health Ventures

The firm plans in 2022 to introduce one Ro-branded platform, online and mobile, for customers to access all of its care and pharmacy services.

Ro isn't announcing the prices it's paying for Dadi, Modern Fertility and Kit.com, but it recently passed \$1bn in funding to pay for acquisitions as well as other costs in building the business it launched in 2017 focused on prescribing and delivering ED drugs through telehealth consultations with consumers.

It previously expanded its men's product portfolio with hair re-growth drugs, weight management tools, hair and skin care products and sexual health and other vitamins and supplements and extended into the women's market with similar products.

Since its launch, Ro says it also "has facilitated more than eight million digital healthcare visits in nearly every county in the United States" and reaching "98% of primary care deserts," markets without convenient access to services from doctors.

Total Funding Passes \$1Bn

Ro's been expanding its portfolio and its reach with support from investors. Its latest \$150m will help but the sum might seem insignificant compared to the \$500m Series D fundraising round it completed in March 2021.

Returning investors in that round also adding to the support in the latest funding include General Catalyst, FirstMark Capital, TQ Ventures, SignalFire and BoxGroup. Funders who came to the table in 2021 and returned for the latest round include Altimeter Capital, Baupost Group and ShawSpring. Participating last year but not in February were Dragoneer Investment Group, Radcliff and 776; new to funding Ro in the latest round were Chernin Group, Initialized Capital and Seven Seven Six.

The 2021 round more than doubled its total funding since launch to \$876m, and the latest round pushed the total to \$1.26bn.

Between the funding rounds, Ro says that in addition to adding Kit.com and Modern Fertility it expanded its network of owned-and-operated pharmacy fulfillment centers nationwide to 10 and reached capability to deliver 99% of packages within two business days.

That period also included, starting in May, making its Roman brand daily vitamins and supplements for heart health, stress relief, testosterone support, prostate health and a multivitamin available in Walmart stores and on the retail giant's e-commerce platform. (Also see "[DTC Men's Health Product Brand Roman Reaches In-Store Sales With Supplements Sold At Walmart](#)" - HBW Insight, 27 Apr, 2021.)

Also in May, it landed a deal to begin using ChromaDex Corp.'s Niagen "healthy aging" nicotinamide riboside ingredient in its men's supplement line. (Also see "[ChromaDex Supplies 'Healthy Aging' Ingredient To Male Supplement Brand](#)" - HBW Insight, 11 May, 2021.)

Another firm in the telehealth space launched with a focus on ED drugs, Hims & Hers Health Inc., also has landed retail distribution of some consumer health products. The San Francisco-based firm in February announced its Hers and Hims hair products are available at some of GNC Holdings LLC's stores and on its website. (Also see "[Distributing Health, Beauty Products To Retailers, Hims & Hers Seeds Field For OTC ED Drug Sales](#)" - HBW Insight, 17 Feb, 2022.)

With ED ingredients frequently mentioned as Rx-to-OTC switch candidates in the US, Hims & Hers Health and Ro could be establishing networks of retailers for potential OTC ED drugs by making their existing consumer health and personal care products available in other stores.

While generics of Rx products are available, no ED drug is approved for OTC sales in the US. Petros Pharmaceuticals Inc. recently reported positive outcomes in a 453-subject OTC label comprehension study for its Stendra (avanafil/50-, 100-or 200-mg) oral phosphodiesterase 5 (PDE5) inhibitor. Petros in January said it was starting self-selection studies, one with men also using nitrate medicines, which could be pivotal to the US Food and Drug Administration's potential reception for the firm's planned OTC switch proposal. (Also see "[Distributing Health, Beauty Products To Retailers, Hims & Hers Seeds Field For OTC ED Drug Sales](#)" - HBW Insight, 17

Feb, 2022.)