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Female Sexual Dysfunction, China, Next On The Agenda For Eroxon Creator Futura

by David Ridley

Drug-free erectile dysfunction "stimgel" creator Futura wants to see if the technology underpinning Eroxon can be applied to female sexual dysfunction. Breaking into China is also high up on the agenda for the UK-based R&D company's CEO James Barder, he reveals in this exclusive interview.

Innovation, including in the area of women's sexual wellness, and taking erectile dysfunction "stimgel" Eroxon into China are high up on the "to do" list for UK R&D firm <u>Futura Medical plc</u>.

In particular, exploring whether the drug-free technology that underpins Eroxon – which combines volatile ingredients to create a cooling and heating sensation that increases blood flow to the penis – can be applied to female sexual dysfunction represents a "significant opportunity," Futura CEO James Barder told HBW Insight.

"It's certainly something that we're actively pursuing," he continued, albeit in dialogue with women and key opinion leaders to find out what it "should and shouldn't do" in this area.

Recently launched in the UK and Europe, Eroxon may also see line extensions, Barder suggested. "Something with slightly different benefits that we feel we can make different claims for."

Futura is also looking at more "run of the mill" innovations that reduce the cost of Eroxon for consumers, for example pack sizes, as well as modifications to reduce the product's environmental impact. "We're trying to keep away from the use of plastics, particularly single use plastics," he said.

"It's all about how can we expand the brand with variations, different innovations, and therefore end up with more retail shelf space, more awareness, and ideally, greater volumes of sales," Barder explained.

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Phenomenon

In terms of sales, Eroxon has been doing well in the UK, Barder said, where it was launched – in Belgium also – in physical stores and online in April, and online-only in Italy, France and Spain, by Futura's commercial partners Cooper Consumer Health.

"It's still very early days, but we're pretty pleased with the way it's going," Barder commented.

According to Eroxon's UK distributor Ceuta Healthcare, in the first few weeks Eroxon flew off digital shelves faster than pharmacy chain Boots could restock it, with the product selling at a rate of one every 30 seconds on boots.com.

Describing Eroxon's launch as a "phenomenon," Ceuta's marketing director Jon Connolly in July reported that sales had reached around the £2m (\$2.5m) mark. (Also see "<u>'A Phenomenon' – Futura's Eroxon ED Gel Gets Off To Flying Start In The UK</u>" - HBW Insight, 5 Jul, 2023.)

Eroxon now commands a market share of around 20% in the UK's erectile dysfunction category, Barder revealed, which is becoming increasingly competitive.

Pent Up Demand

<u>Sanofi</u>'s Cialis Together (tadalafil 10mg) recently joined <u>Viatris Inc.</u>'s Viagra Connect (sildenafil 50mg) as an OTC medicinal option for ED after the UK's Medicines and Healthcare products Regulatory Agency decided to make it available from pharmacies without a prescription. (Also see "<u>Sanofi Launches OTC Cialis In UK</u>" - HBW Insight, 12 Jun, 2023.)

However, as Barder often emphasizes, Eroxon's drug-free mode of action confers a number of advantages over its medicinal competitors, such as an absence of side effects or contraindications.

"There's a pent-up demand out there for product that that has different attributes. That's not a criticism of Viagra Connect or Cialis Together, which are very effective products. But people want a different mode of action," Barder said.

"And we've never really targeted that group of patients. For us, it's those patients that are contraindicated or perhaps don't like the side effect profile of Viagra or Cialis or want something that is a fast-acting treatment."

As part of the preparatory work for Eroxon's US approval, Futura tested it against tadalafil. While tadalafil showed a greater overall improvement in erectile function than Eroxon, the latter achieved a rapid onset of action at 10 minutes, where the former did not. (Also see "Futura All Set For US FDA De Novo Application For Eroxon OTC ED Treatment" - HBW Insight, 4 Oct, 2022.)



New Markets

Eroxon's regulatory status as an OTC medical device also means that it can be sold anywhere, without intervention from a pharmacist. "With us, you can just go to the shop and pick it up off the shelf. So, this means fewer barriers to access," Barder explained.

As well as enabling men – who are notoriously bad at seeking help for ED – to access treatment more easily, this also means that people can buy Eroxon for their sexual partners.

"Certainly, research has shown that women whose partners have erectile dysfunction want to try and do something about it, especially on occasions when their partners can have a bit in denial about it," Barder said.

"With Viagra and Cialis, they can't buy the product because the pharmacist has to ask them questions. In our case they can. So, we see that as a market."

Global Domination

In the vast majority of countries, there are no OTC ED options, Barder also pointed out, which means Futura would have first mover advantage if Eroxon were to be launched.

As evidenced by its relationship with Cooper in Europe, Futura prefers to work with commercialization partners who are responsible for regulatory approval, launch and marketing, keeping things internally lean and focused on R&D. (Also see "Futura Pens Deal With Cooper To Launch Erectile Dysfunction Gel In Europe" - HBW Insight, 26 May, 2022.)

Outside the UK and Europe, Futura has partners in place ready for 10 country launches planned over next six months or so, it says.

Most recently, Eroxon received OTC approval in Mexico, thanks to a partnership Latin America specialist with m8 Pharmaceuticals, with which it is also seeking approval in Brazil. (Also see "Futura Takes Drug-Free Erectile Dysfunction Gel To Latin America" - HBW Insight, 6 Sep, 2021.)

Futura has now also taken up its rights to extend its licensing agreement with m8 to market Eroxon to a further fourteen countries throughout the Central and South American region.

However, by far the most significant partnership agreement signed so far is with Haleon, which recently signed a \$4m deal to launch Eroxon in the US, where it was recently approved by the US Food and Drug Administration as an OTC medical device. (Also see "*Haleon Enters US OTC Erectile Dysfunction Race With Futura Deal*" - HBW Insight, 19 Jul, 2023.)

China Ambitions

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Futura now has commercialization agreements spanning Europe, North America, South America, the Middle East and South Korea. One missing piece of the geographical puzzle, however, is China.

"China is certainly one of the top 15 ED markets," Barder commented. "There's a tremendous opportunity there."

Futura did have an agreement with Pride Century Ventures, a special purpose vehicle owned by Co-High Investment Management Limited, for the rights to exclusively develop and commercialize Eroxon in China and Southeast Asia.

However, the agreement was recently terminated due to the latter's "non-performance of contractual obligations," according to the former's half year investor presentation.

Eyes On The KPIs

"They didn't deliver on the key performance indicators," Barder said. "There are provisions under the agreement. And so, through a stepped process which has taken place, we've taken the rights back."

"All the agreements we've signed to date have key performance indicators," he continued. "It's very important that the companies we choose have the expertise and ability to drive awareness and know how to build an OTC brand with support of healthcare practitioners."

Futura's corporate advisors are "progressing discussions with a number of credible potential distributors," in China, it says. However, further clinical trials will be required for Eroxon to be approved in the country.

"If you look on a map, it's the one area where there's a big gap," Barder conceded. "But we are also in discussions in a number of other markets."

"Ultimately, we want to end up with a global distribution network for Eroxon," he concluded.