



Oxford NutraScience Ltd

The Brazilian experience

What We Do



- ◆ We develop novel, pleasant to take medicine and supplement delivery systems using our proprietary nutraceutical technology
- ◆ Our systems are based on soluble fibres and incorporate additional prebiotic health benefits over traditional systems. They can be used with a wide array of existing and novel pharmaceutical and nutraceutical ingredients
- ◆ Platform technology with wide range of applications
 - ◆ Lead applications include chewy confectionery, chewable tablets (Chewitab™) and liquid suspensions.
- ◆ Chewy confectionery on sale in Boots UK and exported to middle east.
- ◆ Looking to expand export to key new markets,
 - ◆ UK market becoming less profitable
 - ◆ Retailer dominance, tightening regulations, recession.

Where to export

- ◆ Know your product and the market you wish to enter:
- ◆ chewy vitamins have high COGS, the right market structure is vital
 - ◆ UK
 - ◆ High retailer dominance
 - ◆ high marketing costs
 - ◆ Low profit
 - ◆ Germany
 - ◆ Similar to UK – focus on retail private label supply
 - ◆ France, Spain
 - ◆ pharmacy led
 - ◆ distributor and retail margins low
 - ◆ marketing budget less critical, good sales force the key

Why Brazil?

- ◆ Pharmacy led – 50,000 of them !!
- ◆ High retail prices – 2 x UK
 - ◆ Varied society income – haves have a lot.
- ◆ A Few dominant companies
 - ◆ Looking for foreign innovation.
- ◆ Huge tail of small companies
 - ◆ Promise the world deliver nothing.

BUT

- ◆ Highly regulated
- ◆ Complex import rules and taxes
 - ◆ including samples!

Be a Local



- ◆ Vital to have local representation for the bigger companies
- ◆ Vital local market knowledge
 - ◆ All markets are different, work with someone who knows the market well
- ◆ Need for personal relationship
 - ◆ This is crucial
- ◆ Appointed local sales agent to represent ONS in brazil
 - ◆ Commission based
 - ◆ Plus travel costs
 - ◆ Came to all sales meetings in brazil
 - ◆ Ongoing first point of contact

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- ◆ It's dangerous, you'll need an armed guard
- ◆ You can't even wear a watch
- ◆ It's totally corrupt !!

You must be mad.....



- ◆ It's dangerous, you'll need an armed guard
- ◆ You can't even wear a watch
- ◆ It's totally corrupt !!
- ◆ It's no more dangerous than any other city, just know where you're going and stick to the main areas
- ◆ You don't need one, nobody keeps an appointment time anyhow !!!
- ◆ Yes it's bureaucratic and there are more lawyers than doctors but it's NOT corrupt.

Talk their language

- ◆ Make the effort
 - ◆ Learn some phrases,
 - ◆ Very proud of their language

- ◆ Most big businesses will have people who speak English but don't assume they will

- ◆ Be prepared to use a translator
 - ◆ I used sales agent
 - ◆ Candy vs chew !!!

- ◆ Have documentation in Brazilian portuguese.
 - ◆ Take care with the translation

My best move !



Why Oxford NutraScience?

- ◆ Considerable expertise and proven track record in new product development, brand launch and bringing new technologies to market.
- ◆ Understand key value drivers that make nutraceuticals commercially successful.
- ◆ Global network in OTC, Food, Retail & Manufacture
- ◆ Access to world leading expertise in nutraceuticals research

Por que a Oxford NutraScience?

- ◆ Vasta experiência e histórico comprovado em desenvolvimento de novos produtos, lançamento de marcas e apresentação de novas tecnologias ao mercado
- ◆ Conhecemos os grandes impulsionadores de valor que fazem com que os nutracêuticos sejam comercialmente bem sucedidos
- ◆ Rede global de medicamentos de venda livre, alimentos, comércio e fabricação
- ◆ Acesso à experiência líder mundial em pesquisa de nutracêuticos

Was it worth it?

- ◆ Talking to Ache and Sanofi Aventis
 - ◆ 2 of top 5 OTC companies in Brazil
- ◆ Ache actively pursuing product registration without changes
- ◆ First year forecast 250,000 units
- ◆ new products to follow
- ◆ Success will depend on registration !