

Helping tool to relieve smokers from craving a cigarette

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Samenvatting

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Contact & Site

Extra beschrijving

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Beschrijving onderneming:

This company helps to relieve smokers from craving a cigarette when smoking is prohibited or inconvenient.

This gel has been in development since 2016 and received approval according to regulation EC 1223/2009 in late 2019. The gel is applied to the user's palms and provides relief from craving a cigarette within 90 seconds, lasting from from 1 to 4 hours. The gel also provides a similar 'kick' to lighting a cigarette.

The idea of this brand is built on the success of another nicotine gel, a product with the same basic attributes. This other product was launched in over 50 countries between 2005 and 2008. After their immense success in the United Kingdom (partly resultant of timely smoking bans), they aimed at the United States. After founding the US branch and receiving \$6 million investment from a securities sale, the brand partnered with the second largest pharmacy store in the US, namely Wallgreens.

This company's gel has been developed with the goal of overcoming any of the shortcomings of its predecessor. The new formula obtained a considerably improved activation mechanism, increased reliability and a EU product registration in the category of Health Products. The latter is important as it does not compete in the pharmaceutical arena, unlike their predecessor, which was registered as a cosmetic.

Market:

This company targets a smokeless tobacco market estimated at USD 13.6 billion (2018) with a CAGR of over 7%. This market is a relatively fragmented, not yet consolidated by the large tobacco manufacturers. The company is creating a unique sub-segment within this market without any direct competition.

1. **E-commerce:** Due to being a 'Health Product', the company has unrestricted access to e-commerce, a market that generates over EUR 3 trillion (2019) per annum. Market penetration will be based on a self-managed webshop targeted through social media, SEO, and affiliate programs.
2. **Travel Retail:** The global travel retail market is valued at USD 83.9 billion (2019), but is now facing a huge change in operational framework. Many operators have already started to shift their focus to e-commerce and unique new products will be key to re-build many of the suffering categories of global travel retail.
3. **Armed Forces:** The global US military retailer "AAFES" generated a revenue of over USD 8 billion (2019). Many nations have a single exclusive supplier, which allows relative ease of access. Many activities, such as operating heavy machinery prohibit smoking, whilst many soldiers are regular smokers.

USP's:

- The gel is officially registered as a "Health Product", a category that does not need USFDA approval and is approved for online sales in most countries.
- The gel is made with natural tobacco extract, a more effective form of

relief than pure nicotine.

- Due to the low dose of nicotine, the gel can be applied dozens of times without adverse effects.
- The gel contains close to no carcinogenic components.
- Clinical test revealed that 100% of non-smokers tested positive for nicotine as a urine metabolic byproduct after using the gel.
- A separate formula has already been developed that effectively functions as a tobacco cessation product.

Benodigd Kapitaal:

€2.200.000

Gewenst type investeerder:

Angel investor; Private Equity

Sector:

Health; Consumentengoederen

In welke fase bevindt de organisatie zich?:

Early Growth

Omzet (Historisch & Prognose):

Revenue Year 1: €1.000.000 - €2.500.000

Revenue Year 2: €5.000.000 - €10.000.000

Monthly costs: €100.000 - €250.000

Investeringsbehoefte:

An initial investment of **EUR 500,000** will activate the global non-transferable master license for 1 year. After 2 additional years with a license fee of **EUR 250,000** per annum, the BV will transfer the company and all of its IP into the licensee company. It was concluded that an additional **EUR 1.2 million** will be necessary to build a sustainable and profitable business.

With a total **investment of 2.2 million**, the ultimate goal of the company is to target a structured exit after 2 to maximum 3 years.

Aantal founders:

3

Aantal werknemers:

1-5

Geïnteresseerd of vragen? Neem vrijblijvend contact op via het reactieformulier rechtsboven aan de pagina.

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