



COSMETICS

The Newest Wrinkle.

Why do-it-yourself dermatology gadgets have the attention of the consumer-products giants

BY DODY TSIANTAR

LOOK AT THAT UNFLATTERING BROWN SPOT on your cheek. It doesn't need to be there if you don't want it to be. All it takes is a little money, and a dermatologist's laser can zap it away in a flash. Last year, in fact, dermatologists performed about 60 million noninvasive antiaging treatments in the U.S. alone. But soon, thanks to a group of medical-device makers, you'll be able to remove age spots, zits, even wrinkles, without a dermatologist, without leaving your house. And if all goes according to plan, you won't even have to worry about singeing your eyebrow in the process.

We're not quite at the point of injecting ourselves with Botox. But we're definitely on the cusp of a new era of do-it-yourself dermatology. While cosmetics companies such as L'Oréal and Avon have for several

years been selling souped-up scrubs and exfoliators billed as microdermabrasion kits, and antiwrinkle creams that mimic the effects of dermatologist-delivered aesthetic fillers, this is different. These new treatments are scaled-down versions of the light-based devices used by dermatologists to treat skin ailments, all designed so that a consumer can use them. Even hair removal via an at-home laser is

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MERRIMAN CURHAN FORD & CO.

on the table. Leading the way: Zeno and ThermaClear, two FDA-approved antiacne devices already on store shelves. Most other products are still in development. "This trend is going to change the way consumers get cosmetic treatments," says Rick Krupnick, CEO of Light BioScience, the maker of GentleWaves, a technology that uses light-emitting diodes to combat wrinkles and revitalize the skin.

The allure that a magic wand of youth can be waved at home has made consumer-products giants like Procter & Gamble (P&G) and Johnson & Johnson (J&J) snap to attention. After all, these devices have the potential to snare a sizable chunk of the estimated \$24 billion that Americans spend to rejuvenate their faces and remove unwanted hair. Seeing synergies with its Neutrogena brand, J&J jumped into self-dermatology in 2004, signing an exploratory multi-year licensing deal with the \$120 million company Palomar Medical Technologies to develop, test and commercialize light-based aesthetic devices that can treat wrinkles, cellulite and acne. "We have the potential to penetrate a good part of that market," says Palomar's chief finan-

Dermatology Made Simple. At-home skin care scales down doctors' tools for use by consumers

Marvel-Mini Rejuvenating Facial Light

Promise The light-emitting wands will soften wrinkles (red), reduce acne (blue) and diminish dark spots (green)

Price \$225 each, at Nordstrom



ThermaClear

Promise A pulse of light "neutralizes" bacteria beneath the skin to help heal pimples

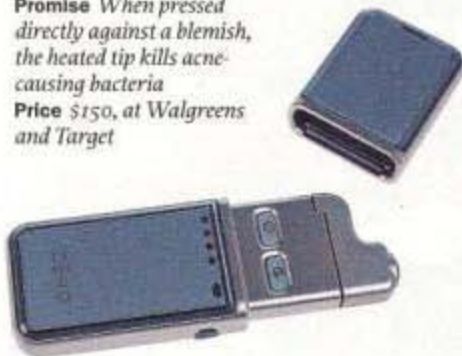
Price \$150, at Sephora



Zeno

Promise When pressed directly against a blemish, the heated tip kills acne-causing bacteria

Price \$150, at Walgreens and Target



ilift

Promise Infrared light promotes blood circulation, while the micro-massage function improves skin elasticity

Price \$395, at bebeautiful.com



cial officer, Paul Weiner—but so far no commercial product.

Meanwhile, P&G's Gillette inked its own agreement with Palomar, which is based in Burlington, Mass., to develop and market a hair-removal device for women to use at home. Then last February, under the guidance of president Susan Arnold, who previously headed the company's beauty and personal-care division—a group that added more than \$20 billion in sales to P&G's top line last year—P&G invested an additional \$1.5 million in the project after the product got FDA over-the-counter clearance. Days later, P&G also signed a joint agreement to develop and distribute home-use antiaging devices with Syneron Medical Ltd., a \$150 million medical-device maker in Yokneam, Israel,

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—DR. BRUCE KATZ, DERMATOLOGIST, ON THE POTENTIAL COMPETITION FROM AT-HOME PRODUCTS

known for its patented "elos" technology, which combines bipolar radio frequency and light sources to combat the signs of aging. "P&G clearly views the consumer segment of aesthetics as a big market," says Jose Haresco, a senior analyst for Merriman Curhan Ford & Co. in San Francisco. "It's not taking a small bet here." Expect to be able to buy some of these gizmos by the end of next year at the earliest, at prices ranging from \$100 to \$500.

Along with the big consumer-products companies, dozens of private investors are also jockeying for a piece of the action. "There's definitely a feeding frenzy going on," says Haresco. "Venture capitalists are tripping over themselves looking for consumer products in this area." Last month, for example, Therative, the San Francisco-based maker of ThermaClear, a battery-powered, handheld antiacne device (\$150, with a \$20 replaceable tip), announced it had secured \$14 million in venture-capital funding. "It's amazing what people are willing to spend to do the whole vanity thing," says Mark Foley, managing director of RWI Ventures, one of Therative's investors. Another enticing reason to sink money into these ventures, according to Foley: potential suitors.

He's not kidding. Therative CEO Peter Scocimara says several big companies had placed large orders for the heat-based acne fighter, launched last February. "You tell me what that means," he says with a laugh, declining to mention the companies involved. Or consider the experience of Maha Sherif, president and CEO of Ageless Beauty, a beauty company based in Valencia, Calif., that markets Marvel-Minis, three separate light-based devices that are claimed to tackle acne (blue light), wrinkles (red) and sun spots (green). The brush-shaped tools (\$225 each), which have not yet gotten the FDA's nod, went on sale at Nordstrom in April. "We ran out of stock in the first 30 days," boasts Sherif. "And I got phone calls from [potential partners and buyers] after just 20 days of being in business. Can you believe it?" Dee Rodriguez, president of Coastal Products International, the U.S. distributor of ilift, an antiaging device using infrared light, which was originally developed in Italy, also got instant nibbles from "names that you'd definitely recognize," she says, after displaying her product at a trade show. The gadget, which comes with a 30-day supply of a specially formulated serum that's supposed to enhance its effects, sells for \$395. The serum costs an additional \$75.

So do these products turn back the clock? Well, to work for the mass market, these powerful tools, meant for a physician's expertise, have to be downsized and idiot-proofed, says Dr. Kenneth Beer, head of the Palm Beach Aesthetic Center. "By definition, that means they can't be as strong," he says. "And as a result they aren't going to be as effective as what you'll get in a doctor's office." Syneron's CEO, Doron Gerstel, acknowledges the problem. "It's a real challenge: to get it to work as well as we can but keep it within the safety that is required for home use."

Some dermatologists, worried about the possible crimp in their cash flow, aren't in love with the idea of patients treating themselves either. Could these gadgets make dermatologists obsolete? Not likely. If anything, those in the business argue, these self-treatments might entice consumers who want to do something but can't afford to. Eventually they'll be hooked, goes the argument, and visit physicians for more. Says Dr. Bruce Katz, director of the Juva Skin and Laser Center in New York City: "It's just like hair color. Sure, you can do it yourself, but you won't get the same result you'll get in a hair salon." Then again, home hair coloring is worth \$9.8 billion a year worldwide, which is no blemish on anyone's books. ■