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NuMe Among Firms With Gut Feeling About Burgeoning Prebiotics Space

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Prebiotics could grow from a currently “nonexistent” market to surpass the flourishing probiotics category in both revenues and supporting science, the chief executive of a prebiotics developer says.

NuMe Health CEO Dean Stull says prebiotics – soluble dietary fibers that foster the proliferation of probiotics in the digestive tract – generally are easier to formulate in food and supplement applications. And unlike most probiotics, require refrigeration.



Photo courtesy of NuMe Health

NuMe Health CEO Dean Stull

Stull points to prebiotics to help billions of bacteria in the body have a greater effect on overall microbial health by adding more beneficial microorganisms to the probiotic supplement.

“I actually believe that the big picture is significantly more positive for prebiotics.”

“Probiotics are helpful products under the right applications, but prebiotics have the potential to be much better, much more important in the body.”

Stull is banking on the burgeoning growth of prebiotics with New Orleans-based NuMe, which is developing novel fibers for use in foods and supplements initially targeted to the weight-maintenance segment.

The biotech start-up announced in late July it closed a series A-1 financing round worth \$675,000, which will go toward corporate and product development. Stull said NuMe likely will need \$2 million total in the A round, with the company in the midst of creating product prototypes and funding a clinical trial.

He projects the need for a B round of financing in late 2012 or early 2013, as NuMe by then plans to expand its portfolio or enter new marketing channels.

The direct-to-consumer channel currently makes the most sense for NuMe, Stull says, given that the market for products labeled as prebiotics is virtually “nonexistent.”

PRE Beverage Co. has a lot riding on consumer understanding of prebiotics, given its line of *PRE* Probiotic Enhancer beverages. The products, formulated with a blend of inulin and fructo-oligosaccharides from **Jarrow Formulas**, claim to “promote healthy digestive balance by triggering the growth of beneficial bacteria.”

Foods and supplements with prebiotics tallied \$96.1 million in U.S. sales during the 52 weeks ended July 9. These data, representing 10.6% growth year-over-year, come from natural and conventional supermarkets, drugstores and mass merchandisers, excluding **Walmart** and **Whole Foods**.

Meanwhile, U.S. consumer spending on probiotics was \$467.5 million in 2009 and is projected to pass \$800 million by 2015 (“*Probiotic Firms Must Overcome Barriers To Cash In On High Growth*,” “*The Tan Sheet*” Nov. 15, 2010).

Though fiber supplements represent a sizable market segment, not all fibers are prebiotic. Prebiotic fibers such as inulin and oligofructose from chicory root ferment in the colon, becoming useful to probiotic bacteria. Psyllium fiber does not