

## BUSINESS

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SECTION D

## Armkel will market spiral condoms

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Staff Writer

Calling it a radical innovation that will simultaneously boost profits and help prevent the spread of AIDS, a Princeton Borough company that makes Trojan condoms has begun marketing a spiral-shaped prophylactic designed by a Plainsboro doctor.

Dubbed the Pleasure Twist, the new condom from Armkel uses extra material near the top to increase friction and stimulation — a combination that company officials anticipate will boost use, revenues and, therefore, protection against sexually transmitted disease.

"This is really a wonderful, wonderful

design and we are going to back it with a very strong advertising campaign on both television and radio," said Richard Kline, vice president of marketing at Armkel.

"We think the combination of the design, the marketing and a really good name will convince a lot of people to give this product a try and keep using it from then on."

Armkel, a 50/50 partnership between Church & Dwight and Kelso & Co., operates from Church & Dwight's headquarters on Harrison Street under the leadership of Church & Dwight officials.

Church & Dwight, which is most famous for its Arm & Hammer line of products, gained control of the Trojan

name in 1991 when it bought the consumer products division of Carter-Wallace.

Trojan sales account for just under 70 percent of the \$450 million U.S. condom market, which is growing at close to 6 percent a year.

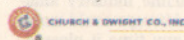
Trojan's only competition in the world of spiral-shaped condoms comes from Intellx, a Michigan-based company that sells Inspiral, a similar — but slightly different — model highly praised by magazines and specialty condom sellers.

Two years ago, Intellx sold only 2 million Inspiral condoms per year. This year, the company, which employs only

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## Church &amp; Dwight

- Known mainly for its household cleaning products, Church & Dwight is developing the Trojan condom business it acquired with Kelso & Co. in September 2001 from Carter-Wallace.
- The Princeton Borough-based company has launched a new condom it says enhances sexual pleasure and protects against sexually transmitted disease.
- Condom industry: \$450 million annually



Times graphic by Laura Sommerville

Merrill  
chief  
says he's  
contrite

Bloomberg News Service

NEW YORK — Merrill Lynch & Co. Chief Executive Officer Stanley O'Neal told employees he takes seriously his

# CONDOM

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a few dozen people at a small office in Petoskey, expects to sell more than 50 million condoms.

Both Trojan's Pleasure Twist and Intellx's Inspiral come from the same place: a prosperous Indian business called MedTech owned largely by the condoms' inventor from Plainsboro: former surgeon Dr. Alla Venkata Krishna Reddy.

As the owner of the patent on Reddy's spiral design — used in both condoms — MedTech does all the manufacturing and uses Trojan and Intellx to market its products, which may bring about dramatic changes in the condom industry.

"Before Dr. Reddy came along, the condom industry spent nearly half a century turning out products that nobody really wanted to use," Intellx President Brian Osterberg said. "Now, with the combination of Dr. Reddy's ideas and new manufacturing technology, we have a revolutionary improvement. Eventually, this design is going to overtake and extinguish traditional condoms completely."

Reddy, who could not be reached for comment yesterday, divides his time between Plainsboro and India.

He began designing condoms after his research into AIDS convinced him of the urgent need to increase the usage of barrier contraceptions.

The quest to create a condom that would enhance sexual pleasure — a condom that people would voluntarily wear — began with a number of bizarre designs that eventually led, in the early 1990s, to the Pleasure Plus condom.

That design, which looks roughly like an inverted 747 jet, became a best-seller at specialty stores like Condemanina, which operates outlets in big cities across the country.

However, without the backing of any of the nation's major condom makers, the design went off the shelves in less than a year because of manufacturing problems that put Reddy into bankruptcy.

An outside company purchased the rights to the Pleasure Plus design and brought it back to markets. Meanwhile, Reddy began design work on the spiral-shaped condom.

Upon completing that phase, Reddy lined up creditors to finance the construction of a \$7 million factory in India, which soon began manufacturing Inspiral condoms.

Even before the Inspiral hit the market in late 1999, the design won plaudits from observers like *Cosmopolitan*, which awarded Reddy's design with the only perfect score during a survey of condoms.

Since then, the brand has gone on to win a number of tests and generate considerable interest from large companies like Trojan, which has never before sold condoms designed and manufactured by an outside company.