

Robert Davidson of CURE Pharmaceutical

Speaker1: [00:00:04.77] This is the Investor Connect podcast program. I'm Hall Martin and the host of the show in which we interview Angel Investors, venture capital, family offices, private equity, many other investors for early stage and growth companies. I hope you enjoy this episode. Hello, this is Hall Martin with Investor Connect here with Robert Davidson, CEO of Pure Pharmaceutical Pure Pharmaceuticals, an innovative drug delivery and development company committed to improving drug efficacy, safety and the patient experience to his proprietary drug dosage forms and delivery systems. Here has an industry leading Full-Service GMP manufacturing facility and is a preeminent developer and manufacturer of a patented proprietary delivery system. Sure, film most advanced oral thin film on the market today has developed an array of products and cutting edge delivery platforms and partners with leading pharmaceutical companies has positioned itself to advance numerous therapeutic categories, including the pharmaceutical cannabis sector, with partnerships in the US, Canada, Israel and Germany, among other markets. Robert, thank you for joining us.

Speaker2: [00:01:06.42] Thank you for having me today.

Speaker1: [00:01:07.77] Right. So what was your background before joining Cura Pharmaceutical? What did you do before this?

Speaker2: [00:01:12.66] So my background, academic background is in biological sciences and in undergrad and graduate school, basically epidemiology, infectious disease, public health, probably probably a good arena to be in now with the pandemic, as you probably can, you know, as far as epidemiology. But started six different companies back about twenty five years ago. I had my first foray into the really drug delivery pharmaceutical OTC world, built the company up and sold it. So just been really a serial entrepreneur, mainly in the science space and, you know, building companies out up the technology and trying to really create better patient experiences with each company.

Speaker1: [00:01:57.00] And why did you choose this particular space to start working on?

Speaker2: [00:02:01.07] That's a good question. I think I saw an unmet need within the industry, you know, pills, taking pills for drug Actos or nutraceuticals that have been around for quite some time. Pretty antiquated way of taking medications. Obviously, you know, goes to the gut. You probably know the old adage that you take vitamins and a lot of vitamins don't get absorbed. A lot of medicines get, you know, go through first pass degradation in the stomach. And the liver is just not the best approach to taking medicine. So I think there's a better way. And that's what we set out to do.

Speaker1: [00:02:36.20] Right. And so what's your advice for people investing in this space? What do you tell them to do before they write that first check?

Speaker2: [00:02:41.76] I think looking at the IP, looking at what the you know, what the goal of the company is and is it a is it truly a platform? Technology platform technologies really allow you to, you know, take multiple shots on goal and have less risk because you can play in many areas. And let me let me explain that a little bit. As a platform technology, we have the ability really to take a, you know, an active and put it into almost any category we could play in the pharmaceutical space. We could play in the pet space. Right. Think about animals giving dogs and cats pills. Our technology is the oral thin film you're familiar with that the thin film technology at all? Yes. Yes. Very similar to like a Listerine strip only obviously a little more technical. If you could put drug actives in there, you can stabilize it. So the ability to put medications in a dose form, like a thin film that is Muco adhesive, it could taste like peanut butter or a bacon for dogs, obviously. I mean, maybe some humans would like the bacon flavor, but be able to put that thin film in a dog's mouth or cat's mouth and really have a cohesive approach where they can't spit it out. And it definitely getting the dose is such a beneficial way of treating adult.

Speaker1: [00:04:01.83] Ok, well, that's great. Well, let's talk about the sector. How do you see the industry evolving from here?

Speaker2: [00:04:07.47] I think more and more companies are looking at novel ways of delivering drug activities. A many great new chemical entities coming to the forefront. However, there's very there's issues with how do you deliver it effectively? You know, a lot of these actives have low bioavailability. They're not very you know, they're not soluble. So they're not getting

into the body the way they should be. They're not getting a job that way, the way they should be. So companies are looking at novel ways of delivering it. And, you know, without thin film technology, we have integrated encapsulation technology, really protecting the act of encapsulating the active within the thin film Matrix permeation enhances is really increasing how to get the drug active into the oral mucosa or the stomach or sublingual. So we could do many ways. But we have many tricks to the trade with a very broad platform, polymer science that we utilize in the thin film technology.

Speaker1: [00:05:07.50] What is the growth rate of this sector? How fast is it moving?

Speaker2: [00:05:10.11] It's moving fast. It's you know, it's estimated over the next five years to could be a multibillion dollar market. Just on the thin film side. You know, drug delivery itself is. Exponentially growing as well, I don't have the exact numbers, but pretty significant

Speaker1: [00:05:25.60] And how many companies are engaged in it today?

Speaker2: [00:05:27.75] There's only a handful that's beautiful about being at the ground floor of a new technology. There's that little trick of the trade of not being too early right now, too early to the party, but being there right at the right time and when it's starting to really create critical mass in the industry. And I think that's where we're at. I think we're very we're lucky to be in a position we're in. We we started the company with the Social Impact Initiative. I think that's kept us going. That social impact initiative being getting delivery of medications to third world countries more efficiently, to patients more efficiently, you know, having a more effective approach to drug dosing.

Speaker1: [00:06:07.68] So and so what are the challenges in this space, both technologically and with the market? What do you have to overcome to succeed?

Speaker2: [00:06:15.06] Yeah, that's a great question. Technologically, there's quite a challenge in just being able to take something you can create in the lab. It's always great you created this great product in the lab, but now when you want to do it for tens of thousands or millions of people, you have to have scalability. Right. So really creating that approach, that manufacturing process to scale it and to be able to commercialize it, that that was a big challenge for us.

That took us five years. That was no small task. We had a code design the equipment and engineered the equipment because there was no equipment that could actually cure the polymers and the matrix that we use for Denville. So we had to create that. And that that took quite some time. That's one of the challenges. I think the other challenges being, you know, being a novel delivery system, you have to educate the you have to educate the key influencers in the marketplace, like doctors, insurance companies, about why this is a better way to deliver drug Actos. And then you got the regulatory hurdles. When you have a novel delivery technology like the FDA as a regulatory agency, they don't really know much about it. So they're learning when you're as you're building your company and going through the regulatory process. So it could be very unique challenges just in that itself. But we've been able to navigate that pretty good.

Speaker1: [00:07:34.25] Great. How does your pharmaceutical fit into the landscape? Where exactly are you positioned?

Speaker2: [00:07:38.82] So we're positioned because we have a broad platform technology. It allows us to play multiple verticals, the verticals that we do play on the pharmaceutical side. We do look at a lot of actives that are out in the marketplace that are already been approved as a drug, but really need help in how it's being delivered. So we have a short path to regulatory approval or a shorter path, I should say. And that's called Phi five Beta Pathway, which is really nice because the risk is so much less, you know, taking a drug that's already been approved has a toxicological or has the indication efficacy data taken and put it in the novel delivery system. You have to do a couple of studies. It's not it's not major safety studies and efficacy studies. It's already been proven. But you do have to show is that you're delivering it either more effectively or as effective in the blood. And that's what we set out to do. So the nice thing about it, like I said, we play in the pharma space. We do play in a wellness space as well, nutraceuticals, delivering those more effectively. And then again, the veterinarian space, we look to partner with pharmaceutical companies and cross license deals, distribution deals and so forth.

Speaker1: [00:08:50.94] And so why did your pharmaceutical acquire certain labs last year?

Speaker2: [00:08:55.02] Yeah, so our labs are a very exciting acquisition for us. We because we do play in a wellness space, we really didn't want to have to rely on educating the public, the

consumer about this new novel delivery system through other companies. Right. Relying on other brands. So we decided to really capitalize on the fact that several labs build out this DTC direct to consumer distribution channel with a kind of a telehealth spin on it, where you can get information out to that consumer. You can create membership programs with the consumer. You can actually give them the information that they're looking for on their health and actually offer a solution to that. Right. Like the thin film technology delivering via we have a once a week vitamin D three dose. You take it once a week. You know, you're getting vitamin D for the rest of the week and you know, you don't have to worry about it again. So those types of delivery systems and products to the consumers because consumers are more health conscious. So we want to take advantage of that.

Speaker1: [00:09:56.76] So what's the future drug delivery and why is that a great place for investors to put their money?

Speaker2: [00:10:01.77] Well, that's a great question, because all new drugs have to be delivered some way. And, you know, with the increasing population of seven point, what, eight billion individuals, it's very difficult to get injectables. You know, distributed liquids are are logistically a nightmare. The way we developed a thin film technology to make it lightweight, small packaging, small footprint, sustainable, scalable and a very easy drug delivery to distribute. The other key thing about drugs. If you think about it, personalized medicine is growing fast. If you look at personalized medicine, you know, thin films, the best way to do that. And why do I say that? Because not all dose sizes fit every size or individual's weight. Right? Really, drugs should be delivered based on weight, based on body size, because of your your physiology acts differently. So not every like a one hundred pound patient shouldn't be taking the same dose of two hundred pound patients take. And that's just obvious, right? I think from a science standpoint. So then film allows you to really personalize that. You can take a thin film, cut it directly in half, and you have exactly the half amount of that active on the on the thin film. So you could titrated, if you will, titrating the dose. And that's really key for for drug delivery and just pharmaceuticals in general. That's the direction of the whole pharmaceutical market is going into more of a personalized medicine approach.

Speaker1: [00:11:39.29] Great. Well, during the cold pandemic, it seemed like it took all the oxygen out the air for covid vaccines and antigens. How did the non covid biotech companies do?

Speaker2: [00:11:51.09] Yeah, it definitely had some effect on, you know, I think everybody's business as far as even the market valuations and the stock market took a big hit unless you were working on directly on the covid, you know, indication itself. But I think overall, you know, they bounce back, as you know. I think it's I think it's realized now that how important just health in general is. I think you see consumers and patients taking control of that health more and really being conscious of it. So I think you're going to see an uptick in wellness companies as well as pharmaceutical companies, biotech companies that are looking for ways to protect the immune system and ways to deliver medications safer. And you talked about vaccines. Very interesting. You know, there is a potential down the path of creating oral vaccines for some of these potential viruses. And a thin film has great potential in that area, I believe.

Speaker1: [00:12:52.38] Great. Well, in the last few minutes that we have here, what else should we cover that we haven't? Well, I

Speaker2: [00:12:55.71] Think we talked a little bit about I think you mentioned early in the introduction that Cuba has a patent on its delivery system. We actually have over 17 patents issued and almost, I believe, twenty seven pending. And it's not just on the actual dose form, it's actually on how we encapsulate the active and how we protect the active from degradation and how we protect it from a stability standpoint. Right. You want a two year shelf life on medicine. You don't want something that you buy. Tomorrow is gone in a month. So making sure it's stable. We have flavor technologies, you know, and then time release cross binding in time release technologies that allow us to deliver drugs more effectively to the body. If you have pain, you know, you want to get rid of it immediately, which we can do. But you also want it to last longer, the effectiveness of the medication. You want to have to take that medication every four hours. So there's just some unique things that we have patented and we're growing that IP portfolio quite a bit. And I think, you know, just you know, you'll see some additional moves, you know, in some license deals and some a lot of progress in the area in the next six months.

Speaker1: [00:14:10.53] Right. Well, how best for listeners to get back in touch with you

Speaker2: [00:14:13.93] Think the best way is probably my personal LinkedIn. I'm definitely a fan of LinkedIn. A great way to connect and network. So that to me is the best way.

Speaker1: [00:14:24.30] Right. We'll put that in the show notes. I want to thank you for joining us today and have you back for a follow up soon.

Speaker2: [00:14:28.98] Perfect. Thank you for having me today.

Speaker3: [00:14:31.38] Investor Connect helps investors interested in startup funding in this podcast series Experience, investors share their experience and advice. You can learn more at Investor Connect, Doug. Paul Martin is the director of investor Canek, which is a 523 non-profit dedicated to the education of investors for early stage funding. All opinions expressed by Hall and podcast guests are solely their own opinions and do not reflect the opinion of Investor Connect. This podcast is for informational purposes only and should not be relied upon as a basis for investment decisions.