

## Liquid Rolaid's Featured In Line's Re-launch Into Crowded Antacid Market

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**C**hattem Inc. is returning *Rolaid's* to retail with the brand's first liquid and "ultra-strength" products, a move that could capitalize on the continued absence of *Maalox* and *Mylanta* from the market in the wake of recalls.

But after nearly three years off the market, Chattem faces an uphill climb in restoring *Rolaid's*' reputation as a leading OTC antacid brand among consumers.

The five products in the re-launched *Rolaid's* line - regular-, extra- and ultra-strength tablets, and regular- and ultra-strength liquids - do not include *Rolaid's* Softchews or the Multi-Symptom antacid/anti-gas products that **Johnson & Johnson** subsidiary **McNeil Consumer Healthcare** marketed before J&J divested the brand.

In December 2010, J&J recalled about 13 million packages of *Rolaid's* Softchews potentially contaminated with foreign substances. The firm later pulled the brand off the market and sold *Rolaid's* to Chattem parent **Sanofi** in January 2013 ("*Chattem To Revive Rolaid's Line Bought From J&J*" - "*The Tan Sheet*," Jan. 14, 2013).



Chattem's re-launched Rolaid's line

Paris-based **Sanofi** on Sept. 16 announced *Rolaid's*' return to retail and launched a national advertising campaign, including TV spots starring celebrity chef and new *Rolaid's* spokesman Guy Fieri.

Chattem CEO Zan Guerry noted there has been a "significant gap" in the OTC antacid space in recent years, referring to J&J's 2010 OTCs recalls that included *Mylanta* products and **Novartis Consumer Health Inc.**'s plant shutdown that has stalled production of *Maalox* ("*Novartis Opts For OTC Recall, With J&J/McNeil Lessons Still Fresh*" - "*The Tan Sheet*," Jan. 16, 2012).

The *Rolaid's* antacid/calcium supplement tablets contain different amounts of calcium carbonate and magnesium hydroxide, all in compliance with FDA's OTC monograph for antacid drug ingredients. The tablets, in mint or fruit flavors, range from 99 cents for a 12-count roll to \$9.49 for a 150-count bottle.

Regular-strength *Rolaid's* liquid (calcium carbonate 550mg/ magnesium hydroxide 110mg) is sold in a 14.4-ounce bottle, while the ultra-strength version (calcium carbonate 1,000mg/ magnesium hydroxide 200mg) comes in a 12-ounce bottle. The mint- or cherry-flavored liquids' suggested retail pricing ranges between \$5.99 and \$11.99.

### A Crowded Antacid Space

With the liquid and ultra-strength *Rolaid's* products, Chattanooga, Tenn.-based Chattem is striving for differentiation in a category that has become significantly more competitive in the absence of *Maalox* and *Mylanta*.

*Rolaid's* tablets traditionally competed head-to-head with **Glaxo-SmithKline's** *Tums* (calcium carbonate in varying dosages). Like *Rolaid's*, GSK over the years has diversified *Tums*' flavors, ingredients and delivery formats, most recently with *Tums Chewy Delights* (calcium carbonate 1177mg) ("*Chewables Attract New Customers To Mature Brands*" - "*The Tan Sheet*," Aug. 29, 2013).

Following private-label products, proton pump inhibitors and H2 antagonists, Glaxo leads the antacid tablet category with several *Tums* and *Gaviscon* products, which generated a combined \$289.7 million in sales during the 52 weeks ended Aug. 11; GSK's antacid tablets were up 1.5% during that period, according to multi-outlet data from Information Resources Inc.

After private label, GSK's *Gaviscon* liquid (aluminum hydroxide and magnesium carbonate) tops the comparatively smaller and fragmented liquid segment with \$15.3 million in sales during the same period, an increase of 58.9%, likely benefiting from the absence of *Maalox* and *Mylanta* offerings. **Prestige Brands Holdings'** pediatric products and several lesser-known brands follow behind (see table).

"It is a crowded category, one that we're glad to be in," said Robert Long, Chattem's chief financial officer, in an interview. He added that *Rolaid's* returns to the \$2.5 billion antacid market with built-in equity, with nine out of 10 Americans knowing the *Rolaid's* name, according to a survey.

*Rolaid's* website touts the product line's advantages, including that its tablets neutralize more acid than *Tums* and its liquid products are "aluminum-free, unlike many liquid antacids." The OTC antacid monograph allows for several aluminum-containing active ingredients, including the aluminum hydroxide found in *Gaviscon* tablets and liquids.

*Rolaid's* originated in 1954 with **Warner-Lambert**, which was acquired by **Pfizer** in 2000. The brand subsequently moved to J&J in the 2006 Pfizer Consumer Healthcare deal ("*Pfizer Weighs Options For OTC Division As Investors Line Up For Purchase*" - "*The Tan Sheet*," May 29, 2006).

Chattem's TV campaign for *Rolaid's* hopes to appeal to past consumers of the brand with its traditional tagline, "How do you spell relief? R-O-L-A-I-D-S," while reaching out to new consumers with spokesman Fieri. Already in the OTC heartburn treatment category, spots for **Procter & Gamble's** *Prilosec* OTC proton pump inhibitor feature comedian Larry the Cable Guy.

Image courtesy of Sanofi



## Top-Selling OTC Antacids

Category/Product	52 Weeks Ended Aug. 11			
Antacid Tablets	Sales (millions)	% Sales Change From Year-Ago Period	% Category Share	% Share Change From Year-Ago Period
Private label	\$814.3	8.8	39.9	3.8
Prilosec OTC (P&G)	\$372.6	-10.8	18.3	-1.9
Zantac 150 (Boehringer Ingelheim)	\$115.1	3.4	5.6	0.3
Prevacid 24HR (Novartis)	\$98	-35.5	4.8	-2.5
Tums Ultra (GSK)	\$86	4.1	4.2	0.2
Gas-X (Novartis)	\$66.8	5.6	3.3	0.2
Pepcid AC (J&J)	\$51.9	-13.5	2.5	-0.4
Antacid Liquids	Sales (millions)	% Sales Change From Year-Ago Period	% Category Share	% Share Change From Year-Ago Period
Private label	\$52	10.1	55.6	8.6
Gaviscon (GSK)	\$15.3	58.9	16.4	6.8
Little Remedies for Tummies (Prestige Brands)	\$9.6	45.7	10.3	3.7
Sal de Uvas Picot (La Cibeles Inc.)	\$5.1	8.6	5.4	0.8
di-gel (Ilex Consumer Products Group)	\$1.9	N/A	2.0	2.0

Source: Information Resources Inc.

### Experts Weigh In On Re-launch

To win back consumers who have transitioned to other antacids since 2010, Chattem has its work cut out for it, according to pharmaceutical and health care business professor Alice Levy.

"It's extremely difficult to get a brand back to where it was when it's been off the market for a period of time," said Levy, of the University of the Sciences in Philadelphia. "I can't think of any brand that was able to get back to where they were before being off the market."

Though Rolaid's marketing lays out comparisons with Tums, its top branded competitor, Levy said she would encourage Chattem to go further in offering consumers clear incentives and advantages to convince them to switch back to Rolaid's.

With the liquid format, Rolaid's offers a delivery option that Tums lacks. But Levy said she has reservations about the value and appeal of a liquid antacid product that is decidedly less portable and convenient than a roll of chewable tablets.

Finally, Levy said Chattem needs to clarify the distinction among the three strengths of Rolaid's. The product website says regular-strength tablets "go to work instantly," extra-strength tablets offer "fast, powerful relief from heartburn symptoms," and ultra-strength tablets "deliver the ultimate in powerful, rapid relief."

Chattem's Long said the company is differentiating the

stock-keeping units by highlighting their varying levels of active ingredients.

Still, Levy said, "As a consumer, I'm going to go to the shelf and I'm going to be confused. ... In what situations would I take one or the other? Is it always best to buy the ultra? Or maybe, if my condition is not such that it merits ultra, is the ultra going to hurt me?"

From a clinical perspective, re-launching Rolaid's looks to be "a very smart business move" at a time when heartburn sufferers are seeking alternatives to PPIs, said Norfolk, Va.-based gastroenterologist Patricia Raymond.

Raymond, who also works with Gastrointestinal Consultants Ltd. and is a fellow of the American College of Gastroenterology, says she regularly sees patients eager to discontinue their PPI regimens, given growing evidence that links long-term PPI use to increased risk of bone fracture, iron deficiency and enteric infection ("*PPI Products Must Warn Of Possible Increased Fracture Risk - FDA*" - "The Tan Sheet," May 31, 2010).

In general, Raymond also said she recommends alginate-containing antacids such as Gaviscon, which float on top of stomach acid rather than totally neutralizing it as Rolaid's does.

Rolaid's "is a good solid antacid that will do what people want it to do," she said. "But I tend to prefer to leave the acid in the stomach where it belongs and just buffer it when it comes up" with an alginate. 