

Scaling Up: How We Did It

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By Bill Doyle, CEO, Vystar, Duluth, Georgia

After five years of investment fundraising and research, my firm, Vystar, finally found a way to create [natural rubber latex](#) with fewer of the proteins that cause allergic reactions — something the medical industry desperately needed — and with minimal impact on the environment. Latex is a \$3.1 billion industry and we had found an underexploited niche.

The problem: We had no manufacturer, no sales, and no advertising budget to speak of — and no one in the industry knew about our product.

Where to start?

We faced all sorts of challenges. We knew we would have to explain our process to manufacturers — they wouldn't want to change their process without good reason.

We also worried that if competitors heard about our product, Vytex, before it was on the market, they would gain an edge in positioning themselves to compete with it, and some might even start campaigning against us. Ultimately, we decided that was a risk we were prepared to take.

At an international latex conference in 2005 — about four years before we would have a sellable product — we presented a paper that explained how our product is unique. We also explained how we create a more “pure” latex that doesn't require as much processing on the part of manufacturer and could save them money and time.

The search for a manufacturer

After the conference we got a flood of sample orders from companies wanting to try Vytex in their products. That presented another problem: At the time, Vystar's labs could only make samples of 100 cubic centimeters. The average sample order was for a 55-gallon drum. We needed a manufacturing partner that could help guide us through the process of scaling up our production capacity and designing standard operating procedures that produced consistent results.

We immediately looked to Southeast Asia, which has the largest market for latex. But our investors were concerned about protecting our intellectual property, and that area of the world has a reputation for knock-offs. We compromised by signing with Revertex, a Malaysian division of a much larger UK company, Yule Catto. So we gained the benefits of working with a smaller company as well as the protection of a large corporation.

It took us almost a year to scale up to where we are now — being able to produce a metric ton at a time. The first trial runs were disastrous. We were trying to imitate our procedure in the lab, and it wasn't working. Every

two weeks for six months we ran a new batch, trying different types of raw latex while refining our additives and changing our centrifuge settings.

We had to be patient. Coming up with a great product is one thing; it's quite another to mass-produce it.

DIY marketing and sales

Once we finally had enough volume to fill the sample orders, we started hearing back from glove, balloon, foam, and adhesive manufacturers. I had hoped that Revertex would sign Vytex to its label and, in addition to handling the manufacturing, take on the responsibility for sales, marketing, advertising, and billing, but they decided to take a wait-and-see approach. We were going to have to fall back on my background in marketing.

At the time, we had almost no marketing or advertising budget. Buying one ad in a popular magazine would have wiped out our annual marketing budget, so instead we started writing technical papers and going to latex conferences to speak about our product. We also worked with PR firms to try to get some buzz going around our new green, reduced antigenic protein product.

When it came to working with companies on packaging their Vytex products, we realized that it couldn't all be about targeting allergic customers. The product has other advantages that make it appealing to a broader swath of companies. For example, we focus on the fact that gloves made from Vytex are easier to produce than gloves made from other latex products; and balloons made from Vytex are easier to pigment and therefore more vibrant because our process has a whitening effect on the latex we use, which plays well in the pillow and mattress markets.

We were up and running

Toward the end of 2009, we started gaining traction in North America. We signed with a Guatemalan-based manufacturer, OccidenteAgroIndustrial, to reduce shipping time to our North American locations.

This year we finally started generating revenue and are seeing increases with each successive quarter. We owe a lot of that success to the fact that Vytex appeals to another industry as well: the Envy™ Ultra Thin condom, the first product made with Vytex NRL, is now on store shelves.

– As told to Harper Willis

Vystar's shares began [trading over the counter](#) in December 2009. The company is working with manufacturers to bring Vytex NRL to market in adhesives, foams, surgical and exam gloves and other medical devices, as well as foam mattresses, balloons, pillows and sponges.