

TIME

ELECTION PREVIEW

THE LONE RANGER

**He's faltering in Iraq.
He's out of favor with his own party.
He's increasingly isolated.
Why this election is
all about George W. Bush
and the world he's created.**

■ MEDICAL DEVICES: Heating Up

Baby boomers want to look as young as they feel but don't want to look like they've had work done. "They don't want a pulled version of themselves," says Brandt, who claims that he uses more Botox and Restylane than any other dermatologist.

How about a baked version? The latest trend is medical devices that use new non-invasive technologies that produce natural-looking results and let patients get back to work quickly. On the table: tools that use radio frequencies (Thermage), plasma gas (Portrait), infrared light (Titan), light-emitting diodes (GentleWaves), pulsed light (Palomar Medical Technologies' Lux system) and lasers (Fraxel, Vbeam) to smooth out and tighten the skin and soften the appearance of wrinkles. Syneron's eMax uses radio frequencies and light energies and costs about \$250,000. According to Shiu-Yik Au, an analyst for Millennium Research Group, the market for aesthetic medical equipment will top \$400 million this year, a 30% increase from 2005. He projects it could more than double by 2010.



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DECEMBER 2006
INSIDE BUSINESS

TIME
BONUS SECTION

Boomers wearing
posttreatment
cold-pack masks
are going to be as
commonplace as
sunglasses on
poker players

PHOTO-ILLUSTRATION FOR TIME BY MICHAEL ELIENS

Buying Your New Face

THERE'S A HUGE CORPORATE BATTLE
TO SELL YOU ONE. NEW TECHNOLOGIES
AND PRODUCTS ARE MEETING BABY
BOOMERS' INELASTIC DEMAND
TO SMOOTH THEIR WRINKLES



◀ Come January, Olay, a Procter & Gamble skin-care brand, will roll out free skin-tone screenings, using a SIAscope, in drugstores around the country

ABOUT FACE: A LOOK AT NONSURGICAL COSMETIC TECHNOLOGY AND PRODUCTS

1 BOTOX

Made from purified botulinum toxin, the injection works best on frown lines between the eyebrows; also can smooth lines around the eyes and forehead.

HOW DOES IT WORK? It temporarily paralyzes your facial muscles, making wrinkles disappear.

PROS/CONS Movement-related wrinkles virtually disappear, but the effect fades after three to four months. Drooping can occur, but it's rare.

COST \$300 to \$400 per shot

2 RADIO FREQUENCY

The most common radio-frequency resurfacing technique is called Thermage.

HOW DOES IT WORK? A handheld device delivers heat energy (in the form of radio-frequency waves) to deep skin layers, causing skin to contract and tighten.

PROS/CONS Results last up to two years. Outer layers of skin are not damaged, but treatment can hurt; a topical anesthetic is often used.

Blisters, redness and swelling are possible.

COST \$2,000, on average, per treatment

BY
DODDY
TSIANTAR

ON A STEAMY JULY MORNING IN NEW YORK CITY last summer, Allergan, maker of Botox, unveiled the latest weapon in its aesthetic arsenal, Juvéderm. The new wrinkle filler—made from hyaluronic acid, a naturally occurring sugar in

the skin that helps it hold moisture—had just got the green light from the FDA for distribution in the U.S. Champagne corks popped and a curtain parted to reveal a glamorous and wrinkle-free blond, seen minutes before on a video with a face full of creases and frowns. “This is the new generation of dermal fillers,” gushed Caroline Van Hove, director of communications for Allergan. “Juvéderm is going to rock the market.”

Allergan, a specialty pharmaceutical outfit with sales of \$2.9 billion, will put the same marketing muscle behind Juvéderm that made Botox a household name. There are some potential wrinkles in that plan, though. Botox, a facial-muscle relaxant that was used by some 3.5 million people last year, had the market to itself; Juvéderm has

a competitor before it's even out of the box: Restylane, the current best-selling hyaluronic-acid filler, made by Medicis, a \$344 million dermatological company based in Scottsdale, Ariz. And Medicis' Perlane, a more robust version of Restylane, is expected to get the FDA's thumbs-up any day now. Down the road, there's a



Before getting Restylane shots, this patient had noticeable folds and lines

The Boomer Effect

3 LIGHT THERAPIES

Light energy, delivered as intense pulsed light (IPL treatments) or from light-emitting diodes (GentleWaves), diminishes spots, wrinkles, scars.

HOW DOES IT WORK? The light waves stimulate skin cells to produce collagen. IPL takes 30 minutes; LED, 35 seconds.

PROS/CONS The techniques are non-ablative; they're also painless. Doctors often use LED treatments as a follow-up to other laser and cosmetic procedures
COST \$300 to 600 for IPL; \$100 for GentleWaves; eight treatments are recommended

▼ Dermatologist David McDaniel came up with the idea to use LED therapy to treat skin problems. "At the heart of this is how cells age," he says

◀ GentleWaves treatments are painless for patients and last only seconds. But the results are cumulative, subtle—and require at least eight visits

gentle waves

4 DERMAL FILLERS

Restylane, a hyaluronic-acid filler, is the most popular, but there are others, including Zyplast (cow collagen), CosmoDerm (human collagen), Sculptra, (poly-L-lactic acid) and Radiesse (synthetic calcium hydroxyapatite). Coming soon: Juvéderm (a less granular hyaluronic-acid formulation) and Perlane (a thicker, more robust version of Restylane).

HOW DOES IT WORK? They can reshape the face, lifting it in some spots and filling in wrinkles in others. "There's an art to choosing which filler to use for which problem," says celebrated dermatologist Patricia Wexler. And different ones often are used on the same patient. Restylane is ideal, for example, on naso-labial folds and smile lines, while Sculptra adds volume to cheeks.

PROS/CONS Near instant benefit; some pain, swelling and bruising can occur at injection site; several shots are sometimes needed to achieve results.

COST \$500 to \$800 per injection

possibly even bigger blow, Reloxin, a Botox-like alternative.

Also in Medicis' corner: plans for a Medicis-sponsored reality-TV show, *The Hottest Mom in America*. "It's like two 900-lb. gorillas that once each had a monopoly, slugging it out for each other's market share," says Dr. Kenneth Beer, a cosmetic dermatologist in Palm Beach, Fla., who runs a summer boot camp in Colorado that trains physicians on the latest aesthetic techniques. "It's an interesting time in the beauty business."

Make no mistake about it, a war on wrinkles is under way. And Medicis and Allergan aren't the only ones battling for the \$14 billion Americans will spend this year to rejuvenate their aging faces. The overall aesthetics market, including laser devices and breast implants, is only going to keep growing, at a 25% annual clip, according to Allergan's calculations. Says Allergan chairman and CEO David Pyott: "Everyone is trying to work out how to



Dermal fillers make the lines between nose and mouth disappear for months

CLACOWISE (FROM TOP LEFT): BRUCE COOPER; JEFF HUTCHENS—ORBITAL FIRM TIME (2); COURTESY OF MEDICIS

The Boomer Effect

play in the game." And he's right. Dermatologists, cosmetics giants, pharmaceutical companies, medical-device makers and spas are all trying to get rich selling youth to the nation's aging baby boomers, a group that's nearly 80 million strong and getting more wrinkled by the day, bless their narcissistic little hearts.

What's different about this phase of the wrinkle war is that many of the techniques available today actually work, if only temporarily, and they don't involve a scalpel. As long as you're willing to pay thousands of dollars for a menu of cosmetic, nonsurgical treatments, you can reasonably expect to retrieve, for a few months at least, a semblance of your youthful appearance.

Dozens of new kinds of injections, light therapies, laser resurfacing devices and innovative skin creams are available or about to hit the market. The newest selling point: shorter recovery periods, fewer visible aftereffects and, in many cases, near immediate results. "The better the techniques, the more people want them," says New York City and Miami cosmetic dermatologist Dr. Frederic Brandt. The machines used by professionals are expen-

5 LASERS

Aesthetic lasers resurface the skin and rejuvenate it. The process can help erase scars, wrinkles and age spots, as well as improve skin tone and tightness. Lasers also can remove facial and body hair.

HOW DO THEY WORK?

Beams of light are precisely directed at the skin, gently resurfacing its top layers and allowing fresher skin to emerge as skin heals.

Fraxel creates microscopic thermal wounds on the face and is also effective on hands, the neck and chest.

PROS/CONS Be wary of older, carbon dioxide-based systems. They can leave the skin raw for up to two weeks. With newer systems, recovery is shorter, and patients experience

Before: old-looking and spotted hands...



After four treatments with Fraxel: no more spots



only a sunburn-like effect. Two to four treatments are recommended, but the nonpermanent results are long lasting. Doctors typically use multiple kinds of lasers on the same patient. "I treat the whole face as a canvas," says Washington dermatologist Tina Alster. **COST** \$1,200, on average, per treatment

sive, but for dermatologists the payoff is huge: cash up front and no insurance bureaucracy to engage. "If you're really good at what you do," says La Jolla dermatologist Dr. Richard Fitzpatrick, "you've got the potential to charge a premium, which you can't in the medical arena. And you get paid immediately."

That incentive isn't lost on other M.D.s. Many obstetricians, gynecologists

and otolaryngologists now offer laser treatments and injections to their patients. Dr. George Shapiro, a cardiologist in Scarsdale, N.Y., is even shifting his practice to what he calls age management. "What I do is offer my patients everything in one place so they can be beautiful and healthy." The man is going to coin money. Here's how the battle is shaping up:

MEMBER PROFILES: HIGH FLOOR. EXTRA PILLOWS. YOU WON'T EVEN HAVE TO AS

YOU'VE EARNED MORE

■ INJECTABLES: Dueling Syringes

The idea that we could buy a new face without getting a face-lift got its start with Botox, a purified form of botulinum toxin that eases the appearance of wrinkles by essentially paralyzing facial muscles temporarily. Annual regimens for Botox or fillers can cost around \$2,000, since the results last three to six months.

Little wonder, then, that Allergan and Medicis are aiming new products at each others' best sellers. The battle started last spring when Medicis was set to pay \$3.2 billion for Inamed, a medical aesthetics firm with a promising product pipeline that included potential Restylane competitor Juvéderm and the U.S. rights to distribute Dysport (a Botox-like muscle relaxant that will be marketed here as Reloxin). Weeks before the deal was to close, Allergan, based in Irvine, Calif., swooped in and outbid Medicis by \$200 million and also had to fork over \$90 million to Medicis as a termination fee. "At first it was a somewhat defensive move," admits Allergan CEO Pyott. "But then I had a 'wow' moment. It was like playing poker when you know you have a winning hand."

Allergan's triumph was short-lived,

though. The Federal Trade Commission challenged the company's Botox monopoly and ruled that it couldn't retain Reloxin. Guess who got the spoils? Medicis. "We lost the battle but got the product we wanted anyway," says Manny Kapur, Medicis' business director in Canada. "And we got to buy it with their money," adds Jonah Shacknai, chairman and CEO of Medicis.

For the moment, though, Allergan has the competitive edge. Juvéderm will roll out in January. Medicis' Perlane won't be available until the middle of next year; Reloxin isn't expected until early 2008. Shacknai isn't too worried. He expects that market leader Restylane will hold on to its share of the filler segment and its near 90% profit margins. "We're the leading filler and have lots of pioneering products coming to market," he says. "Eventually, we will be able to meet every need for filling the face."

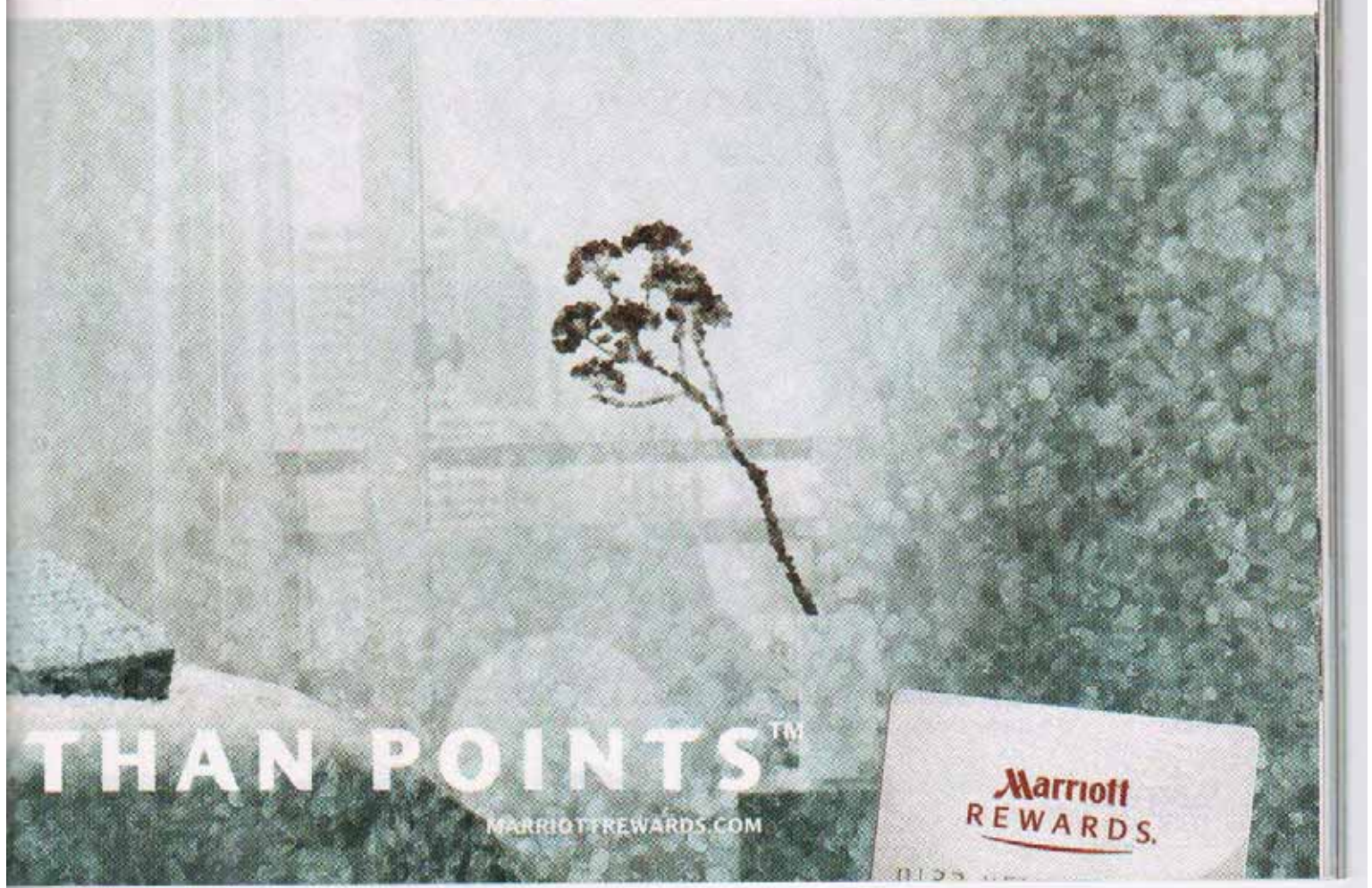
So will Allergan. After buying up Inamed, minus Reloxin, it formed a separate medical-aesthetics division. Part of its mission, according to its head, Robert Grant: to build "a total facial-rejuvenation portfolio" that can capitalize on Allergan's Botox-driven market reach. "This is an opportunity to create a new category which

will have legs not just for the next decade but for the next 100 years," he says.

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The Boomer Effect

That explains why the venture vultures are circling. According to Allan Will, chairman of Split Rock Partners, a VC group based in Menlo Park, Calif., the attraction is the speed to market, compared with, say, a surgical device. Clinical costs for a cardiovascular tool, for example, could reach \$70 million, and it could take six years before it's marketable; for an aesthetics device, the costs and time frame are half that.

For the companies that make the devices, it's also a profitable proposition. Consider Reliant Technologies, a privately held company in Mountain View, Calif., known for its popular resurfacing laser, Fraxel. Its newest model, Fraxel SR1500, which lets dermatologists treat deeper layers of skin, sells for \$110,000. Orders have been pouring in, but the revenue stream doesn't stop there. The handheld device requires a special tip that needs to be replaced after four to six treatments. Cost per tip: \$400. "It is a great business model," says Reliant vice president of global sales Keith J. Sullivan, with a grin.

Even though the various treatments work slightly differently, they operate on a similar principle: they deliver heat energy to the skin's deeper layers, which essentially



◀ ▲ Portrait, a plasma-gas-based technology that treats wrinkles, was developed by Rhytech, a spin-off of British surgical company Gyvus Medical

damages the layers on top, triggering a healing process that produces newer skin underneath. "You need to basically wound the skin, so you can get a healing response," says Keith Penny, director of research for Rhytec, a firm that makes Portrait PSR, a device that treats wrinkles with plasma gas.

Today's lasers and other energy-based

6 PLASMA GAS

Instead of light energy, this new technique shoots blasts of ionized nitrogen plasma gas at the face via a handheld device attached to a bigger machine.

HOW DOES IT WORK? Portrait goes through the top layer of skin and targets its deeper layers, where the heat energy is absorbed uniformly by cells. The upper layer of skin slowly peels away, revealing healthier skin below. "Energy goes deep into the skin and regenerates it," according to Mark Goble, a British surgeon who helped develop the technology.

PROS/CONS Patients can experience redness, swelling and itching for a few days. But the procedure is effective. "It took away a lot of my dark spots. I don't look 20 years younger, but my face looks better and tighter. I'm really pleased," says Portrait patient Jeanne Johnson, 70, of Laguna Beach, Calif.

COST \$2,200 to \$6,000, depending on where you live, for three 30-minute low-energy treatments or a single high-energy one

treatments are increasingly nonablative, meaning they're kinder and gentler to the patient. Portrait, for example, leaves the top layers of skin initially intact and a little red. As healthier skin emerges, peeling occurs. But the process takes days, not weeks, and the result: a dramatic tightening effect around the eyes and

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jawline, according to Dr. Fitzpatrick.

One of the least invasive dermatological treatments is GentleWaves, an FDA-approved technique developed by Virginia Beach, Va., dermatologist Dr. David McDaniel. GentleWaves, a 45-lb., 15-in. machine with two panels consisting of 2,000 tiny light-emitting diodes, flashes an amber light at a patient's skin for 35 painless seconds. Cells aren't damaged, as in some treatments, but they are energized, says Dr. McDaniel. The result is that the skin, over time, produces more collagen, a protein that disappears as we age, and less collagenase, an enzyme that degrades collagen. "Photo-modulation uses light to prevent, heal and reverse some of the damages of time," he says.

That reversal will cost you \$800 for the eight-session course of treatment over four to eight weeks. Light BioScience, the privately held company that makes GentleWaves, is working on the home version, says president and CEO Rick Krupnick.

■ COSMETICS: Under Pressure

The cosmetic giants were the first ones in the wrinkle war, and they're still pouring

money into it. L'Oréal's research team, for example, spent seven years developing Pro-Xylane, a modified version of xylose, a sugar molecule that helps the skin's moisture reservoirs, called glycosaminoglycans. The new patented ingredient graces what the company immodestly touts as "the most technologically advanced antiaging treatment around": Lancôme's Absolue Premium bx (\$132 for 2.6 oz. of the night formula). Alan Meyers, L'Oréal USA's senior vice president of research and development, says, "The real question—and it's not a trivial one—is, Where should we look next to develop new technologies?"

No doubt, the effectiveness of Botox and other procedures has pressured the industry to devise new products and at-home dermatological kits. Last year, says Carrie Melage of Kline & Co., more than 1,000 antiaging treatments were launched; Clarins alone has 32 antiaging items in its line, up from nine in 1985.

But with the pressure has come opportunity, according to Virginia Lee, an analyst for Euromonitor, who estimates that the antiaging segment of the cosmetics-business accounts for almost \$11.4 billion

worldwide—and could grow to \$15.8 billion by 2010. "Not everyone, after all, is interested in having an injection," she says.

To echo the instant effects of non-surgical treatments, some antiaging products use ingredients that make you look better seconds after application. How? They use optical elements that reflect light (Definity by Olay), pink pigments that enhance skin tone (Clarins' Night Wear) and micro-size sponge-like pearls that fill in pores (Instant Smooth by Clarins). Boutique product Freeze 24/7's claim to fame: gamma amino butyric acid, a natural muscle relaxant that temporarily eases the appearance of fine lines.

Some cosmetics firms are even veering into nonsurgical services themselves. Osmotics, a boutique brand, offers LED treatments at the cosmetics counter in some Nordstrom stores. In January, Olay, a mass-market brand, will roll out free drugstore skin scans with a device that shows sun damage. The hope—the eternal one in the beauty business—is that more customers will buy Olay products to help reverse the damage, or even better, to stop time, at least for a while. ■

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