

Cut-price condoms score a hit

By **FRANCO CAPALDO**

DESPITE the recession, many small businesses are taking on bigger rivals and beating them.

One such firm is **Fusion Condoms** of Watford, Hertfordshire. It was set up 11 months ago by brothers Shandip, Ketan and Virendra Shah, who also run a pharmacy in central London, to provide 'more affordable' condoms to teenage girls.

The condoms are already stocked in more than half of all pharmacies and the firm has just won contracts to supply 700 shops after completing deals with discount chain Poundland and independent healthfood wholesaler, the Health Store.

Condom prices in Britain are among the highest in Europe – three times as much as in Germany. At £1.99 for a pack of three, Fusion's product is typically about two thirds the price of leading brands such as

Durex. The brothers manage to keep the price low by having the condoms made in India. They have also designed the packaging to look less like a contraceptive so the product is more appealing to women.

Managing Director Shandip says: 'Condom manufacturers have not been imaginative enough with their packaging and we see this as an area where we can stand out from our more established rivals.'

'We believe a sleeker and more discreet packaged condom will encourage more teenage girls to carry them on a night out.'

'It is also clear that the credit crunch is having a big impact on

our take-up by retailers, which are looking to stock more cut-price products, another area where we have an advantage.'

Stephen Alambritis, chief spokesman of the Federation of Small Businesses, says: 'Small firms have many advantages over larger companies.'

'They can be more responsive to the market. It is no wonder

they are often competing successfully with their larger rivals.

'Many clients also prefer to do business with smaller firms because of the more personalised service they can offer.'

The Shahs hope to expand the brand next year to include lubricants and within two weeks will complete a deal to distribute the condoms in the United Arab Emirates.

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COMPETING: Shandip and Ketan Shah