



Competitive Technologies, Inc. is Offering Hope and Relief to People with Chemotherapy Induced Peripheral Neuropathy, Back Pain, and Wounded Warriors with Pain by Bringing to Market the Calmare® Device that can Eliminate Neuropathic Pain in 10, Safe, Non-Invasive 45 Minute Treatments

**Technology
Healthcare
(OTCQX: CTTC)**

Competitive Technologies, Inc.

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**Johnnie D. Johnson
Chief Executive Officer and CFO**

BIO:

Johnnie D. Johnson brings over 30 years of experience to his role as Chief Executive Officer and Chief Financial Officer of Competitive Technologies. After obtaining his BS in Business and Accounting from University of Findlay in 1960 and his MBA from Bowling Green University in 1976, Mr. Johnson went to work with the original Marathon Oil Com-

pany (a Fortune 40 company) in 1960, where he remained until Marathon was acquired by USX in 1982. At Marathon, Mr. Johnson undertook numerous positions, including Auditor, Controller, and finally Assistant to the President and CEO where he was responsible for investor relations, crude oil trading, liaison activities with other operation components of Marathon and merger/acquisition coordination. While at Marathon Oil, he was singled out by Institutional Investor magazine as one of the foremost practitioners of investor relations in the US. From 1982 to 1986, after its acquisition of Marathon, Mr. Johnson joined USX (formerly US Steel and a Fortune 20 company), where as Assistant Corporate Comptroller he was responsible for investor relations and strategic planning. From 1986 until 1991, Mr. Johnson was Managing Director of Georgeson & Co., Inc., an investor relations, proxy solicitation and shareholder analysis firm with 160 employees. Mr. Johnson served as chairman and CEO for seven years of Johnnie D. Johnson & Co., an investor relations firm from 1991 to 1998, serving over 150 clients. Most recently, Mr. Johnson has assisted the company in his role as Chairman and CEO of IR Services, LLC, beginning in 1998 through present. Mr. Johnson is a graduate of Harvard's Advanced Management Program, and was previously a licensed CPA.

Mr. Johnson has been highly active within the investor relations community, having served as chairman of both the National Investor Relations Institute (NIRI) and the NIRI foundation, as well as president of the Petro-

leum Investor Relations Association. He was a member of the Investor Relations Association, and a former member of the American Institute of CPAs. His publications include, "Establishing the Investor Relations Function," in The Handbook of Investor Relations, edited by Donald R. Nichols, 1989, Dow Jones-Irwin, and, "Investor Relations: A Marketing Function," in Experts in Action: Inside Public Relations, 2nd ed., edited by C. Burger, 1989, Longman Inc. In addition, he has lectured extensively in the US, Europe and Asia on the subjects of investor relations and financial statement analysis.

Company Profile:

Competitive Technologies (OTCQX: CTTC) is a global leader in developing and commercializing innovative products and technologies. CTTC is multifaceted, providing distribution, patent and technology transfer, sales and licensing services. CTTC's staff is focused on the needs of customers and matching those requirements with commercially viable products or technology solutions. Competitive Technologies was established in 1968.

CTTC is the licensed worldwide distributor of the noninvasive Calmare® pain therapy medical device, which incorporates the biophysical "Scrambler Therapy™" technology developed in Italy by CTTC's client, Professor Giuseppe Marineo to treat neuropathic pain, including cancer pain. The Calmare® device is FDA cleared and CE approved and is being manufactured for sale by CTTC's partner, GEOMC Co., Ltd.

**Interview conducted by:
Lynn Fosse, Senior Editor
CEOCFOinterviews.com**

CEOCFO: Mr. Johnson, you have been involved with Competitive Technologies for a long time but only recently took on the role of CEO; why the change?

Mr. Johnson: First, the board of directors had a disagreement with the previous CEO. Then because I had worked as a business and investor relations consultant to the company for 13 years, and had my own business background at Marathon Oil and U.S. Steel, they asked if I would step in and take over this role for some period until we achieve sustainable profitability.

CEOCFO: What is the main focus of Competitive Technologies?

Mr. Johnson: Competitive Technologies is a 40-year-old company, but the advantage that the company has is that as a tech transfer company, it has moved a lot of technology from the bench of discovery into the market place. We now have a new technology to treat chronic neuropathic pain. This technology is an invention of Giuseppe Marineo of Rome, Italy. He is a bioengineer

researcher and he has invented a way to insert non-pain electrical signals into the body through the central nervous system so that the non-pain signals transfer into the brain and essentially retrain the body to accept the non-pain signal.

CEOCFO: How does the technology for treating neuropathic pain work?

Mr. Johnson: Let's say someone has a back problem or a more severe problem such as cancer and has been treated with chemotherapy. One of the side effects of chemotherapy that impacts 30% to 40% of the people who are treated with chemo is what is known as chemotherapy-induced peripheral neuropathy, or CIPN. This means that you are left with hands and feet that hurt, and are in pain even though you have conquered the

cancer. This pain is not able to be controlled with any medication that is currently in the marketplace. Our technology does successfully treat this type of pain and, in fact, eliminates this pain from most patients who suffer from CIPN.

Here is how the treatment works. You, the patient suffering from chronic pain, go to the doctor's office where a device is located, and you are connected to the device through electrodes very much like those that would be used with an EKG machine. Pairs of electrodes are placed on the skin above and below the pain area. Then you are given, through the electrodes, about 45 minutes of low voltage (about 5.5 milliamp) electrical current which transmits the 16 pro-

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prietary algorithms that create waveforms from the device into the body through the nerves. Because of the low voltage, the process allows the waveforms to go deep into what are called the C-Fibers and it takes the pain away within the first 5 minutes of a treatment.

After the 45-minute treatment you are disconnected from the machine and over the course of the next 24 hours the pain may start to come back, but it will not likely be as intense a pain as it was initially. So when you return the following day for your next treatment, the intensity of your pain will be less than it was prior to the first treatment. Over the course of your treatment – standard protocol is ten treatments over a two week period – the pain successively goes down each day

until at some point in that process, the pain will be eliminated. With some people this takes three to five treatments, with others it takes seven to eight. There may even be some who need ten or eleven or even twelve treatments, but ten is the standard protocol.

CEOCFO: Why above and below, why not on the pain area?

Mr. Johnson: You want the electrical current to flow through the pain area. You want to be above and below the pain area so that the waveforms flow through the pain area, into the spinal column and to the brain.

CEOCFO: Has this concept been tried before?

Mr. Johnson: No. There have been other pain therapies that use higher voltage, maybe 50 to 150 milliamps compared to our 5.5. Those devices tend to work on the A-Fibers of the body, the surface fibers. They vibrate at the surface and those tend to draw blood into the pain area thinking that the circulation will take away the pain. These types of devices do not help most patients suffering from chronic pain. Our Calmare® Scrambler Therapy™ Medical Device technology is different.

There is no waveform technology inside a standard TENS (Transcutaneous Electrical Nerve Stimulation) device and our device has the proprietary non-pain waveforms that other devices do not. Therefore, it is a new technology. It was approved for sale within the European Common Market in 2008 and in 2009 the FDA cleared it for sale here in the United States.

CEOCFO: Would you tell us about clinical studies done on your device, such as the one done with the Mayo Clinic?

Mr. Johnson: We currently have three groups of researchers who are studying the device. Many times companies pay to have studies done, but we have not paid. We are a small company and do not have the funds to do what a large pharma does.

These particular institutions have self-funded their ongoing studies of this device. The first US research was headed by Dr. Thomas Smith out of Massey Cancer Center at the Virginia Commonwealth University. It was a pilot study of 19 individuals and the effectiveness was 64% to eliminate CIPN. A standard drug protocol is often considered successful if it shows success rates of 24% or so, so sixty four percent is extremely good. In addition, with additional training, that particular organization showed even higher efficiency, into the 80% range.

The second group of researchers is from the Mayo Clinic, led by Dr. Charles Loprinzi, who is the Regis Professor of Breast Cancer Research at the Mayo Clinic. Dr. Loprinzi's has stated that he "was very skeptical of the whole concept." After trying the device and seeing the results, he actually took six of his staff to Rome to work directly with the inventor, so they would understand even more the technology above and beyond what we trained them to understand. They are in the process now of studying not only CIPN, but several other maladies.

The third research organization is the University of Wisconsin of Madison, led by Dr. Toby Campbell. He is doing a "sham study," where they have created a false device, so they give some patients the false treatment and other patients the actual treatment with our device. This will allow them to demonstrate that the results are not just psychological, or placebo effect and that there is actually a difference in results from treatments with the two devices. There are a couple other additional studies that are in the early stage including at Johns Hopkins University Hospital, because Dr. Thomas Smith who had been at Virginia Commonwealth has moved into Johns Hopkins as the head of palliative care.

CEO CFO: Is the medical community in general aware yet of the Calmare technology?

Mr. Johnson: Not to the extent we would like to see, but we are in the process of rolling out an awareness program. There are a number of clin-

ics throughout the United States anywhere from Rhode Island to Utah, to Washington State and from Texas up through the Midwest. What is happening is doctors say "this device does what?" And the skepticism shows. Then you demonstrate the device and they say "wow". The third thing that they are concerned with is how much insurance companies and the government will reimburse their practice for providing treatments. This is because a lot of the people who have neuropathic pain are older and might be on Medicare or they might need to gain coverage through their private insurance. The lack of insurance coverage has a significant impact on our sales of devices. Therefore, we are working now with the Centers for Medicare and Medicaid and hope to gain reimbursement approval in the not too distant future. We are also working with the private insurers, suggesting that doctors ask for pre-approval from insurers before they treat the patient.

The one market that I left out of that conversation is the military market. We have sold a number of units, 12 in total into the Navy. We have sold our first unit to the Veterans Health Administration for treatment of wounded warriors. It works extremely well on phantom limb, back pain, and the kinds of chronic pain that comes along with amputees and those wounded in combat. This device is extremely successful at treating those types of pain. The military and Veterans Affairs hospitals and clinics are cost centers. They want the treatment that gets the job done which our Calmare device does. The civilian hospitals and doctors have to be profit centers, so they worry about two things, does the device work, and also how much will I be paid for providing this treatment?

CEO CFO: Competitive Technologies has taken a lot of technologies from concept to commercialization; what is the most important thing in making that transition and how are you applying it to the Calmare device?

Mr. Johnson: A big issue is, is this technology one that you can obtain patents for? The answer to that for Calmare is "yes." Another question is,

is it something that there is a large market for? The answer to that question is also "yes", because pain is a global issue. Our device is currently being used in Middle Eastern countries; it is being used in Europe, and Asia too. Pain is certainly an issue here in the US. I have seen estimates where 100 million people here in the US, virtually a third of the nation, have some kind of chronic pain. Not all is necessarily neuropathic, but some kind of pain that needs to be treated. Then the next issue is, how do you get it into the marketplace? That is what we are right in the middle of doing -- getting this technology into the market place.

CEO CFO: How does Competitive Technologies reach potential customers, and where do you target?

Mr. Johnson: The first issue on who and how to target is we looked at the military and the Department of Veterans Affairs first, because there is a great need and secondly they are not interested in insurance coverage. So they are our strongest market. The next market is where can we get the insurance coverage most quickly and we are working with the Medicare people, because hospital outpatients treatments are one of the areas where we believe is probably our next coverage area. Hospital outpatients could include individuals who have had cancer, been treated with chemotherapy, now are at home and may be even going back for the chemotherapy. However, we are able to work on the CIPN side of their pain and there are over 4,000 local hospitals and another thousand hospitals here in the U.S. above and beyond the local hospitals. Basically, we have a target base of 5 million. Then the next thing is the hospital inpatients and then the final sector is those private practices of doctors and/or clinics.

CEO CFO: I would think that there would be enough people willing to pay to get rid of pain!

Mr. Johnson: There is a marketplace for that definitely! The clinics that are open currently are responding to patients who are in that position. If the pain is intense enough as one might say, you would mortgage the house to be able to get the \$1,500. For exam-

ple, I know some of the clinics are charging \$150 per treatment, times ten treatments would be \$1,500, so there are a number of doctors who are willing to provide treatments on a cash basis. If a doctor is willing to step up and buy or lease a device then they can generate additional revenue treating people who are in pain and who do have the funds to be able to pay directly.

CEO CFO: After the first series of treatments with your Calmare device, would you need to repeat it in six months or a year?

Mr. Johnson: Everyone's body is different, but there is some expectation that "booster" treatments may be needed, in perhaps three months. Some people never return because their pain has been completely eliminated. We have military people being treated right now where the individual was about to have his leg amputated because he could not take the pain; this device stopped that soldier from having his limb removed, by reducing his level of pain to a tolerable level. We have had other people who were ready to commit suicide due to the intensity of their uncontrollable pain. This device has taken away that pain.

CEO CFO: Do you do any outreach to the general public and people themselves that are in pain?

Mr. Johnson: We are doing some things right now. We shot a video, and we are about to start a campaign including television commercial time with our device. We are a small firm and we have a limited budget, so we do not have the luxury of doing high intensity advertising as if we were a

large pharmaceutical company where we can say if you have pain ask your doctor about Calmare. By the way, Calmare is an Italian word meaning calming. For more information on our device the website is calmarett.com. The company website is competitivetechnologies.net.

CEO CFO: What is the financial picture of the company?

Mr. Johnson: We are monitoring our finances closely and from time to time we will issue a few shares, but in the past five years, the previous administration lost about \$20 million over that period of time and issued a large number of shares. We are trying to avoid further diluting the shareholders.

CEO CFO: What is Competitive Technologies' ownership position in your Calmare device?

Mr. Johnson: We have the worldwide manufacturing and distribution rights to the device, per our agreement with the inventor and patent holder, Giuseppe Marineo and Delta Research and Development.

CEO CFO: Do you do much investor outreach?

Mr. Johnson: We do some investor outreach, and that is the reason you and I are talking today.

CEO CFO: Why should potential investors pay attention to Competitive Technologies today?

Mr. Johnson: We are a 40-year-old company that has just stepped into a growth pattern. We have a technology that will eliminate neuropathic pain in

thousands of patients and our market place in the United States is something less than 100 million people. One of the biggest problems in the US today according to all doctors is that the medication that people take to relieve chronic pain becomes habit forming to the point that pharmacies are being robbed for the ability to get the pain pills. So there is a big push to get people off of habit-forming drugs that are currently being used for treating pain. We have the capability of helping solve this problem. We think we have a great story. We have in the first 9 months of this year sold 100 devices. In the previous two years, there were sales of 74 devices, so we believe we are on the upside of the sales curve and we are just at the stage of getting above the break-even level from the profitability standpoint. Profitability and growth are our constant objectives and we have not even scratched the surface on sales yet.

CEO CFO: Exciting times for Competitive Technologies!

Mr. Johnson: That is what we believe. We are the new kids on the block, even though we are a 40 year old company. We have a great device that helps the quality of life for people of all ages. We are now well positioned for future growth with the latest technology that will revolutionize the way we treat neuropathic pain.



**COMPETITIVE
TECHNOLOGIES**

Unlocking the Potential of Innovation®