



*Targeted
Leadership
In Action*

2014 ANNUAL REPORT



Council for Responsible Nutrition

The Science Behind the Supplements

2014 – A YEAR OF *Action*



Steve Mister, President & CEO

Actions speak louder than words. We all learned that idiom growing up. But as adults—and as business executives—those words take on even greater importance. We can all talk the talk, but what’s more important is *walking* the talk. CRN walks the talk—with purpose.

In 2014, CRN demonstrated once again that it is a trade association of action. It’s not enough for us—and it’s not enough for you—to pontificate without delivering demonstrable results.

Proudly, CRN can look back on the year that was and say we made a difference. Our words are our strategic work plan and our actions brought that plan to life. Whether it was our lobbying efforts that helped pass the Designer Anabolic Steroid Control Act on Capitol Hill, or our guest editorial on dietary supplement regulation published in *The Hill*, or extending our commitment to support the self-regulatory program from the National Advertising Division to monitor dietary supplement advertising, or sharing our scientists’ expertise on industry and health care practitioner webinars—our accomplishments speak volumes.

We thank you—our member companies—for supporting CRN with your knowledge, your expertise, and your passion for this industry. Because of you, in the past five years, our dues revenue has increased by 50 percent, placing us for the first time in the \$5+ million category of associations. This financial commitment allows us to increase our meaningful work on behalf of our members, and to be a stronger unified voice for the dietary supplement and functional food industry. Special thanks to our chairman, John Blair, the Executive Committee, and the Board of Directors for steering us through the year. We look forward to serving you in 2015.

STRATEGIC WORK PLAN

Expand ‘Responsibility First’ Initiatives

GOAL: Foster an industry environment in which all companies exhibit responsible behavior and demonstrate a commitment to maintaining consumer confidence in their products and the industry.

Foster Excellence in Nutrition Science

GOAL: Foster the development and acceptance of appropriate research methods for evaluating the benefits and safety of dietary supplements.



Steve Mister and CRN senior staff present the association's accomplishments at The Conference

A YEAR OF *Accomplishment*

2012 – 2014

Influence Government Policy on Health & Wellness

GOAL: Attain the interest of and recognition by opinion leaders that dietary supplements are a key element for promoting consumer health and wellness policy.

Solidify CRN as the Voice of the Industry

GOAL: Maintain CRN's position as the go-to supplement organization for credible information, analysis, perspective and expertise for targeted stakeholders, and strengthen CRN's voice on behalf of the industry.

Experience Sustained Dynamic Membership Growth

GOAL: Achieve broad-based CRN membership representative of the industry in order to enhance the association's industry voice and to generate necessary resources for expanded programs.

Expand Responsibility First Initiatives

Renewed self-regulatory advertising monitoring program with the National Advertising Division (NAD) through 2017, with financial commitments totaling over \$2.1 million since 2006

Reached milestone of more than 200 NAD decisions

Launched database of FDA Warning Letters and data compilation of FTC Enforcement Actions to help industry and members in compliance efforts

Adopted *Guidelines for Labeling of Protein in Dietary Supplements and Functional Foods*

Adopted *Guidelines for Iodine Quantity in Multivitamin/Mineral Supplements for Pregnancy and Lactation*

Communicated with FDA, consumer media, and consumer watchdog groups addressing products that violate the law and undermine consumer confidence, such as Ebola "cures," tainted supplements that contain illegal substances, and more

Testified at Senate Commerce Committee hearing, *Protecting Consumers from False and Deceptive Advertising of Weight-Loss Products*, representing responsible industry

- ▶ Steve Mister testified before the Senate
- ▶ Launched self-regulatory resources for industry
- ▶ DASCA passed, helped by CRN's tireless efforts

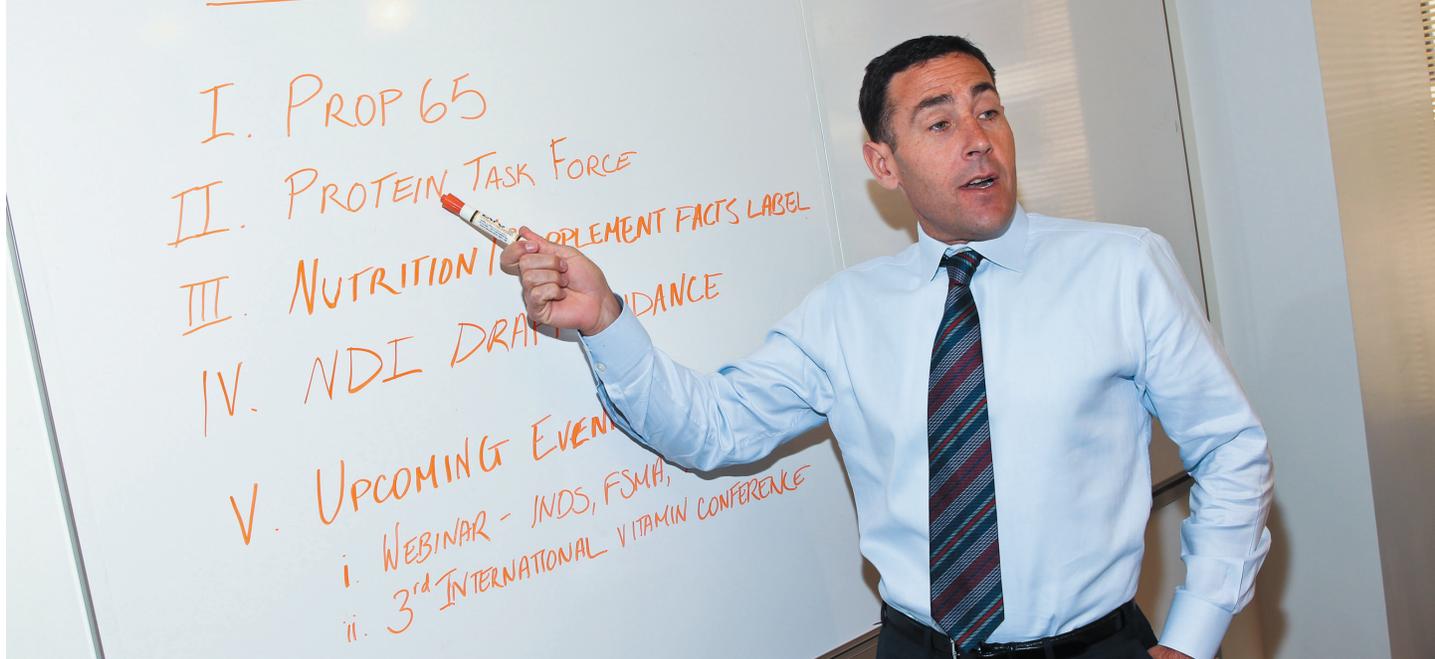


Dr. Oz, Lee Peeler and Steve Mister testify at a Senate hearing



"One of the most important tools in [DASCA] is it gives the DEA the ability to list a chemical compound as a controlled substance if it's chemically similar to one already on the list and if the manufacturer is marketing it for a steroid-like effect...We think that's important, because we see these ingredients pop up and the DEA can't keep up with them."

Steve Mister in *USA Today*



Dr. Duffy MacKay reviews some of his department's initiatives

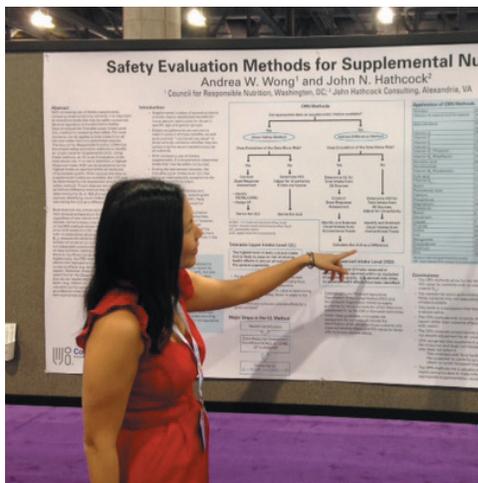
Foster Excellence in Nutrition Science



REUTERS

"A significant portion of Americans are falling short in essential nutrients. Most Americans will benefit from a multivitamin as an insurance policy."

Dr. Duffy MacKay quoted in *Reuters*



Dr. Andrea Wong presents at the Society of Toxicology poster session

Provided grant through the CRN Foundation to Harvard researchers to further analyze data from the Physicians' Health Study II

Participated in public process of 2015 Dietary Guidelines for Americans (DGA) including publishing peer-reviewed literature for evidence-based library; submitted oral and written comments to DGA Committee

Presented at professional conferences where influencers were present to highlight nutrient deficiencies—and the ability of supplements to help address them

Published review, "Health habits and other characteristics of dietary supplement users" in *Nutrition Journal*

Sponsored and presented at International Vitamin Conference

Presented, sponsored and organized satellite session at American Society for Nutrition Experimental Biology meeting

Chaired symposium at Society of Toxicology meeting on supplements safety assessment

Filed amicus brief urging court to require FTC to use flexible standard for advertising review

Provided CRN members with analysis of scientific studies, pre-embargo

Honored researchers with Mary Swartz Rose awards through American Society for Nutrition



Sen. Martin Heinrich addresses attendees, including CRN's Steve Mister and Mike Greene, at a fundraising event hosted by CRN in partnership with other industry trade associations

Influence

Government Policy on Health & Wellness



"Here's the issue: today's dietary supplement industry is very much a tale of two industries..."

One law and a tale of two industries, by Steve Mister for *The Hill*

- Lobbied to pass the Designer Anabolic Steroid Control Act of 2014 (DASCA)
- Held 11th annual CRN Day on the Hill and lobby day in California for CRN members
- Engaged new industry champions in Congress
- Continued to grow Congressional Dietary Supplement Caucus, co-hosting four educational briefings for staff, expanding to bicameral, record membership levels
- Celebrated 20th Anniversary of Dietary Supplement Health and Education Act of 1994 (DSHEA) with outreach on the Hill, bylined articles, a Twitter chat, and ads in Hill publications



Dr. Jim Griffiths discussing international issues

- Authored guest editorial in *The Hill* on supplement regulation and benefits
- Defeated Country-of-Origin labeling legislation in California
- Distributed white paper with exemption language for state dietitian licensure bills
- Held international scientific/regulatory symposium in Brisbane, Australia, in tandem with the Codex Committee on Food Import and Export Inspection and Certification Systems (CCFICS) through its international arm, CRN-International (CRN-I)
- Published proceedings of CRN-I 2013 symposium in the *European Journal of Nutrition*
- Published translations of key CRN-I resources in eight languages



“CRN thanks Reps. Pitts and Pallone for their leadership in promoting DASCA... [which] would help protect consumers from illegal products...and give them greater confidence that the products brought to market...are legal. We urge the Senate to...expedite DASCA's enactment.”

Mike Greene in NutraIngredients.com



- ▶ Record attendance at Day on the Hill
- ▶ Comments to Codex, FDA, FTC, DGAC, NTP, California OEHHA (Prop 65) on key regulations
- ▶ Promoted the science of “Evidence Based Nutrition,” challenging research paradigm of RCT as gold standard

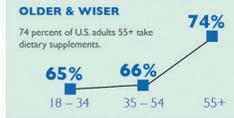
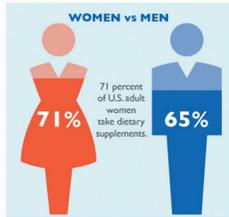
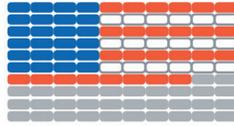


Left to right from top row down: CRN members meet Sen. Elizabeth Warren at CRN's Day on the Hill (DOH); CRN's Mike Greene at the DOH; Rep. Tammy Duckworth at the DOH; Sen. Tim Scott at the DOH; Rep. Frank Pallone at the DOH; Dr. Jamie McManus, Shaklee Corporation, addresses Hill staffers at one of this year's Dietary Supplement Caucus lunch briefings; Rep. Jason Chaffetz at the DOH; Rend Al-Mondhiry provides legal counsel; CRN members meet with legislators during the DOH

The Dietary Supplement Consumer

More than two-thirds of U.S. adults take dietary supplements, according to the most recent (2014) annual survey conducted by Ipsos Public Affairs on behalf of the Council for Responsible Nutrition (CRN).

68% of all U.S. ADULTS REPORTED TAKING DIETARY SUPPLEMENTS



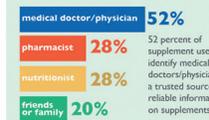
MONEY WELL SPENT



BRIGHT PEOPLE, BRIGHT PRACTICES

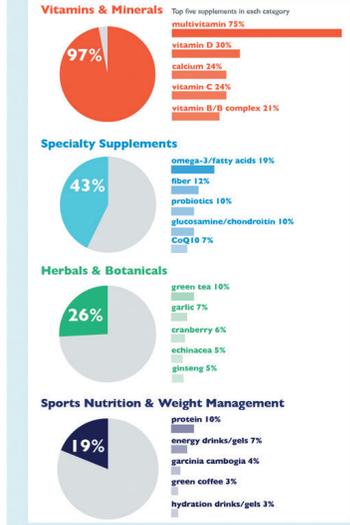


FOR RELIABLE INFORMATION



What Types of Supplements Do Supplement Users Take?

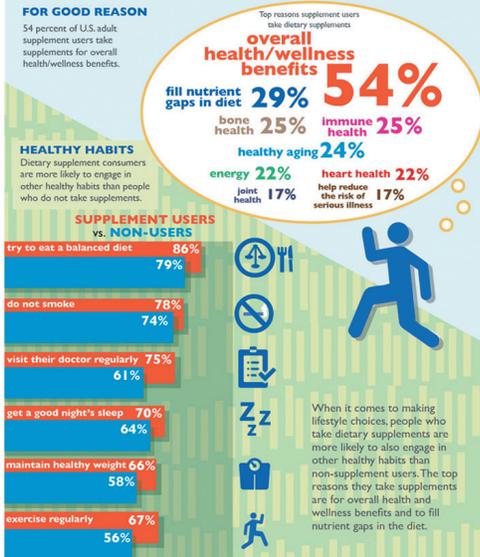
Vitamins and minerals are the most popular category of dietary supplements with 97 percent of supplement users taking them.



BY GENERATION:



Why Do Supplement Users Take Supplements?



CRN produced an infographic highlighting data from the 2014 Consumer Survey on Dietary Supplements

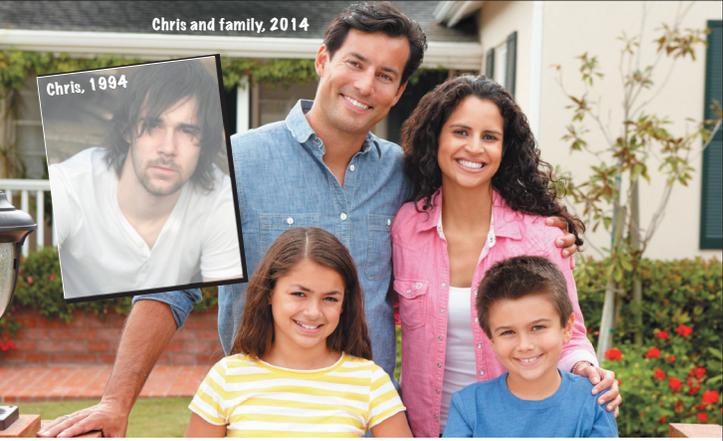
Vitamins.



A new economic report from Frost & Sullivan, funded by a grant from the CRN Foundation, demonstrates that the use of specific dietary supplements at preventive levels among those consumers at high risk of experiencing a costly disease-related event can lead to significant health care cost savings.

Find out more: www.supplementforsmartprevention.org

Vitamins: You find them in healthy people.



We've all changed a bit since 1994.

Twenty years ago Congress recognized the value and potential of dietary supplements for health promotion and prevention of chronic diseases, passing into law the Dietary Supplement Health and Education Act of 1994 (DSHEA).

Since then, consumers have enjoyed better access to a wider array of safe and beneficial products and the dietary supplement industry has matured into a provider of mainstream health products to more than 150 million Americans annually.

On the 20th anniversary of DSHEA, the Council for Responsible Nutrition (CRN), the leading trade association for the dietary supplement and functional food industry, celebrates this landmark law by saluting the consumers that urged its passage, the legislators that made it law, the regulators that enforce it, and the responsible companies that abide by it.

The Dietary Supplement Health and Education Act Helping Americans Stay Healthy



CRN ran ads in Capitol Hill publications: *Roll Call*, *Politico* and *Congress Daily*

A Team Effort

A CROSS-FUNCTIONAL APPROACH
ENGAGING MEMBER COMPANIES
FOR A SUCCESSFUL YEAR

"...DSHEA has granted FDA an appropriate regulatory framework, created an atmosphere for industry growth and innovation, and allowed consumers the access they desire to a wide variety of affordable, high quality, safe and beneficial dietary supplement products. We hope the industry will join us in this celebration."

Steve Mister in industry trade publications, including *NewHope 360* and *Nutrition Industry Executive* on DSHEA's 20th anniversary



WHAT types of supplements do they take?
Vitamins and minerals are the most popular category among U.S. adult supplement users with 70% of supplement users taking them.

Category	Percentage
Vitamins & minerals	97%
Specialty supplements	46%
Herbals & botanicals	28%
Sports nutrition/weight management	24%

TOP 5 SUPPLEMENTS WITHIN EACH CATEGORY

Category	Supplement	Percentage
Vitamins & minerals	Multivitamin	77%
	Vitamin D	29%
	Vitamin E	26%
	Vitamin C	24%
	Calcium	20%
Specialty supplements	Probiotics	28%
	Cholesterol	19%
	Joint	14%
	Omega-3	9%
	Antioxidant	8%
Herbals & botanicals	Green tea	11%
	Garlic	8%
	Ginseng	7%
	Ginseng	6%
	Ginseng	4%
Sports nutrition/weight management	Weight loss	19%
	Energy/energy booster	7%
	Protein/energy	7%
	Weight gain/weight loss	4%
	Weight gain/weight loss	3%

www.crnusa.org/consumersurvey

Save Money & Live Better with Supplements

Learn how nutrition and supplementation can help our associates and customers live healthier and provide health care cost savings for everyone.

Thursday, September 25, 2014
11:00 am to 12:00 pm • HO Auditorium

Presented by the Council for Responsible Nutrition

Steve Mister, President and CEO
Duffy MacKay, SVP Scientific & Regulatory Affairs

Sponsored by:
Walmart Health & Wellness
SPRING VALLEY

From top: CRN members toast to DSHEA at The Conference; Steve Mister presents data from the CRN Foundation/Frost & Sullivan Health Care Cost Savings report and CRN's annual Consumer Survey to the Australian Self Medication Industry association; poster promoting presentation by Steve Mister and Duffy MacKay to more than 100 Walmart executives

RECORD
MEMBERSHIP
ACHIEVED:
100+ VOTING
50+ ASSOCIATE

Experience Sustained Dynamic Membership Growth

“CRN continues to attract companies who...see the immense value that results from collaborating with colleagues and competitors who share a common value—doing what’s right for their consumers with safe and beneficial products. In fact, over the past five years, thanks to companies who are committed to the long-term growth of this industry, our dues revenue has increased by 50 percent, placing us for the first time in the ‘\$5+ million’ category of associations. This budget enables us to increase our meaningful work on behalf of our members and be a stronger, unified voice of the industry. Responsible companies want to be part of that.”

Steve Mister in industry trade publications, including *Drug Store News*, *NutraIngredients.com* and *Nutrition Industry Executive*

New Voting Members in 2014

Arbonne International, LLC
Arizona Nutritional Supplements, Inc.
AstaReal, Inc.
Balchem Corporation
Bergstrom Nutrition
Bifodan Inc.
BioCell Technologies, LLC
DianaPlantSciences
Essentia Metabolic Proteins
HORN Nutraceuticals
Ingredion Inc.
Rebound Health International, Inc.
SmartyPants Inc.
Solix BioSystems, Inc.
Suan Farma, Inc.

New International Member in 2014

The Boots Company PLC

New Associate Members in 2014

AccentHealth
Global Recruiters of Madison
Jones Day, LLP
MCS Associates Inc.
NutriMarketing
RT Specialty
Sanford Rose Associates Executive Search
UL Consumer Products
Vanguard Global Associates
Wellvest Capital

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