2019 ANNUAL REPORT

COUNCIL FOR RESPONSIBLE NUTRITION | LEADING THE DIETARY SUPPLEMENT INDUSTRY

PIVOTINGTO VITALITY





From Your Chairman and Your President:

In business, we often speak of a pivot as a key change from one phase to another. For CRN and the dietary supplement industry, this pivotal moment—this inflection point that we are living in - is our chance to change the future. And as Chairman of CRN's Board, I am seeing our responsible member companies doing just that, shaped by collaborative, decisive action. CRN's Board-driven initiatives such as supporting mandatory product listing, educating consumers through the LabelWise campaign, shaping probiotics regulation in the U.S. and globally, working to mitigate the impacts of new tariffs, improving retailer relations, streamlining certificates of free sale, and protecting the sports nutrition sector from illegal ingredients make real change in the marketplace. And, of course, CRN remains at the forefront of the discussion on CBD, calling on FDA as well as Congress to act.

We are proud of all of our members and their commitment to helping consumers achieve their wellness and vitality goals. With this annual report, we celebrate just some of the highlights of our work with you in 2019.

David Campbell Bayer HealthCare Chairman, CRN Board of Directors

It's gratifying to see the progress we've made in 2019, working together with you, our members. As we embark on the final year of our current 2018–2020 strategic plan, we continue to rely on your engagement to direct our efforts toward the goal of building a better environment to responsibly develop, manufacture and market products for better health.

More Americans than ever use our products to advance their quest for wellness—77% according to CRN's Consumer Survey on Dietary Supplements. Even as we're working to better identify and assist those populations who are still experiencing nutrient gaps, it's clear that the future belongs to health optimization—and CRN is right there, pivoting to vitality. The dietary supplement industry is central to the self-care movement, and emerging science points to more breakthroughs ahead.

In addition to our existing agenda, 2019 brought challenges for a new ingredient—hemp-derived CBD—and CRN answered by welcoming companies that market the ingredient and implementing a multifaceted effort to bring a resolution to the legal status of CBD. We're engaging policymakers in FDA, Congress, industry, consumer groups and medical organizations to create a path forward. As we do, we'll continue to work all of our strategic initiatives with no less vigor or enthusiasm.

Steve MisterPresident & CEO, CRN



Expanding self-regulatory initiatives.

CRN built support for mandatory product listing, promoting the Supplement OWL product label database as a model for demonstrating an industry-wide commitment to accountability and responsible behavior to maintain and improve consumer confidence.

"CRN believes a **mandatory product listing** would enhance existing regulations and increase enforcement actions against bad actors in the marketplace. Consumer safety is our number one priority, and so, as we move forward, it is critical to identify gaps in the current regulatory system and enact new ways to protect consumers and the marketplace. ...

...Having successfully piloted a voluntary product listing, the **Supplement OWL**, CRN realizes not only the benefit a product listing would be for FDA and for consumers, but also the benefit for the participating companies who are differentiating themselves from rogue companies. We certainly don't suggest that a mandatory listing will solve all the industry's woes, but it will shed light on the supplement marketplace and give a new level of transparency to help our regulator and our consumers evaluate the range of products being offered for sale in the U.S."

"On the horizon: 2020 Forecast—Experts share their insights on the state of the natural products industry."

Whole Foods Magazine, December 2019

"If the FDA is charged with oversight of the dietary supplement marketplace, then they need to know who is in that marketplace, and the only way they're going to be able to see into that black box is if they have some kind of mechanism to require the labels to be sent to them." "Mandatory product registry is in FDA's budget request, but what happens next?" Nutritional Outlook, April 2019 **CRN's Steve Mister at** The Conference, where **FDA's Principal Associate Commissioner Lowell Schiller** addressed attendees about the agency's priorities.

Influencing public policy on nutrition and health as it impacts dietary supplements and functional food.

CRN continued to build and maintain a positive legislative, regulatory and commercial environment for nutritional products to foster consumer confidence and industry growth.

"The time for FDA action on CBD was a year ago, but we'll settle for NOW."

—CRN's Steve Mister

CBD SUMMI

A DIALOGUE ON PUBLIC SAFETY, RESEARCH AND POLICY

CRN's support of the **SNAP Vitamin and Mineral Improvement Act** of 2019, following up on intense efforts in 2018, provided a platform to spotlight research that underscores the nutritionally inadequate diets occurring more commonly in low-income Americans and position the multivitamin as a safe and affordable way to fill the gap—and as a foundation of wellness.

The **Selective Androgen Receptor Modulator Control Act** of 2019 builds on the success of another landmark piece of legislation, the Designer Anabolic Steroid Control Act of 2014, by enhancing the Drug Enforcement Administration's authority to remove illegal Selective Androgen Receptor Modulators (SARMs) from the market. CRN continues to promote this legislation on Capitol Hill and via its #SARMsCanHarm campaign.

Working to establish a legal pathway to market for hemp-derived CBD, CRN supports supplementation not only to fill nutrient gaps but also to help achieve wellness and vitality, as more Americans seek health optimization.





Internationally, CRN engaged with the Codex Committee on Nutrition and Foods for Special Dietary Uses (CCNFSDU) in pushing back on proposed harmonized probiotic quidelines for use in food and dietary supplements. Extensive lobbying by CRN and other key groups led to a request for a redraft of the proposal, effectively suspending decisive action for the year. This allows CRN to address concerns about duplicative, broad and/or unnecessary guidelines that could create a trade barrier for probiotics and create restrictive precedent for other supplement ingredients.

Fostering excellence in nutrition science.

CRN identified and promoted best practices in the design, execution, interpretation and acceptance of research that evaluates the benefits and safety of nutritional products and their ingredients.





Andrew Shao, Ph.D., with Aditi Das, Ph.D., (left) and Catharine Ross, Ph.D., (right).

CRN again presented the Mary Swartz Rose awards and co-sponsored expert discussions at the annual **American Society of Nutrition** (ASN) meeting. The CRN-supported Mary Swartz Rose awards recognize researchers for outstanding research on the safety and efficacy of bioactive compounds for human health and represent CRN's **commitment to advance the science behind dietary supplements**.

Investing in **the future of science-based nutrition policymaking**, CRN awarded a small group of select graduate students from Tufts University's Friedman School of Nutrition Science and Policy with an educational grant to attend CRN's Day of Science.

In addition, CRN experts **contributed to the body of published scientific literature** co-authoring articles including "Development of a Consensus Approach for Botanical Safety Evaluation—A Roundtable Report," published in *Toxicology Letters* and "Nutrition interventions for healthy ageing across the lifespan: a conference report," in the *European Journal of Nutrition*.



"This conference was a great way to use what we've learned and put it into a deeper context."

Emily Kjell, graduate student,
 Tufts University's Friedman
 School of Nutrition Science
 and Policy, 2019 grant recipient



Influencing public perception of science-backed nutritional products.

CRN improved the public perception and understanding of the safety and benefits of science-backed nutritional products to promote a positive industry image.

In 2019 CRN launched the **LabelWise** campaign designed to help consumers understand changes to the Supplement Facts label and position dietary supplements as regulated and backed by science. Campaign resources included a video, infographics, a conversion calculator and more, on the microsite, BeLabelWise.org. CRN did extensive media outreach around the program, as well.

CRN's Communications team gave voice to the association's efforts as well as to the concerns of responsible industry—whether by **responding** to negative media coverage or **generating positive media coverage around new science** on dietary supplements and ingredients. CRN's annual **Consumer Survey on Dietary Supplements** served as a leading source for data on the attitudes and behaviors of the dietary supplement consumer.

CRN also worked to **build alliances with key stakeholders**. For the third year in a row, CRN sponsored **Shopping for Health**, an invitation-only event for supermarket registered dietitians. In 2019, CRN facilitated the session, "Too Good to Be True," on the dangers of adulterated products.





2019 CRN Consumer Survey on Dietary Supplements

CRN's Communications and Media Outreach Committee Chair, Ruth Winker, Jamieson Wellness; with Nikki Yas and Jennifer Boyd, of Atrium Innovations.

"We've seen a steady progression in the popularity and the importance of supplementation in this country... and I look forward to a host of new ingredients and new products coming to the market. It's going be really exciting to be part of that."

-Nikki Yas, Atrium Innovations







Elevating the industry and building association resources through broad membership growth.

CRN continued to provide programs and services to its members and the broader industry, growing resources for the association and promoting industry growth.

CRN hosted several **in-person educational and networking events** in 2019, often collaborating with partners to expand our reach. CRN also presented remote educational opportunities via webinars featuring top experts on issues including **CBD legislation in the states**, **sports nutrition for young athletes**, **class action lawsuits**, **label claims** and more—helping position the association as a go-to for information and connecting with other key players in the industry.

In addition, in 2019, CRN **opened membership to CBD companies** allowing for additional growth and revenue.

"Our Board sees wisdom in admitting as CRN members those CBD companies that are playing by the rules." —CRN's Steve Mister

"The CRN conference is the ultimate event—not just for the amazing content and the breadth of knowledge and industry related topics discussed during the meeting, but also for being able to interface with your colleagues within the industry and have a level of communication and interaction that you don't get to have every day..."

-Amanda Morton, RB Health







presenter Duffy MacKay, N.D.; and presenters Marilyn Barrett, Ph.D.; Rick Kingston, PharmD;

and David Khalaf.



Here's to you, CRN members!





In 2019, we gathered together in celebration of the 25th anniversary of DSHEA at our annual conference.

At CRN we celebrate our members every day. Your commitment to quality, safety and innovation are **VITAL** to our thriving industry.

Thank you for being a part of CRN!







Nuliv Science.



Katie Bond, Amin Talati Wasserman; with Oliver Chen, Biofortis; Andrew Halpner, Atrium Innovations; and Rend Al-Mondhiry, Amin Talati Wasserman.