

CRN Voting Dues Renewal Worksheet



Council for Responsible Nutrition

The Science Behind the Supplements

Worksheet is due December 16, 2019

Payment is due February 28, 2020

_____ **Yes, my company intends to renew its membership in CRN in 2020.**

Company Name (as it should appear on membership roster):

Please list your top brands. CRN will be highlighting key brands on our website.

Please list subsidiaries in the areas of dietary supplements and functional foods.

1. Determine your company's membership category – VOTING MEMBERS

Any company who manufactures a dietary supplement, a functional food or an ingredient intended for one of these products, or who markets or distributes a dietary supplement or functional food under its own brand or label, or markets or distributes a dietary ingredient, is eligible for membership in the Council as a Voting Member. A dietary supplement is defined as that term is defined in the U.S. Food, Drug & Cosmetic Act (21 U.S.C. 321(ff)). A functional food is defined as “any product properly labeled as a food under the federal Food, Drug, & Cosmetic Act that is formulated specifically to increase the intake of nutrients or other compounds and for which the manufacturer makes structure/function or health claims in its labeling.”

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Voting Members qualify in one or more of the following categories: (check all that apply)

_____ **Branded Product Member:** A member who manufactures or markets a finished dietary supplement or functional food, under its own brand or label.

_____ **Contract Manufacturer Member:** A member who manufactures finished dietary supplements or functional foods on behalf of, or for resale to, another business for sale under another brand or label.

_____ **Ingredient Manufacturer/Formulator Member:** A member who manufactures an ingredient (including excipients, flavorings, capsules, casings or colorants) for use in a dietary supplement, or a nutritional ingredient for use in a functional food. A “nutritional ingredient” means a dietary ingredient as that term is defined in the U.S. Food, Drug & Cosmetic Act (21 U.S.C. 321(ff)). “Manufactures” includes harvesting, processing or substantially altering the ingredient or holding unique patents or other intellectual property to prepare the ingredient for inclusion in a dietary supplement or for inclusion of a nutritional ingredient in a functional food product.

_____ **Ingredient Distributor/Representative Member:** A member who sells or facilitates the sale of ingredients intended for inclusion in a dietary supplement or of nutritional ingredients for inclusion in a functional food, but does not manufacture, harvest, process or otherwise substantially alter the composition of such ingredients. This class of membership is generally limited to firms that do not hold a patent or other intellectual property in the ingredient and do not market the ingredient under their own unique brand.

Associate Members – Firms that are not actively engaged in the manufacture of a dietary supplement, a functional food or one of their ingredients but that provide products, services, or other support to voting members may be eligible to join CRN as Associate Members. A company that qualifies as a Voting Member may not join as an Associate or International Member.

International Members – Firms that are otherwise eligible for Voting Membership in CRN, but doing business exclusively outside the U.S. may be eligible for International Membership. Companies marketing, selling or distributing eligible products in the U.S. do not qualify for International Membership.

Note: Renewals for Associate Membership and International Membership should use the separate Associate Member and International Member forms.

2. Determine your company’s dues – VOTING MEMBERS

Dues for Voting Members for 2020 are based on your best estimate of your sales for 2019. CRN calculates its dues based on a percentage of gross sales from all aspects of your business involved with the sale of dietary supplements, functional foods and their nutritional ingredients. CRN members are required to pay dues on all aspects of their businesses that are involved in these categories. We define the following terms to help you determine your annual dues:

“Sales” – gross sales in the U.S. during the past year resulting from the manufacture and/or distribution of dietary supplements, functional foods, all ingredients in a dietary supplement and nutritional ingredients in functional food products, including all sales of the member company and its domestic affiliates, excluding intracompany sales and minus any refunds or discounts.

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“Dietary Supplements” – any product that is properly labeled as a “dietary supplement” (i.e., with “Supplement Facts”) under the U.S. Food, Drug & Cosmetic Act as that term is defined in 21

U.S.C. 321(ff). A dietary supplement may contain one or more dietary ingredients such as vitamins, minerals, herbs or other botanicals, amino acids or other dietary substance used to supplement the diet, or a concentrate, metabolite, constituent, extract, or combination of such ingredients.

“Functional Food” – any product that is properly labeled as a “food” (i.e., with a “Nutrition Facts” label) under the U.S. Food, Drug & Cosmetic Act that is formulated specifically to increase the intake of certain nutrients or other compounds and for which the manufacturer makes structure/function or health claims in its labeling.

“Nutritional Ingredients” – a dietary ingredient as that term is defined in the U.S. Food, Drug & Cosmetic Act (21 U.S.C. 321(ff)) and may include vitamins, minerals, herbs or other botanicals, amino acids or other dietary substance used to supplement the diet, or a concentrate, metabolite, constituent, extract, or combination of such ingredients.

“Ingredients” – includes not only “dietary ingredients” as defined in The Dietary Supplement Health and Education Act (DSHEA), but also excipients, colors, capsules, casings or flavorings, and other ingredients used in the manufacture of supplements.

Dues and contributions to CRN are not deductible as charitable contributions for federal income tax purposes, but may be partially deductible as a business expense. That portion of member dues attributable to lobbying activity is not tax deductible. To calculate your dues, please determine your sales in each of the following categories, and apply the multiplier provided for that category. PLEASE NOTE: Sales information is a required field. Sales figures provided to CRN for membership purposes are held strictly confidential by CRN and are not disclosed to anyone, not even to CRN’s Board of Directors. This information is required for accurate computation of CRN’s dues.

<p>Branded Product Operations For those finished dietary supplements or functional food products that you market (whether you manufacture the products directly or through one or more contract manufacturers), what are your gross sales from these products for the preceding year?</p>	<p>Gross Sales = \$ _____ (x .10%) Multiply by .0010</p>	<p>= \$ _____</p>
<p>Contract Manufacturing Operations For those finished dietary supplements or functional food products that you manufacture for someone else but do not sell under your own unique brand or company name, what are your gross sales for the preceding year?</p>	<p>Gross Sales = \$ _____ (x .075%) Multiply by .00075</p>	<p>= \$ _____</p>
<p>Ingredient Manufacturing/Formulation Operations For those ingredients which you manufacture, harvest, process or substantially alter, or in which you hold unique patents or other intellectual property, to prepare the ingredient for inclusion in a dietary supplement or for nutritional ingredients, for inclusion in a functional food product, what are your gross sales for the preceding year?</p>	<p>Gross Sales = \$ _____ (x .08%) Multiply by .0008</p>	<p>= \$ _____</p>

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<p>Ingredient Distributor/Representative Operations For those ingredients which you do not manufacture, harvest, process or otherwise substantially alter, but whose sale you facilitate to a third party for inclusion in a dietary supplement or for nutritional ingredients for inclusion in a functional food product, what are your gross sales for the preceding year? [Note that this category is generally applicable to commodity ingredients for which you do not hold a patent or other intellectual property in the ingredient, or market the ingredient under a unique brand.]</p>	Gross Sales = \$ _____ (x .05%) Multiply by .0005	= \$ _____
<p>TOTAL DUES Add all subtotals from above categories to compute total dues (before any new-member discount or prorating).</p>	Add above lines*	= \$ _____

* **Minimum Dues for Voting Members:** If your estimated dues are less than \$4,000, enter "\$4,000." This is CRN's minimum annual dues, (subject to discounts and prorating for new members).

* **Cap Members:** If your estimated dues exceed \$175,000 and your total sales are less than \$250 million, enter "\$175,000." If your total sales exceed \$250 million, enter "\$200,000."

<p style="text-align: center; color: #4F81BD;">SPECIAL DUES INCENTIVE FOR VOTING MEMBERS:</p> <p>CRN's Board of Directors has expressed its commitment to membership development by approving a dues incentive for new, first-time voting members. CRN voting membership is available at a 50% reduction in dues for the first 12 months, which begins the first month of membership.</p> <p>Total dues for companies that first joined CRN in 2019. CRN will invoice. If your company joined in 2019 – and you still have some months at 50% discount for new, first-time members – please contact Carl Hyland, Director of Membership, if you need assistance calculating your dues.</p>	\$ _____
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3. Certification

I certify that I have read this dues renewal worksheet and that the information included with this application is true and complete to the extent of my knowledge. I understand that my signature below indicates my obligation to fulfill my commitment.

I have read the CRN Code of Ethical Principles (attached) and verify that my company is in compliance with these commitments to ethical behavior with which CRN member companies agree to abide. I pledge that my company will strive to uphold these principles during its membership with CRN. This form must be signed by an officer or senior executive in your company.

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The Supplement OWL

For CRN members who market finished dietary supplement products to consumers with their own brand – participation in the Supplement OWL (Online Wellness Library) has been a requirement of membership beginning in 2018. For more information about the Supplement OWL, contact CRN's Gisele Atkinson at gatkinson@crnusa.org or at 202-204-7671.

We are pleased that this industry-wide, self-regulatory initiative has helped “change the conversation” – and that support has been so strong among regulators and retailers.

Company Contact (please print) _____

Title _____

Signature _____

Phone _____ **Email** _____

Date _____

Renewal worksheet is due December 21, 2019

4. Send CRN the completed renewal form:

BY MAIL: Director, Membership Development, Council for Responsible Nutrition,
1828 L Street, NW, Suite 810, Washington, DC 20036

BY EMAIL: chyland@crnusa.org

BY FAX: (202) 204-7701

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Code of Ethical Principles

(Adopted March 2008)

CRN and its members share a commitment to improving public health through nutrition, including the appropriate use of dietary supplements. In pursuit of this goal, CRN's members pledge to observe and uphold the highest ethical principles in their dealings with their customers, suppliers, competitors, regulators and consumers in order to foster confidence in our products. In particular, CRN and its members commit themselves to the following ethical principles:

- 1. CRN's members are committed to marketing products that will improve the personal health of consumers and the public health.**

CRN and its members should support nutrition research and education, including the role of the federal government in conducting research, on the relationships between dietary supplements and health in order to expand scientific information and knowledge about the role of safe and beneficial dietary supplements in improving personal and public health.

- 2. CRN and its members are committed to observing all applicable state and federal laws and regulations.**

CRN and its members recognize the important role of laws and regulations, and the state and federal agencies that implement them, to assure that the best interests of the public are promoted and protected. Although CRN may on occasion advocate for changes in those laws that are inconsistent with the best interests of the public and the industry, CRN members should adhere to all relevant laws and regulations while they are in place.

- 3. CRN members are committed to marketing dietary supplements with truthful and non-misleading labeling and advertising.**

CRN members should make only those representations in labeling and advertising that are supported by competent and reliable scientific reasonable and credible evidence to substantiate those claims; that accurately represent the findings of scientific or consumer research; and that are supported by scientifically-valid methods to verify the labeled composition of the product.

- 4. CRN and its members are committed to taking appropriate action to support the safety of their products.**

CRN members should market ingredients and products that have been demonstrated to be safe through appropriate scientific evidence and, where appropriate, evidence of safe use in previously marketed products, and should undertake additional evaluation or testing whenever new safety issues arise.

- 5. CRN and its members are committed to responsible self-regulation to foster consumer confidence in the quality of products and the truthfulness of advertising.**

CRN and its members should foster and encourage the development and implementation of voluntary standards for responsible business behavior within the dietary supplement industry and in the wider community.

- 6. CRN's members are committed to observing fair business practices in their dealings with consumers, the general public, and other industry members.**

CRN and its members should recognize that the credibility of individual companies and of the dietary supplement industry as a whole depends upon fairness in the marketplace, with respect to individual consumers, the public at large, government agencies, state and federal legislatures, the professional and academic communities, and fellow members of the dietary supplement industry and its supporting suppliers.

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CRN Bylaws Provisions Relevant to Membership & Dues

ARTICLE II - Membership

Section 2.01. Membership.

A person (which shall include a corporation, a partnership, or any other organization) who is actively engaged in the manufacture or distribution of a dietary ingredient or a dietary supplement, or of a functional food, and a person who supplies products, services, or other support to such person, or who supports the purpose of the Council set forth in Section 1.02, shall be eligible for election as a member of the Council. For purposes of this section, a dietary supplement shall be defined as that term is defined in U.S. Food, Drug & Cosmetic Act (21 U.S.C. 321(ff)). A functional food shall be defined as any product properly labeled as a food under the federal Food, Drug, & Cosmetic Act that is formulated specifically to increase the intake of nutrients or other compounds and for which the manufacturer makes structure/function or health claims in its labeling.

Section 2.02. Classes of Members. There shall be three classes of members:

- (a) **Voting Member.** A person who manufactures a dietary supplement, a functional food or an ingredient intended for one of these products, or who markets or distributes a dietary supplement or functional food under its own brand or label, or who facilitates the sale of these products, shall be eligible for membership in the Council as a voting member. Voting members shall be divided into two categories:
 - (1) **Finished Product Members.** There shall be two subcategories:
 - (a) **Branded Product Members.** A member who manufactures or markets a dietary supplement or functional food, under its own brand or label.
 - (b) **Contract Manufacturer Members.** A member who manufactures finished dietary supplements or functional foods on behalf of, or for resale to, another business for sale under another brand or label.
 - (2) **Ingredient Members.** There shall be two subcategories:
 - (a) **Ingredient Manufacturers/Formulators.** A member who manufactures an ingredient (including excipients, flavorings or colorants) for use in a dietary supplement, or a nutritional ingredient for use in a functional food. For purposes of this section, a “nutritional ingredient” shall mean a dietary ingredient as that term is defined in the U.S. Food, Drug & Cosmetic Act (21 U.S.C. 321(ff)). “Manufactures” shall include harvesting, processing or substantially altering the ingredient or holding unique patents or other intellectual property to prepare the ingredient for inclusion in a dietary supplement or for inclusion of a nutritional ingredient in a functional food product.
 - (b) **Ingredient Distributor and Representative Member.** A member who sells or facilitates the sale of ingredients intended for inclusion in a dietary supplement or of nutritional ingredients for inclusion in a functional food, but does not manufacture, harvest, process or otherwise substantially alter the composition of such ingredients. This class of membership is generally limited to firms that do not hold a patent or other intellectual property in the ingredient and do not market the ingredient under their own unique brand.
- (b) **Associate Member.** A person who is eligible for membership in the Council and is not actively engaged in the manufacture of an ingredient, a dietary supplement or a functional food but who provides products, services, or other support to voting members, or who supports the purpose of the Council set forth in Section 1.02, shall be eligible to join the Council as an associate member.
- (c) **International Member.** A person who is otherwise eligible for membership in the Council but does business exclusively outside the U.S. shall be eligible to join the Council as an international member. A foreign affiliate of a person eligible to be a Voting Member shall be eligible for international membership only if the person eligible for Voting Membership is in fact a Voting Member.

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Section 2.03. Election of Members.

Members of the Council shall be elected by majority vote of the Board of Directors or of the Executive Committee.

Section 2.04. Removal of Members.

A member of the Council may be removed by two-thirds vote of the votes entitled to be cast by all of the Council members or of the Board of Directors, provided that a member may be removed only at a meeting where prior notice of this issue has been given.

Section 2.05. Resignation of Members.

A member of the Council may resign by giving notice in writing to the Council. A member shall be liable for dues and assessments for the full calendar year during which the member gives a notice of resignation.

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ARTICLE IV – Dues and Assessments

Section 4.01. Annual Dues.

Each year the Board of Directors shall prescribe the dues rates for the classes of members for the following calendar year. The Council shall promptly send to each member written notice of the prescribed dues and the due date or dates of payment thereof. The dues of Voting Members shall be determined by the Board of Directors from year to year on the basis of the total sales derived by the member's business in the U.S. from the activities described in Section 2.01 for its most recently completed fiscal year. A person may be a Voting Member of CRN in more than one category, and in such case shall pay dues in each category commensurate with its sales in that category.

Section 4.02. Special Assessments.

Members of the Council shall pay such special assessments as the Board of Directors may from time to time levy in order to defray extraordinary or unusual expenses incurred by or on behalf of the Council, provided that no member shall become obligated to pay such an assessment until it has been ratified by a majority vote of the members of the Council. Payment by a member, in whole or in part, of any special assessment shall constitute the member's vote to ratify such assessment.

Section 4.03. Non-Payment of Dues or Assessments.

Renewal dues are payable within the first sixty (60 days) of a calendar year. The failure of any member of the Council to pay dues or assessments within thirty (30 days) after the due date thereof shall result in such member's suspension from the Council until such payment is received except in extenuating circumstances communicated to and accepted by the Board of Directors or the Executive Committee. Once a new dues year begins, that member must reapply for membership if it fails to pay its dues within the prescribed time period. A firm that fails to pay its dues in a timely manner in a particular year, may not allow its membership to lapse and then rejoin later that calendar year at a pro-rated amount; dues for the entire year are payable upon an application to rejoin in the same calendar year except in extenuating circumstances communicated to and accepted by the Board of Directors or the Executive Committee. Members whose dues are more than thirty (30 days) delinquent may be assessed a reasonable interest charge on those dues, up to 1.5% per month.