

ESSENTIAL

2020 ANNUAL REPORT



THE ESSENTIAL TRADE ASSOCIATION FOR
THE ESSENTIAL DIETARY SUPPLEMENT INDUSTRY

On Being Essential

“ Everyone wants to be considered ‘essential.’

What we learned in 2020 is that not every role is *absolutely necessary* or *extremely important*. Being considered essential means being able to stay open, being a priority purchase for our consumers, and being able to fill critical needs during perilous times.

We learned all too well in 2020 that your company and your products are essential, and so is your trade association.

Being essential requires agility and resilience to address disruptions. CRN took our role as your essential trade association by listening and responding, focusing not on preserving the status quo but planning for a new future.

Being essential means recognizing what you value in us and delivering on those expectations. CRN is nearly 200 companies and 20 professional staff with the singular focus of making the world better for this industry and the consumers who depend on our products for healthier lives.

We were essential yesterday. We are essential today. We will work to remain essential to you, to the industry, and to our consumers, tomorrow and beyond—together. ”

—**Steve Mister** *President & CEO, Council for Responsible Nutrition*



CRN: The Essential Trade Association for the Essential Dietary Supplement Industry



“ CRN took bold action at the beginning of the pandemic, as shutdown orders swept the land.

We helped members troubleshoot new problems on the fly, from disruptions to increased demand.

We supported members, and ultimately consumers, as they looked to us more than ever to support their health and wellness during the health crisis.

CRN ensured that the full industry—from research to manufacturing, from testing to transport, and from supply chain to retail chain—was recognized as *essential*. ”

—**David Campbell** *Bayer HealthCare, Chair, CRN Board of Directors, 2018–2020*

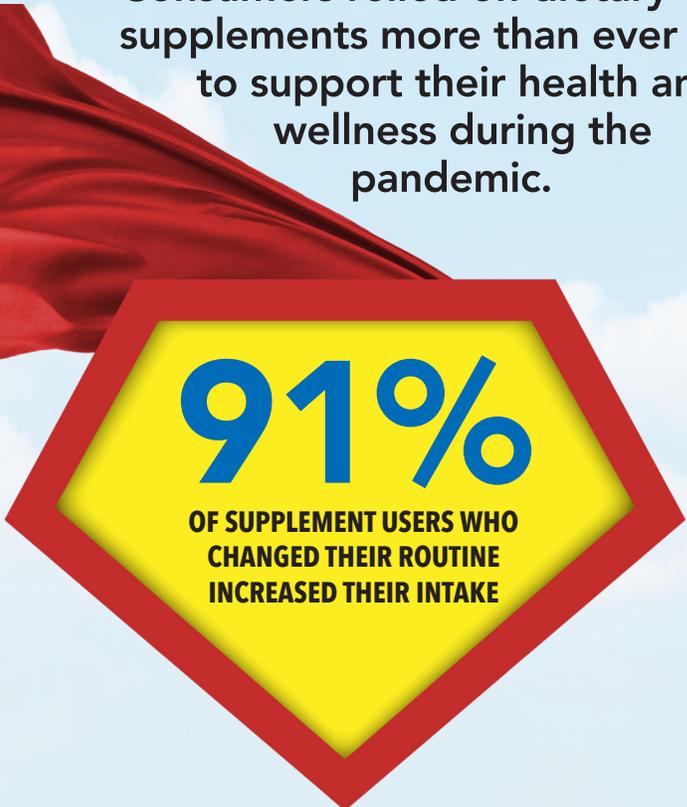
COVID-19 was a major disruptor globally in 2020.

We came out stronger, together.

CRN's 2020 Consumer Survey on Dietary Supplements found that nearly three-quarters of American adults take supplements. Our COVID-19 Consumer Survey revealed that of those supplement users who changed their supplement routine in the pandemic, 91% increased their intake.

COVID-19 caused people to renew their attention to health and wellness. The responsible dietary supplement and functional food industry, deemed essential in the pandemic, stepped up to deliver on consumer needs.

Consumers relied on dietary supplements more than ever to support their health and wellness during the pandemic.



91%

**OF SUPPLEMENT USERS WHO
CHANGED THEIR ROUTINE
INCREASED THEIR INTAKE**

We learned together how to conduct business as an essential industry during a pandemic. To survive—and thrive—we built upon the firm foundation we had already established.

We relied on our strong relationships and the trust that comes with those relationships. We tapped into our infrastructure for innovation and ingenuity.

Our industry's awareness of its true interdependence with retailers was piqued as we called for a seat at the table for development of certification programs.

CRN staff maintained a unique focus among associations in the natural products space, as **the** premier collection of experts wholly dedicated to dietary supplements and all their legal ingredients—from vitamins to minerals, botanicals to bioactives, probiotics, prebiotics, and more being explored.

CRN's 2020 and COVID-19 Consumer Surveys revealed heightened focus on overall health and wellness and increased attention to immune health.

As consumers continued to confront the devastating public health effects of COVID-19, Americans were focused more than ever on their health and well-being. Nearly three-quarters of Americans continued to report taking dietary supplements in 2020, with 40% of supplement users reporting overall health and wellness benefits as their top reason to take supplements. Immune health was the second most popular reason, with 32% of supplement users citing this factor as why they take supplements (up from 27% in 2019).

Data from CRN's COVID-19 survey demonstrated that overall immune support (57%) and health/wellness benefits (53%) were the most common reasons why users increased intake during the pandemic. Further data revealed not only an increase in supplement intake, but pointed to sustained usage changes in the future.



"The data not only show increases in supplement intake throughout the pandemic, but point to sustained usage in the future."

—**Brian Wommack**
*CRN Senior Vice President,
Communications*

83%

BELIEVE DIETARY SUPPLEMENTS PLAY AN IMPORTANT ROLE IN HELPING TO SUPPORT HEALTH AND WELLNESS DURING COVID-19

88%

BELIEVE IT'S IMPORTANT THAT THEY CONTINUE INCORPORATING DIETARY SUPPLEMENTS INTO THEIR LIFESTYLE IN LIGHT OF THE PANDEMIC

98%

ARE LIKELY TO CONTINUE WITH THEIR CURRENT SUPPLEMENT ROUTINE MOVING FORWARD

The dietary supplement industry emerged from 2020 stronger because of members like you.

CRN is driven by members who share a commitment to responsibly developing, manufacturing, and marketing dietary supplements, functional food, and nutritional ingredients to support people's health and wellness—more essential than ever in these times.

We spoke honestly.

Our messaging warned consumers about illegal and unsubstantiated drug claims and COVID-19 cures, while focusing on sound science supporting supplementation for wellness.

We manufactured to meet consumer needs.

We addressed supply-chain challenges resulting from increased consumer demand and worked together to identify economic adulteration and to overcome challenges with ingredient shortages.

We made time to do what's right.

CRN member companies stepped up during the pandemic, donating products to food banks across the country, providing supplements to first responders to help keep them healthy as they protect us on the front lines, transitioning facilities to manufacture hand sanitizer, and even deploying portable five-minute COVID-19 tests.

We learned how to do even better.

CRN and its members amped up dialogue on important issues including racial justice, diversity, inclusion, and equity in the dietary supplement industry. CRN contributed to the conversation, authoring thought pieces in the industry trade press and hosting discussions on diversity at its NOW, NEW, NEXT event and among its staff.

With many dietary supplement industry leaders among CRN's membership already prioritizing sustainability, CRN spotlighted how more companies can benefit from reduced costs and deeper connections to markets and consumers when they decrease their use of natural resources and reduce their environmental impact.

Victories won together were earned together.

CRN and our members engaged with courts and state regulators to help ensure they understand the stringent federal framework for dietary supplements. We took action to prevent private and state actions from upending this framework.

Through these efforts, we helped ensure consumer access to safe, quality dietary supplements, while working with stakeholders, including FDA and retailers, to prevent overly burdensome requirements from limiting access to these beneficial products.

CRN worked closely with members to identify key priorities and threats for the industry, through CRN member groups such as the Legal Committee, CBD Working Group, Prop 65 Task Force, and the newly created Retailer Standards Working Group.

We helped ensure consumers were not misled on COVID-19 and supplements, while delivering the products they need for overall wellness.



“CRN and its members recognize the importance of filing amicus briefs on behalf of industry to protect the federal standards in place and prevent private actors from overhauling this carefully crafted framework.”

—Megan Olsen

*Vice President and
Associate General Counsel*

CRN connected key stakeholders through webinars that spotlighted:

Contract research organizations

Supplement study sponsors

Brands targeted to specific channels—such as practitioners

Sectors with unique challenges—such as sports nutrition

Ingredient suppliers

Driven by our mission. Guided by our strategy.

Five strategic initiatives guided CRN from 2018–2020, as we delivered on our mission to sustain and enhance a climate for our members to responsibly develop, manufacture, and market dietary supplements, functional food, and their nutritional ingredients.

RESPONSIBILITY

Expand self-regulatory initiatives

POLICY

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

SCIENCE

Foster excellence in nutrition science

INFLUENCE

Influence public perception of science-backed nutritional products

GROWTH

Elevate the industry and build association resources through broad membership growth

ESSENTIAL RESPONSIBILITY

CRN promoted self-regulatory initiatives, demonstrating a commitment to accountability, maintaining and improving consumer confidence.

“Responsible” is our middle name, and we lived up to it by:

- Growing participation in the Supplement OWL with improved business user experience and affirmation by our Board of Directors that members must submit their labels as a requirement of CRN membership
- Developing considerations for delivery form safety in response to FDA’s report
- Revisiting and updating our Best Practices for Probiotics
- Calling for elimination of a loophole in the statutory definition of a dietary supplement to protect consumers against products marketed as supplements but containing illegal or undeclared ingredients
- Forming a Certificate of Free Sale (CFS) Task Force and developing the template for CRN-issued certificates with agreement from FDA
- Proactively engaging with CRN members, both domestic and international, to address and inform on COVID-disrupted supply chains for ingredients and packaging
- Informing key U.S. Trade, FDA, and FEMA contacts of members’ supply chain disruption issues



“CRN’s Board of Directors recognized the importance of broad industry participation in the Supplement OWL to create a more transparent marketplace. We saw industry-wide participation grow significantly during 2020, even amid COVID-19, as the value of this initiative to consumers and regulators became clear.”

—Luke Huber, N.D., MBA
*CRN Vice President,
Scientific & Regulatory Affairs*

ESSENTIAL POLICY

Despite the new obstacles presented by COVID-19, and a temporary halt to face-to-face lobbying, CRN worked to build and maintain a positive legislative, regulatory, and commercial environment for nutritional products to foster consumer confidence and industry growth.

In 2020, CRN and our members shaped policy by:

- Conducting our first-ever virtual lobbying event, the Supplement Advocacy Send-In, in lieu of our annual Day on the Hill, with more than 100 letters sent to Congress
- Advocating for mandatory product listing for dietary supplements
- Urging FDA and Congress to create a legal pathway to market CBD in dietary supplements
- Calling for state CBD legislation to mirror federal regulations for dietary supplements to avoid a patchwork of laws that would impede simultaneous compliance with anticipated federal regulations
- Opposing age-restriction legislation introduced in several states
- Opposing private right-of-action proposals in the states
- Encouraging tax code revisions to allow certain dietary supplements to be purchased with pre-tax dollars, via Health Savings Accounts (HSAs)/ Flexible Spending Accounts (FSAs)



“Mandatory product listing would strengthen the FDA’s ability to respond effectively to emerging safety concerns and to exercise its authorities under DSHEA.”

—**Julia Gustafson**

*CRN Vice President,
Government Relations*

Submitting amicus briefs to the courts to shape judicial decisions involving supplements

Proposing a master file framework to FDA to support intellectual property protection in New Dietary Ingredient (NDI) notifications

Advocating for the appropriate role of supplementation in the Dietary Guidelines for Americans

ESSENTIAL SCIENCE

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

We supported “the science behind the supplements” by:

Promoting engagement with public-private partnerships such as the Botanical Safety Consortium

Sponsoring a scientific satellite session at the American Society of Nutrition’s (ASN) Nutrition Live Online 2020 event

Supporting education in nutritional science with grants to graduate students

Honoring excellence in nutrition research via the Mary Swartz Rose awards

Presenting “Science in Session,” CRN’s first virtual scientific symposium exploring challenges and opportunities regarding public health recommendations for dietary supplements

Convening CODEX officials and other global stakeholders for a CRN-International webinar series on targeted nutrition for all ages and the role of bioactives

Initiating a program to raise awareness about research on vitamin D and COVID-19



“Our presentation of detailed academic experimental data, public policy recommendations, and regulatory processes via the CRN-I fall symposium series

captured the attention of key CODEX officials — including former committee chair, Dr. Pia Noble [pictured here in 2019], who participated in all three webinars, calling the content ‘valuable state of the art information.’”

—Jim Griffiths, Ph.D.

*CRN Senior Vice President,
Scientific & International Affairs*

ESSENTIAL INFLUENCE

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

We enhanced public perception of dietary supplements by:

Highlighting the supplement industry's response to needs in companies' local communities and abroad resulting from the pandemic

Publishing the 2020 CRN Consumer Survey on Dietary Supplements and a special COVID-19 focused survey

Responding to mischaracterization of supplement products, such as a "60 Minutes" segment on probiotics

Defending the value of multivitamins in the wake of a British Medical Journal (BMJ) publication

Reminding consumers to be vigilant when selecting supplements for cognitive health following a Neurology Clinical Practice publication on unapproved drugs found in misbranded products

Educating retail buyers and other retail stakeholders on the unique features of probiotics

Reminding consumers and retailers that dietary supplements may not claim to treat, cure, or prevent COVID-19



"As data continues to show that Americans, particularly low-income populations, do not get the essential nutrients needed from diet alone, taking a multivitamin is a convenient and affordable way to ensure consumers get the nutrients they need."

—Andrea Wong, Ph.D.

*CRN Senior Vice President,
Scientific & Regulatory Affairs*

ESSENTIAL GROWTH

CRN expanded its educational offerings to become well-recognized as a provider of programs and services to all aspects of the industry.

CRN deepened member engagement by:

Launching the new “CRN Daily Supplement” newsletter to create a dependable, regular touchpoint for breaking news and updates

Launching the “CRN Connect” mobile app—get it at crnusa.org/app

Growing CRN’s committees, subcommittees, working groups, and task forces by more than 400 participants

Presenting new opportunities to learn about emerging COVID-19-related issues impacting the supplement industry, through webinars and enhanced committee and working group virtual meetings

Pivoting to all-virtual platforms for our events, including: the Communications and Marketing event, renamed as “Wellness from Washington” for 2020; CRN’s Day of Science, renamed as “Science in Session,” and CRN’s annual conference, themed “NOW, NEW, NEXT” in 2020

Adding 26 responsible companies to our membership



“We can make the natural health industry more diverse, more equitable, and more inclusive. We start with our shared vision of better health and look for what we have in common, rather than what we don’t. We can proactively recruit new faces to our companies and be more welcoming when they arrive.”

—Carl Hyland

*CRN Vice President,
Membership Development*

Essential Worldwide

“ The white paper CRN put together on the essentiality of our sector has been very instrumental with...governments around the globe, including informing the discussions with the Ministry of Food Processing Industries (MOFPI) in India. CRN members should understand that that’s been very helpful around the world in trying to defend our sector. ”



—**Michelle Stout** *Amway/Nutriline, IADSA Chair, former Chair, CRN International Trade & Market Development Committee*

Essential Wherever You Are

“ CRN has done a great job in establishing virtual platforms with its working groups and committees that actually helped the industry stick together and continue to move forward some of the initiatives that were established pre-COVID and were still in process. The ability to connect with CRN’s working groups and take advantage of the training forums, such as webinars, has been so valuable. ”



—**Josue Molina** *Ancient Nutrition*

Essentially, exceeding expectations is what we do.

Being in association with your colleagues and competitors carries both privileges and responsibilities. Hear from CRN President & CEO Steve Mister about what you should expect from your association in an excerpt from his address at the NOW, NEW, NEXT conference.

Learn more about how CRN:

1. Practices transparency and accountability.

We never forget:
It's your dues.

2. Focuses on consensus building. That's our strength, but it's also our challenge.

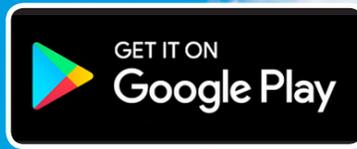
3. Has expertise in this industry—passionate experts with the singular focus on making the world better for our members.

4. Produces results for a stronger industry—aligning our efforts to meet the demands of tomorrow's health-conscious and socially aware consumers.

5. Embodies purpose-driven leadership—understanding your challenges and delivering results.



STAY UPDATED WITH THE 'CRN CONNECT' APP



GET SOCIAL WITH CRN



 **Council for Responsible Nutrition**
The Science Behind the Supplements

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