

Focus On Sustainability



Natural Products Insider gathered insights across 170 exhibitors that supply food, herb, botanical, mineral and vitamin ingredients to discover the hottest trends planned to be on display at Supply Side East 2020.

Sustainability was highlighted as a Top 5 leading trend. Read on to learn about **Layn Natural Ingredients'** vision and approach to sustainability as *Natural Products Insider* included key feedback from our VP of Global Marketing, Collette Kakuk.

Excerpt from Article titled, "Top five natural ingredient trends in a COVID-19 world" June 2020 - by [Sandy Almendarez](#):

Many of the ingredient suppliers noted that they are vertically integrated, which means they control every aspect of their ingredient's development, from planting the seed to growing the plant, harvesting the ingredient and processing it in a way that's usable for a finished product brand.

While vertical integration is often touted for its ability to secure supply chains and reduce contamination, it can also help promote sustainability by allowing an ingredient supplier to better create connections with farmers and ensure that growing practices follow responsible processes.

Other responsible sourcing practices that would-be SupplySide East exhibitors employ include using renewable energy, philanthropic efforts to aid farmers, using wild harvested sources that meet good wild harvesting practice standards and membership into specific groups such as the Sustainable Vanilla Initiative. Practices ingredient suppliers noted they avoid include using chemical pesticides, child labor and convict labor.

Sourcing responsibly means ensuring adequate supply of raw materials while preserving the earth and its resources, noted Collette Kakuk, vice president, global marketing, Layn Natural Ingredients, which would have exhibited at SupplySide East. "Sustainability, at its root involves care, compassion and harmony," she said. "It is the concept of maintaining positive and equitable conditions for people, animals and the planet across generations, across socio-economic and geographic boundaries, and over time."

Layn works with universities to help validate its science and viability of the agricultural practices of its offerings of plant-based sweeteners and natural flavors. "Layn's innovative agriculture methods work to considerably increase botanical yields, help preserve the environment, and provide economic and social benefits to local farm families and surrounding communities," Kakuk said.

While responsible sourcing is common among ingredient suppliers, it can be a trait of differentiation between brands in the nutraceutical industry. “Consumers who purchase nutraceuticals are becoming increasingly conscientious around issues such as supply chain and sustainable sourcing, wanting their full story from source to supplement,” said Loukiana Chatzinasiou, senior product manager, Sibelius, which was set to exhibit at SupplySide East. “Therefore, it is important that the industry recognizes the need

for transparency and ensures that consumers remain informed. This way individuals will feel confident in making conscious choices about what they consume—knowing that their purchasing decisions have direct and indirect impacts on the environment, as well as their health and well-being.”

Sibelius, which supplies branded sage, chamomile and lycopene, has a policy that falls in line with the United Nations’ Sustainable Development Goals. “With this in place, we do all we can to ensure that we source and support local farms where possible, and choose ethical, qualified suppliers and manufacturers,” Chatzinasiou said. “We also put a high emphasis on reducing waste in all our operations, including using only recyclable materials for packaging, thus minimizing our carbon footprint and protecting the nature we rely on for our ingredients.”

Responsible sourcing is the right thing to do for the health of the planet, but doing the right thing can come with a higher price point, and in today’s economic downturn, some companies may question if they can keep those higher cost practices. Both Chatzinasiou and Kakuk say this is not the time to reduce sustainable ingredient sourcing methods.

Market analysis

For one, despite living through a pandemic and a bad economy, many consumers prefer brands that prioritize sustainable and environmentally friendly business practices. Thirty-nine percent of consumers said they were willing to pay more to support environmentally responsible business practices, and 54% said they believed buying can be a moral decision, in a 1,000-person survey collected the week of April 6, 2020. This was compared to 45% and 49% who said they felt this way, respectively, in the first quarter of 2017. This data was presented on April 14, 2020, in [“The Future of Grocery Shopping in Uncertain Times” webinar](#), a joint research study by market research platform Suzy and New Hope Network.

“Even as we face the challenges of the pandemic and worldwide economic issues, the demand is unlikely to stop because the awareness and the conversations will keep happening. They will likely develop further as we look for new ways of living as we emerge from the current crisis,” Chatzinasiou said.

In times of economic downturn, consumers become more price conscious, Kakuk acknowledged. “However, during serious health crises, consumers also seek products that are pure and unadulterated for providing health support, and are even willing to pay more for substantiated, quality products that are responsibly sourced.”

Consumers may have fewer expendable dollars right now, but many have more of another valuable resource: time. “Consumers will continue to demand full transparency, and as they hunker down in

their homes, they have opportunities to dig in deeper, doing even more research and verifying that manufacturers and brands put action behind words and stay on course and true to their commitments,” Kakuk said. “Consumers have also grown more conscious of the undeniable connections between individual health, global health and the health of the planet, and turn to brands and ingredients that help promote a cohesive, healthy ecosystem.”

And to best serve those consumers—who are scrutinizing their business practices—brands can select the ingredient suppliers that offer responsibly sourced, third-party verified, science-backed options that help boost cognitive and immune health. It’s unfortunate that brands were unable to encounter these suppliers at SupplySide East 2020, but a global pandemic cannot stop innovation in the health and nutrition industry.

Link to full article series for Supply Side East 2020: <https://www.naturalproductsinsider.com/business-operations/innovation-supplyside-east-community-2020-digital-magazine>

Article References

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