

Marketing Environment 2014

Trends & Outlook in the Nutritional Marketplace



*the***WrightGroup**[™]

Prepared by: John T. Waldron
Senior Advisor to The Wright Group

© 2014 Wright Enrichment, Inc.

TABLE OF CONTENTS

Economy	3
Demographics/ Psychographics	4
The Millenials	5
Healthcare	6
Supplement Industry	7
Cosmeceuticals	9
Functional Foods	10
Nutrition Bars	11
Functional Beverages	12
Pet Foods	13
About the Wright Group	13

ECONOMY

+2.4% GROWTH IS ESTIMATED FOR 2014 OVERALL, WHICH IS A VERY LOW RATE FOR THIS LATE IN A RECOVERY

GDP GROWTH WAS ESTIMATED TO BE ~ +2.6% IN 4Q13, BUT FELL TO 0.1% IN THE FIRST QUARTER 2014 DUE TO THE SEVERE WINTER WEATHER. ABOUT

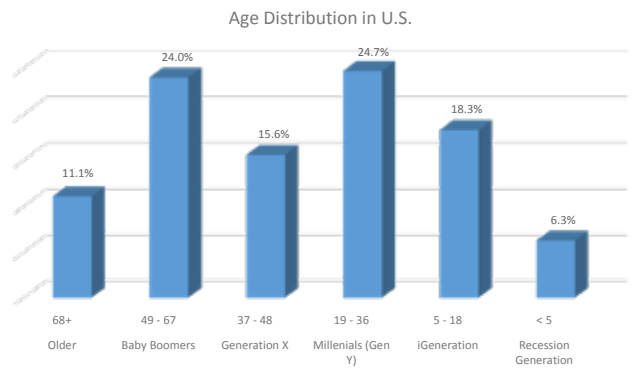
- **Unemployment** fell to 6.3% in April, the lowest level since Sept. 2008 but down from a high of 10% in 2009. The job market has shifted to more temporary workers (~2.5% of the work force) and part-time workers, driven in large part by economic uncertainty and the new health care law.
- **U.S. household net worth** is at \$77 TR, the highest level ever, due in large part to some recovery in home values, up 11.3% in Q4, as well as 25-30% increases in the equity markets in 2013. There was also a 13% decline in bankruptcies in 2013.
- **U.S. government debt** is at ~\$17 TR. This is 100% of GDP. Japan, Greece and Italy are even worse at 220%, 170% and 130% respectively.
- **The Dow Jones hit a record high** of 16,715 and the S&P 500 crossed 1,900 for the first time in May.
- **Consumer spending increased** 0.9% in April as weather conditions enabled people to get out shopping. A certain amount of pent-up demand is reflected in this figure.
- **Student loan debt**, at \$1.1TR is up 361% since 2003 and well in excess of credit card debt (\$659B, down 4.2%).
- **Chinese GDP growth has slowed** to 7.3%, the lowest rate in 23 years, and now has higher inflation risk due to \$3.4 TR in foreign reserves, up \$1 TR since 2010, which is larger than Germany's economy.
- **The Chinese yuan hit a recent high** of 6.04/\$ but has since settled closer to 6.15/\$. Chinese exports have been hurt as a result, and has added to price pressures on vitamins and other nutraceutical ingredients.
- **Chinese wages have increased 5-fold since 1997**, about 10 times more than in the U.S. China is not so cheap as a manufacturing base anymore in comparison to India and other Asian and African countries. We are also seeing more labor unrest there.
- **China is also getting more environmentally aware**, which has caused some supply disruptions due to plant shutdowns.
- **China is also moving up-market** by offering branded products (Lenovo, Haier, and Alibaba) in some product categories, which will enable higher prices and profits in the years ahead.
- **The Fed Funds rate remains at 0.0-0.25%** after recent drastic Fed actions and may stay low through 2015. The yield on the 10-Year Treasury note is around 2.54% but lending for mortgages and consumer spending is sluggish.
- **Corporations are reluctant to commit** capital investment dollars or hire full time workers as long as so much certainty hangs over the economy. The gridlock in Congress does not help.
- **The Fed continues to taper its QE debt load** in the face of a slowly improving economy but remains committed to growth and increasing employment. The new Fed chief, Janet Yellen, seems to be a dove in this respect similar to her most recent predecessors.
- **Europe remains a big question mark** with very high unemployment and very slow GDP growth. Germany remains the main engine of European growth.
- **Gold recently fell** to ~\$1,305 from \$1,736/oz., but remains relatively stable in the face of economic and international political uncertainty in Eastern Europe as Vladimir Putin tries to put the old Soviet Union back together starting with Crimea and Eastern Ukraine.
- **Crude oil prices have been stable** at ~\$100/bbl and may be headed downward to \$75/bbl in the medium term as a result of new supplies brought on by fracking in North America as well as sluggish growth in the developed economies. New supplies from Iran, Iraq and Libya are also hitting the market.
- **The U.S. produced more oil in 2013** than it imported for the first time since 1988 and could become the largest global producer by 2015 if current trends continue and if Russian sanctions limit their access to the market.
- **The question of wealth distribution has been in the news** and could become an explosive political issue in the upcoming election. The top 1% of households now controls 35% of U.S. wealth, more than the bottom 90% combined. The top 5% of earners drive 38% of domestic consumption, up from 28% in 2005. It is hard to generate much true economic growth this way with so many consumers under financial constraints.
- What the press and politicians, especially on the left, do not point out is the fact that these **wealthy households are frequently owners of small businesses which employ the bulk of workers** in the U.S. The politicians and pundits must tread very lightly here if they want the employment climate to improve.

DEMOGRAPHICS / PSYCHOGRAPHICS

THE U.N. PROJECTS GLOBAL POPULATION TO BE 9.1B IN 2050, UP FROM 7.3 B IN 2014. 37% OF THE CURRENT WORLD POPULATION IS IN CHINA AND INDIA AND 80% OF FUTURE GROWTH WILL COME FROM

THE DEVELOPING WORLD. IT WILL BE A CHALLENGE TO FEED ALL THESE NEW PEOPLE WITHOUT GMOS, ESPECIALLY AS ARABLE LAND AND WATER RESOURCES ARE HARDER TO FIND

- **Last year 3.1mm people died globally** from malnutrition, while none died or were proven harmed from GMO foods, according to The Economist magazine.
- **The aging of the population and the growth of the middle class** even in developing countries will continue to be a major driver of the health care and nutrition meta-industries.
- There will be 138MM babies born in 2014, about half in Asia. **Global consumer spending is set to increase by 3%**, the number of global households will exceed 2 B for the first time ever and the average global age will be 30, also for the first time.
- **The U.S is becoming more** urban, more Hispanic and with more single parent households. Median income hit \$51,017 in 2013, down from \$55,627 in 2007, adjusted for inflation.
- **Half of all 65 year-olds who have ever lived are alive today**, many with managed chronic disease problems, but generally healthier and more active than past generations. This group is 8% of global population now and will be 13% by 2035.
- **The United Nations predicts** that by 2045, there will be more people over 60 than will be under 15 for the first time ever.
- **Many, if not most, 65 year-olds plan to work well beyond traditional retirement age**, especially in the case of trained professionals. In some cases, it has become an economic necessity due to household debt loads and reduced retirement benefits. This makes it more difficult for younger people to find long term permanent jobs. It has become more of a free agent society which has its pluses and minuses.
- **By 2015, 45% of the U.S. population** will be over 50 years of age and will own over 65% of aggregate household wealth.



- **The U.S. population is 322 MM** with an average life expectancy of 77.9 years. (74.9 for men; 80.2 for women). It is estimated that by 2050, life expectancy may increase by ten years in each case.
- The ethnic makeup is also changing dramatically with implications for many of the markets we serve. **Net population growth between 2010 & 2050 is projected to be:**

Caucasian (non-Hispanic)	1%
African American	56%
Asian	142%
Hispanic	167%

Overall 42%

- **The over-85 population is the fastest growing segment of the U.S.** population and they do not behave as you might expect, which has major implications for the food, beverage, supplement and cosmeceutical industries. They are brand loyal, have high disposable incomes, are more concerned about health than the average person, more likely to live alone and try to avoid drugs wherever possible. It is a dream segment for our industry.
- It should be noted that all these **demographic trends are very favorable for the functional foods and dietary supplement industries** as people seek to take control of their own healthcare and avoid the traditional system if at all possible.

MILLENIALS

MILLENIALS, BORN
BETWEEN 1978-1994
AND AGED 19-36

IN 2014, ARE 77 MM STRONG, SLIGHTLY LARGER THAN THE BABY BOOMERS, WHO HAVE STARTED TO DIE OFF

- **They are very different from their Baby Boomer parents** in purchasing behavior. They are also the best educated and most ethnically diverse generation in U.S. history.
- **They currently suffer from high unemployment and huge college debt**, which now exceeds total credit card debt at \$1.1 TR. Moving back with Mom and Dad has contributed to a societal trend called “extended adolescence” which we addressed in past whitepapers.
- More conscious of “green” products, locally produced foods, artisanal products and fair trade and are willing to pay a premium for it. **They are expert consumers and heavily committed to online and mobile purchasing.**
- Their purchasing behavior is somewhat bipolar. They are very brand loyal to brands sharing their values, but are also prone to use mass merchandisers and try private labels as well in some categories. **They love deals even more than their parents do; a function of current financial constraints.**
- **Online, social and mobile technologies are their native languages**, unlike the Boomers and even Gen Xers. They must be reached in new and innovative ways.
- **Over the next decade, this group will become increasingly important to the nutrition industry** as their disposable income rises sharply while Baby Boomers come to rely on fixed retirement savings and Social Security for the most part.

“Online, social and mobile technologies are [millennials] native languages, unlike the Boomers and even Gen Xers. They must be reached in new and innovative ways.”





HEALTHCARE

U.S. HEALTH CARE EXPENDITURES IN 2014 ARE ESTIMATED TO BE

~\$3.2 TR, WHICH IS ~19% OF GDP. THE GOVERNMENT PAYS FOR MORE THAN HALF. THIS IS ~ \$101,471 PER SECOND

“It is clear that the current healthcare system is not sustainable”

- **About 75% of all healthcare dollars go to treating longer term chronic illnesses, which will certainly increase as the population ages.** The bulk of this is spent during the last year of life. Only 3% is spent on disease prevention, according to a 2013 study by the Centers for Disease Control.
- **Diseases like measles and mumps, which were largely eradicated, have staged a resurgence** thanks to the reluctance of some parents to vaccinate their children against these traditional childhood scourges. Junk science and misinformation about links between vaccination and autism drives a lot of this behavior.
- High deductibles, higher insurance premiums and greater uncertainty under the Affordable Care Act will encourage **consumers to adopt healthier habits in hopes of staying out of the health care system** wherever possible. Saving money and protecting financial assets will take on new urgency.
- **It is clear that the current healthcare system is not sustainable** and that prevention and even prediction offer the best hope for cost control. Still, FDA, FTC and other government regulators such as EFSA in Europe remain relentlessly negative about the roles of functional foods and dietary supplements in the diet, even where science is compelling if not conclusive. It really should be a freedom of choice issue.
- **The Cleveland Clinic’s Center for Integrative Medicine has opened a Chinese herbal therapy ward** to treat conditions which have not responded to conventional treatments. Targeted are sleep problems, chronic pain, digestive problems, fatigue and other issues. Patients must be referred by their primary care physicians.
- **Antibiotic resistance has become a very serious problem,** especially in the hospital setting, and it is hoped that using probiotics, herbal medicines and other immunity boosting supplements may help.
- **NorthShore University Health System (University of Chicago) and Northwestern University have established** similar centers, which gives complementary treatments and dietary supplements added credibility in the practitioner community and the broader nutritional products industry.
- **Chronic disease starts in middle age and is largely genetic,** environment and diet related. It is of long duration and slow progression and becomes very expensive over time. According to The World Health Organization, chronic illnesses cause 63% of all deaths. Diabetes and heart disease are especially deadly.
- **The fact is that the U.S healthcare system is very good at treating acute medical conditions,** but pretty weak in dealing with chronic conditions, prevention and prediction. We need to improve if we are ever to solve the serious economic and social dilemma of keeping our citizens both physically and financially healthy.
- The hidden plus in this crisis is the fact that we are creating more proactive healthcare consumers which will **benefit the dietary supplement and functional food/ beverage industries.**

SUPPLEMENT INDUSTRY

WE ESTIMATE THAT THE DIETARY SUPPLEMENT INDUSTRY GREW 6-7% IN 2013 TO \$35-6 B, AND IS EXPECTED TO EXCEED \$40 B BY 2015, ACCORDING TO NBJ. WE WILL HAVE A BETTER IDEA FROM NBJ IN JUNE

- **Severe winter weather and new exotic viruses** like MERS have focused attention on immunity.
- **Overall wellness is the biggest rationale for taking supplements**, at 65% of those polled. It is an easy claim to make in a world of tightening regulations. Companies have been switching to nutrition claims vs. health claims for this reason as well as the fact that this is the main benefit sought by supplement consumers, according to CRN.
- **Omega-3s, probiotics and vitamin D were once again standouts** in 2013, driven by a constant flood of positive science and media attention. These increases in consumption have been accomplished without using FDA-approved health claims.
- **Probiotics are now a \$30B global business** at retail and omega-3 containing products are anticipated to hit \$35B by 2016.
- **CRN now estimates that 68% of the U.S. adult population takes supplements** (74% of women, 64% of men), but there has been an 8% drop among 18-29 year olds which may be due to a switch to beverages and other dosage forms. About 76% of users do so regularly.
- **Those over 55 have a usage rate closer to 75%**. Usage also continues to skew toward more education, higher income, female and West. Many are also buying supplements for their parents under their care.

Elderly consumers need supplements more than the general population:

- **Appetite declines as a function of age**
- **Cooking is more difficult and not as likely to prepare balanced meals**
- **Drug/nutrient interactions**
- **Poor nutrient absorption vs. younger people**
- **Economic considerations which may force choices between food, medicines and other living expenses**
- **Weakened immune systems**
- **Intakes of ascorbic, vitamin E, B6 and zinc below RDIs are widely reported**
- **RDIs may be too low for the elderly even where they are consumed. Vitamin D, B2, folic and B12 especially.**

- Supplement users are also more likely to exhibit other healthy behaviors.
- According to the University of Chicago, **oral nutritional supplements given to hospitalized patients shorten average stays** by 2.3 days, saving \$4,700 per patient.
- The retirement of pro-supplement supporter Sen. Tom Harkin (D-IA), the political weakening of Sen. Orrin Hatch (R-UT) and the rising prominence of anti-supplement zealots like Sen. Dick Durbin (D-IL) will **pose regulatory challenges going forward.**



SUPPLEMENT INDUSTRY

(CONT.)

- The media has been swinging negative lately but it seems to have less impact than in the past. **People tend to trust their friends, neighbors, social media** and word of mouth more than traditional “experts” and media pundits.
- **About 40% of consumers take both drugs and supplements.** Healthnotes Interactive Checker has been introduced to help guide consumers who are concerned about interactions or deficiencies resulting from mixing the two modalities.
- **China has become a major market for branded U.S. supplements due to quality and safety concerns.** In the cities, market penetration is in line with U.S. figures of ~68%.
- In the period 1998-2008, **human clinical trials using dietary supplements have increased 70%** giving the relevant brands more credibility, even in the absence of approved health claims. The story sells the products, not just the science.
- Industry growth over the next several years will largely be a function of regulatory pressure. **As healthcare costs spiral out of control**, it is hard to believe that governments will remain so negative toward products that focus on prevention issues, which is the only real hope of controlling costs longer term.

Major regulatory hot buttons in 2014 - 2015

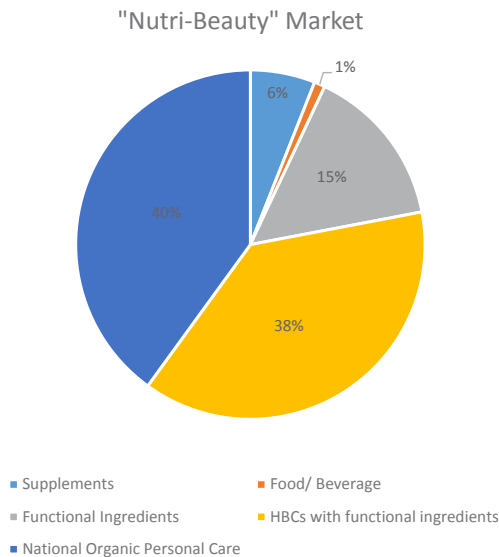
- **cGMP enforcement, which the industry sees as a good thing.**
- **NDI draft guidance on new vs. DSHEA grandfathered ingredients.**
- **Liquid supplement vs. beverage definition.**
- **Future regulatory issues will involve** the use of nanotech and other novel nutrient delivery systems as well as personalized medicine and nutrition.
- Companies such as 23AndMe.com, Pathway Genomics, NuSkin and WellnessFX **are experimenting with potential business platforms based on nutrigenomics and metabolomics.**
- **Vital Formulas has introduced a line of “time of day” supplements** that promise a continuum of energy to endurance to relaxation during the course of a day.
- **Large CPG and pharma companies are showing interest** in entering or expanding their presence in the supplement business. P&G, Unilever, Nestle, Glaxo-SmithKline, Church & Dwight, Colgate, Abbott, Reckitt-Benckiser, Post Foods and Pfizer among them. Some of this has already been accomplished through acquisition.



COSMECEUTICALS

COSMECEUTICALS OR “BEAUTY FROM WITHIN” SUPPLEMENTS THAT ARE INGESTED RATHER THAN COSMETICS THAT ARE APPLIED TOPICALLY

- **NBJ puts the ingestibles market at \$1.2 B in 2013, up 9.4% from the previous year.** \$730MM are supplements for hair, skin and nails and \$360 are considered anti-aging supplements.



- **Expect growth to \$1.4B by 2015 in the U.S.,** but Japan is larger by comparison at ~\$1.7B which represents 11.3% of their dietary supplement market vs. 4% in the U.S.
- **Overall global demand will be \$8.5B** by 2015, according to Freedonia study. Two-thirds is skin care.
- **Main products are** antioxidants, vitamin E, panthenol, collagen, coenzyme Q-10, alpha lipoic acid and hyaluronic acid salts.
- **Main market factors are** L’Oreal, NuSkin, Swisse Wellness.
- **Air pollution and other concerns are driving demand** in China and Japan especially.

“[Cosmeceuticals is expected to grow] to \$1.4 Billion by 2015 in the United States”



FUNCTIONAL FOODS

U.S. SALES GREW 6-7% TO ~\$46 B IN 2013. IT HAD GROWN ~7% IN 2012. BEVERAGES ARE 63% OF THIS TOTAL. THIS SECTOR IS NOW 31% LARGER THAN SUPPLEMENTS. THE CATEGORY CONTINUES TO GROW ON BALANCE DESPITE 80% PRODUCT FAILURE RATES

- **Product life cycles are getting shorter** in general across categories and demographic groups. Non-specific health claims are causing confusion and taste/cost are problems in some cases. The use of the word “natural” has become a P.R. and regulatory minefield.
 - **Communicating common messages to older and younger groups** is a growing challenge since they rely on such different media.
 - **Euromonitor claims the global market** is now \$176.7B in 2013 which is 5% of the total packaged food market.
 - **Non-GMO has become a more serious concern in the U.S.** where consumers are getting more focused on “clean” labels, food safety concerns and simple ingredient listings which may limit the growth of some fortified categories going forward.
 - **Organic foods grew 11.5% to \$35.1 B in 2013** and it is felt GMO labelling will drive this continuing growth going forward. GMI’s repositioning of Cheerios, and Post’s Grape Nuts have not gone so well and the product may actually be perceived as less nutritious because of the GMO vitamins taken out to justify the non-GMO label claim.
 - **Vitamins and nutrients made by fermentation** or extraction from GMO crops such as soy include amino acids, ascorbic acid, riboflavin, B-12, Q-10, beta-carotene, lycopene and natural vitamin E. Oil carriers, starches and sweeteners may also be largely GMO.
 - **The industry remains heavily reliant on ingredient suppliers to generate** clinical results leading to health claims which food manufacturers can then use. Since IP potential is weak and price so dominant in buying decisions, it limits industry growth. Creating consumer “pull” costs money and profits are limited at the ingredient market level.
 - **Although not strictly functional, the gluten-free market is expected to reach \$10.5 B in 2013**, according to Mintel. They grew 44% in 2011-13 and could be 15.6B by 2015. These products are perceived to be healthier in general and celiacs only represent 7% of total demand.
 - **“Gluten-free” is an easy health claim to make** and often appears on products that have no chance of ever containing gluten. There is no validated biomarker for gluten sensitivity.
 - **In 20% of the population, there has been a trend away from full meals** to frequent small meals and serial snacking throughout the day. Females are 66% of this group and 50% are under 45. These consumers are very sensitive to the nutritional quality of these eating occasions, especially where children are concerned.
 - **Consumers are becoming convinced of the connection between certain foods and prevention of chronic disease.** Health claims are becoming less necessary as a result. Omega-3 grows substantially year after year with only a qualified health claim which is rarely used.
 - **Higher protein has been a major trend as the population ages.** It is all about muscle maintenance and natural energy. It resonates across categories. Even a Baby Ruth candy bar has a protein claim on the front of its label.
- About 50% of consumers intend to add more protein to their diets.
- **Nestle has partnered with** Cellular Dynamics International to study how various nutrients in foods affect different types of human cells. They are looking for nutritional links to diabetes, obesity, Alzheimer’s and other chronic conditions.
 - **Sports nutrition, a \$28B category in 2013 growing at 14-15%, is becoming more mainstream** as regular consumers who are not bodybuilders or “extreme” athletes try to consume higher quality protein. Vegetarians, in particular, are consuming protein-based sports nutrition products as they seek to optimize nutrition.

7 Drivers of Functional Food Success

- Lifestyle antidote-management of chronic conditions
- Better breakfasts - hyper-convenient & healthy
- Cosmeceuticals - anti-aging
- Healthier snacking
- Boosting reality-energy & mood alteration, calming
- Trend monger-aura of sophistication, esoteric health foods
- Eco-warrior- dietary activism, sustainability, organic, etc.

NUTRITION BARS

NUTRITIONAL SNACK BARS
ARE NOW A \$6B CATEGORY
GROWING AT 6.4%

- **About 12% of consumers use bars regularly**, and skews about 55% female.
- Post Foods acquired Power Bar and Musashi brands from Nestle. Added to Dymatize, Premier Nutrition and Joint Juice, it **will be the core of their Active Nutrition Group with revenues of \$550 MM.**
- **Convenience and health is a powerful** dual positioning for both Baby Boomers and Millennials:
 - Boomers look for condition specificity and tend to be more conservative on flavors.
 - Millennials look for wholesomeness and not necessarily specific ingredients.
- Meal replacement and protein supplementation are **two big areas of opportunity for bars.**
- Weight loss and satiety are also very promising.

“Nutritional snack bars are now a \$6B category growing at 6.4%”

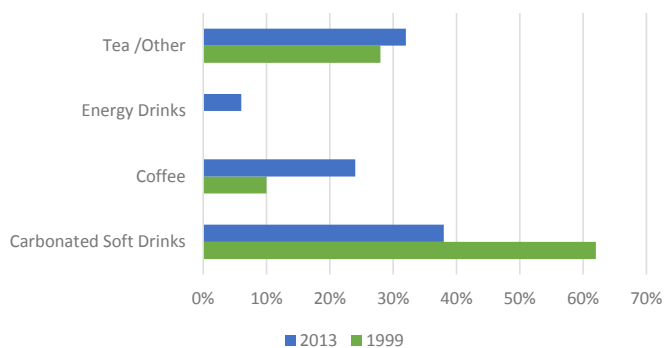


FUNCTIONAL BEVERAGES

CARBONATED SOFT DRINKS CONTINUE TO LOSE SHARE TO JUST ABOUT EVERY OTHER FORM OF BEVERAGE AND COULD DECLINE BY 15-20% OVERALL BY 2020. DIET DRINKS ARE ESPECIALLY VULNERABLE

- **Sports drinks are used by an estimated 77 MM consumers in the U.S.** Sales were \$7.4B in 2013 with 6% growth. They are anticipated to be at \$9.3B by 2017. Inclusion of protein has been a major trend, especially hydrolyzed whey proteins with high levels of branched chain amino acids, leucine, isoleucine and valine.
- **Energy drinks, including shots, were a \$12.5B category in 2013** and has come under enhanced regulatory scrutiny because of stimulant levels and purported safety problems. The market has grown 60% since 2008.
- Caffeine has become controversial, **but U.S consumption overall has not changed.** There have been big shifts, however, according to the Centers for Disease Control:
 - **Plant waters from coconut, maple and birch trees have become an emerging category** and may hit \$2B in sales by 2025. They benefit from being healthy, naturally sweet and sustainable. They can be positioned as having no added sugar as beverages come under increasing fire as a major cause of obesity.
 - Canadian companies such as Oviva, Maple 3 and Seva are **leading the development of the maple water category.** Birch water is primarily from Japan, Korea and Scandinavia.
 - **Beverages have gotten more complex with ingredients** which can have negative effects on taste. This has opened up new opportunities for value added nutrient systems able to mask unpleasant flavor notes and limit interaction between ingredients.
 - **Beverages are a good system for functional ingredients** since flavoring/sweetening systems can often mask unpleasant tastes from functional ingredients. Value-added ingredients work better since they are not subject to cooking or mechanical stress as in food production.

Consumption of Caffeine



- **The failure rate is very high on new beverage products** due to extreme proliferation and the difficulty connected with gaining shelf space against the major players. Many will remain niche products if they survive at all.
- Non-dairy milk substitutes such as **soy and almond milks grew 13% in 2012 - 2013** to over \$1B in sales. This may triple by 2017.
- **Functional beverage and liquid supplement lines have been blurring** which raises some regulatory questions. Beverages must use GRAS ingredients only, which does not apply to supplements. FDA is addressing this issue.

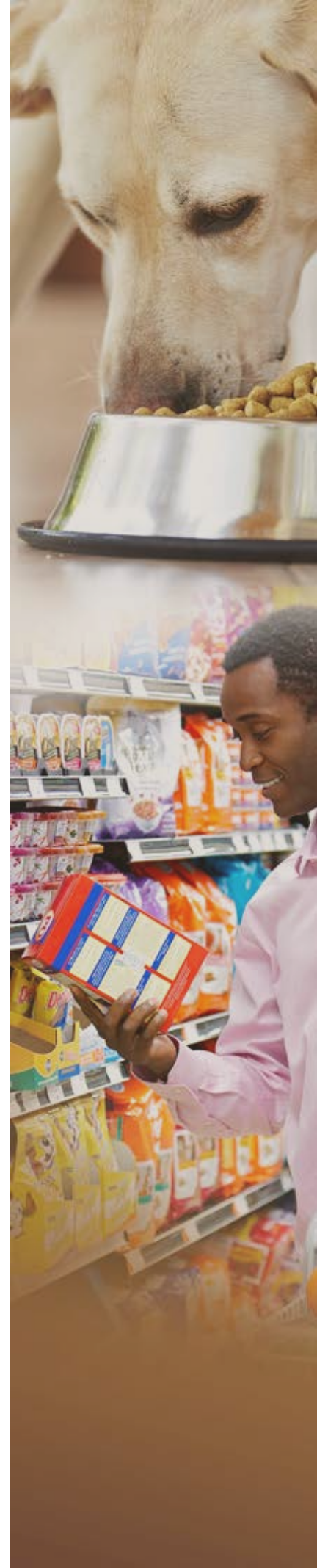


PET PRODUCTS

PET FOOD SALES HIT \$39B IN 2013 WITH THE HIGHEST GROWTH OF 13% IN NATURAL/ORGANIC PRODUCTS

- **The biggest players** are Mars, Nestle, Del Monte, Colgate (Hills Science) and P&G (Iams) with a combined market share of 75%.
- **The pet products market overall was \$53-65B** depending on what is being measured, but the trend toward humanization of pets continues unabated. There are even gluten-free pet foods on the market and clean label, sustainability and non-GMO are similar in importance to human foods.
- The melamine contamination issue has **sensitized consumers to safety and quality questions and has made consumers less price sensitive** which benefits the higher end players.
- **NBJ puts the pet supplement market at \$4B+ in 2013**, with growth of 10%. Joint health supplements represent 43% of the total.
- Supplements and functional treats are each about half of this total.
- We are happy to report that there are a **number of bottled drinking waters for pets** and a Japanese company, B&H Lives, who recently launched Nyan Nyan Nouveau, a wine for cats! Our furry friends have come a long way!

The pet products market overall was \$53-65B. The pet supplement market was \$4B+ in 2013



FUELING
YOUR
PRODUCTS
ENHANCING
YOUR
BOTTOMLINE



SUPERBLEND
Custom Nutrient Premixes

**SUPER
TAB**
Direct Compressible Granulations



SUPERCONT
Microencapsulated Nutrients

About The Wright Group

During the past 50 years, advances in technology and nutrition science have revolutionized the way products are developed and the methods in which they are manufactured. Despite these countless advances, one constant has remained the same, our commitment to delivering only the highest quality products in the industry.

Headquartered in Crowley, Louisiana USA, The Wright Group is an industry leader in the development of custom nutrient premixes, the microencapsulation of vitamins, minerals and omega-3, as well as, a complete line of direct compressible granulations.

One of The Wright Group's specialties is the hands-on development, formulation and manufacturing of custom nutritional blends or premixes. Our custom SuperBlend® premixes begin as a series of nutritional delivery targets intended to enrich a variety of product applications; including breakfast cereals, functional foods, dairy and non-dairy-based meal replacement beverages, nutrition bars, sports nutrition products, infant formulas and daily multivitamin supplements.

The Wright Group's value-added coating technology delivers superior performance and stability of essential nutrients for a

wide range of multi-functional ingredients. In addition to its innovative design, all SuperCoat® nutrients are rigorously tested throughout the entire production process, and are quality checked to ensure purity, potency and performance.

SuperTab® direct compression granulations combine the physical performance requirements sought by formulators with cost effective solutions sought by product managers. SuperTab® granulations deliver essential nutrients in uniform, free-flowing, granular powders ideal for high speed tableting processes.

Wright operates out of GFSI and FSSC22000 certified facilities. All of The Wright Group's nutrient solutions are thoroughly tested by our in-house laboratory to insure potency and performance, and a Certificate of Analysis accompanies all orders. In addition, a variety of testing options, including microbial analysis, are available.

The Wright Group combines quality, innovation service and value to make sure your product is the best it can be.

corporate headquarters

6428 Airport Road
P.O. Box 821
Crowley, LA 70526
Phone: (337) 783-3096
Toll-Free: (800) 201-3096
Fax: (337) 783-3802

Shanna Morgan
Marketing Manager
Office: (337) 783-3096 ext 158
marketingmgr@wenrich.com

south central / midwest

John Miller
Regional Sales Manager
Lenexa, KS
Phone: (913) 599-4269
johnm@wenrich.com

Steve Schorn
Regional Sales Manager
Crowley, LA
Phone: (785) 822-6374
steves@wenrich.com

wrightmade baking ingredients

Mike Fedak
Technical Sales Manager
Baking Division
Waterbury, CT
Phone: 1 (203) 910-2147
mikef@wenrich.com

east coast

Mitchell J. Telsey
Regional Sales Manager
Yardley, PA
Phone: (215) 801-3303
Fax: (215) 295-3814
mitch@wenrich.com

canada

Calico Food Ingredients
Keith Mitchell
keith@calicofoods.com
Unit 5
620 Catarauqui Woods Drive
Kingston, Ontario K7P 1T8
Canada
Ph: 613-634-6836
keith@calicofoods.com

europa

John Waldron
Executive Vice President,
Sales & Marketing
Chicago, IL
Phone: (847) 940-9690
johnw@wenrich.com

west coast / west canada

Patricia Struck
Regional Sales Manager
Orange County, CA
Phone: (949) 463-6964
tricia@wenrich.com

asia pacific

Grant Bergstrom
Managing Director
Dallas, TX
Phone: (858) 218-4302
grant@wenrich.com

wright de mexico S.A. de C.V.

Victor Uribe
Managing Director, LATAM
Mexico City, Mexico
[52] (5) 554-168141
victor@wenrich.com