



Advertising for Associations

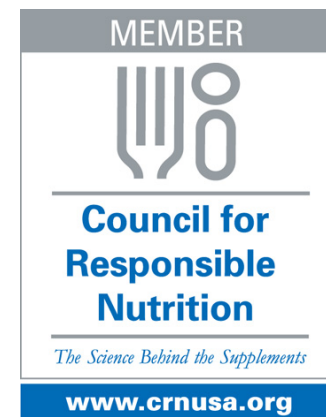
Wednesday, May 4, 2016

Crowell & Moring LLP

Washington, DC

Council for Responsible Nutrition (CRN)

- Not-for-profit trade association representing the interests of the dietary supplement and functional food industry.
- CRN represents more than 150 companies that manufacture dietary ingredients and/or dietary supplements, or supply services to those suppliers and manufacturers.
- Revenue is largely from industry members.
 - Conferences, webinars



CRN: What do we do?

- **Mission:** To sustain and enhance a climate for our members to responsibly develop, manufacture and market dietary supplements, functional foods and nutritional ingredients.
- Focus on science, regulation/legislation, communications, and international affairs.
 - Public policy based on sound science + consumers access
 - FDA, FTC, Capitol Hill; state governments and regulators
- Five industry trade associations.
 - Competition for members and leadership



Focus on Self-Regulation

- In addition to CRN's Code of Ethics, members also agree to adhere to additional voluntary guidelines.
- Increased focus on self-regulation.
 - Transparency and accountability
 - Promote safety, gain consumer trust in the industry as a whole
- Two major programs:
 - **CRN-NAD Advertising Review Program**
 - **Voluntary Product Registry**
- Biggest concern: anti-trust



THERE'S A NEW SHERIFF IN TOWN. YOU.

Tired of having the
supplement industry referred
to as "the Wild West"?

Now you can
do something about it.



If you see a supplement ad that's
misleading, untruthful, or includes
claims that can't be substantiated, file
a competitive challenge with NAD.



WE'RE AIMING TO CLEAN UP OUR INDUSTRY

For more information on
the CRN/NAD initiative, visit
www.crnusa.org/NAD

To file a competitive
challenge with NAD, visit
www.nadreview.org/AboutNAD.asp*



This ad is paid for by the Council for Responsible Nutrition (CRN), a trade association representing the dietary supplement industry. The National Advertising Division (NAD) of the Council of Better Business Bureaus (CBBB) review of dietary supplement advertising is supported in part through a series of unrestricted grants from CRN. CRN exerts no influence over the NAD's decisions of which advertising to investigate or the outcomes of those examinations. CRN's members' advertising is not exempt from review by the NAD.

* CRN and its members receive a discounted filing fee for submitting competitive challenges to NAD that is comparable to the fee charged to any member of the CBBB.

- **Purpose:** increase consumer confidence in the truth and accuracy of advertising claims for dietary supplements, and encourage fair competition.
- All companies should play by the same rules, including CRN members.
- Majority of ads referred through NAD monitoring.
 - CRN challenges based on clear criteria; mirrors FTC priorities
 - Process open to entire industry



Voluntary Product Registry

- Industry-initiated and administered searchable database of dietary supplements.
 - Provides basic information about finished products; additional fields for companies to voluntarily provide additional information about the product, its ingredients, its supply chain, and its manufacturing.
 - **What's in these products and who is making them?**
- Purpose is to enhance transparency and facilitate the exchange of information among various stakeholders.
 - Open to the entire industry; free at the basic level.
- Also an effort to separate the legitimate companies from the bad actors.



Mitigating Risk

- Ensure self-regulatory programs are based on sound public policy and science.
 - Protecting consumers; promoting high quality, safe products
- Not exclusionary or intended to provide competitive advantage.
 - Fair and impartial process
- Messaging must be precise and accurate.