Being A Gatekeeper

BY DANNY WELLS

The article in the April Dallas Magazine titled "Herbal Remedy Ripoffs" sounds another wake up call to the industry. Although responsibility for quality and efficacy falls on all shoulders throughout the supply chain, the key to change rests with the retailers.

From 1990 to 1998 the herbal market exploded. The virtually unknown supplement, St. John's Wort, saw sales increase 100 fold following an ABC 20/20 story on its use for depression.

As more companies jumped on the herbal bandwagon grasping for part of the St. John's Wort pot of gold, worldwide sources of the herb became exhausted. The offerings for this product, previously available in less than a dozen brands, was merchandised in more than 100 labels overnight.

Rather than being out of stock when reliable sources dried up, some suppliers began to purchase inferior product with little or no active ingredients. Inferior forms of the herb were ground up into tablets or capsules, flooding the market with impotent product. Discounting and substandard product drove prices to the cellar.

Millions of consumers, responding to the positive press on the good science surrounding quality St. John's wort, were disillusioned after taking bottles of the weak substitutes.

This scenario provided the perfect opportunity for D Magazine's story. The magazine sent a team into five stores: Tom Thumb, Whole Foods, Drug Emporium, GNC and Fresh Start to compare several herbal products.

At each store they purchased three identical bottles of St. John's wort, milk thistle, ginseng, saw palmetto, gingko biloba and other supplements. The products were sent to Dewes Research Labs, a lab that also serves as a FDA reference for producing supplements.

Dewes Research Labs is considered such a reliable testing facility that the FDA requested copies of D Magazine's test results for its research into our industry.

Among other tests, each product was checked for active ingredients compared to label listings. Of the forty products tested, the magazine maintains that nearly 50% did not meet label claims. Twelve percent of the products contained no active ingredients at all.

According to the report the following products lacked the necessary amount of the active ingredient listed on the label: ginkgo biloba by Solgar and Top Care; ginseng by Centrum and Solgar; milk thistle by Nature's Bounty; saw palmetto by Solgar and Sundown; and St. John's wort by Sundown, Solgar and Top Care.

In defense of the above listed manufacturers, the report did not state the actual numerical results. A product analyzed that contained 99% of the potency listed on the label, and another product that had 10% of the label claim could both be reported as "does not have the necessary amount of the active ingredient."

Active ingredients in herbs diminish over time. Some of these products could have been on the retailer's shelves for a length of time before being pulled for the test.

Manufacturers are aware of this and will formulate to exceed potency claims so that the product will deliver stated levels of ingredients for several years.

A more revealing report may have been a testing of 50 brands of St. John's wort. My hunch is that there are a considerable number of labels with active ingredient levels not meeting product claims- most of them marketed outside of our industry.

The unfortunate result of the D Magazine story is that it paints a picture of industry-wide charlatans from the under performance of a relatively few number of manufacturers. For the most part, manufacturers in the natural products industry align with strict quality and efficacy standards. Most of the products have been tested and verified to deliver the active ingredients that consumers are looking for.

Rather than pointing the finger at manufacturers, I suggest that retailers hold the key to delivering quality product to consumers. Retail buyers often spend more time discussing discounts than they do efficacy.

If we continue to ask our vendors only about discounts, then we should be prepared for the regulations and government restrictions to follow.

If efficacy is present, profits will follow. Without efficacy the category will dwindle. We learned this lesson well with St. John's wort. Consumers want benefits. It is benefits they are buying. Without results customers will not return. One reason sales have been soft this last year is that consumers have been disillusioned with products not meeting expectations.

When a sales representative is showing a new product, a retailer's first two questions should be, “where is the research to substantiate the use of this product?” and "where is the lab test validating this product's label claims?"

Retailers are the gatekeepers. Now more than ever, in this increasingly competitive and discount—focused marketplace, natural product retailers must position themselves a cut above the dozens of other distribution channels, by assuring their customers that the products they carry will do what the research proclaims.

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