

Welcome!

We proudly present the Third Edition of "Cosmetic Industry Connects", the official newsletter of the Cosmetics and Personal Care Ingredient initiative, a collaborative effort led by Alberta Agriculture, Food and Rural Development, which includes local industry, research institutions, industry organizations, growers, major industry players and service providers.

The FAQ's Ma'am, only the FAQ's!

Each issue we will publish FAQ's as part of our ongoing effort to ensure those interested in our project are provided with as much information as possible.

Why is this project underway in Alberta, and why now?

There is currently a window of opportunity for natural plant based ingredients in the cosmetic and personal care industry. Alberta has certain unique advantages that should allow it to take advantage of that opportunity. In an industry that relies heavily on perception, we have a number of strategic advantages that include a reputation for quality plants, a government committed to growing agrivalue, an appealing climate for investment and a wonderful story that includes images such as the Rocky Mountains, crystal clear streams and endless blue skies.

What is the upside for growers, and those in the industry?

The C & PCI industry represents one of the highest value add opportunities available. For producers who want to grow specialty crops to certain specifications, there is an opportunity to obtain value at several times the usual amount they might receive. For processors, the opportunity to process plant based ingredients means they can compete in an industry with profit margins significantly higher than available from the traditional crop processing industries.

"Our task must be to free ourselves by widening our circle of compassion to embrace all living creatures and the whole of nature and its beauty." Albert Einstein

The Agronomy Factor

As part of the Cosmetic and Personal Care Ingredient team in Alberta the Agronomy team's job is to determine agronomic requirements for the successful production of plant materials used to manufacture cosmetics and personal care ingredients.

Initially, a market opportunity assessment is undertaken utilizing a screening process to identify potential ingredients. A short list is created to narrow down the candidate crops that could possibly grow in Alberta.

One of the criteria to move forward on any specific crop is to determine if we have the agronomic research expertise to put together a crop management package to successfully produce the required ingredients. Success is based on the ability to produce a high quality product that is competitively priced and has consistent quality.

We do this in several ways. If we are investigating traditionally grown crops for a new use we can determine the best areas in the province to provide the best quality and/or quantity of a specific ingredient that we are interested in. Many of the basics of crop production will already be known and we may only have to fine tune crop management practices to achieve the desired outcome.

"The agronomy process is just one aspect of a highly integrated team working on the market development of cosmetics and personal care products in Alberta."

On the other hand, we may be investigating a non-traditional plant species that either already grows or can be grown in Alberta. Through our network of research cooperators we would establish research trials at various locations in the province to determine firstly, the adaptability of a new species to our environmental conditions. Secondly, we would determine crop management practices and harvest methods for a species that would make it economically worthwhile to produce in the province. Our deliberations are based on asking specific questions to see if we can develop a competitive edge -Does geography play a factor in better ingredient quality or amount? – Does soil? – What about moisture levels? and so forth.

The agronomy process is just one aspect of a highly integrated team working on the market development of cosmetics and personal care products in Alberta.

We are always guided by a go/nogo decision making process to ensure we are focusing on the species and ingredients that will have the best potential for successful development in the province and have appeal to the global market.

Henry Najda, P.Ag. Agronomy Lead Cosmetics and Personal Care Ingredients Initiative henry.najda@gov.ab.ca

Strategic Advisory Group Meets

Many of the 15 members of the Alberta C&PCI Strategic Advisory Group met on February 1st in Edmonton. The purpose of the meeting was to provide an update on the team's progress, including implementation of the Advisory Group's suggestions from the June 14th, 2005 meeting, and to hear their all-important feedback on key strategies. It was an excellent meeting and we are grateful for the group's commitment to the project. For information on one of the Advisory Group's members, please see the article on Dr. Hugh Semple in the "Spotlight" section of this newsletter.

"In the factory we make cosmetics; in the drugstore we sell hope. Charles Revson

C&PCI Team Update:

Our cross functional team recently added a few new "players" and a few former members have moved to other projects. We thought we would introduce the current team:

Core Team:

Maxine Hutt – Project Coordinator/Communications Keith & Associates (John Schaw, Corey Keith) – Industry Experts/Team Consultants Donna Fleury – Lead R&D Raw Ingredient Process Development Henry Najda – Lead – Agronomic Research Tim Keating – Lead – Business Development, Expansion and Investment Facilitation Kathy Lowther - Overall Initiative Lead

AAFRD Team Advisors: Hong Qi - (Technical) Connie Phillips - (Funding) Shirzad Chunara -(Regulations) Heather Loeppky, Barb Vanden Bosch, Linda Hawk – (Bio-Industrial Theme) Kirsty Piquette - (Bio-Industrial Development Branch Debra Bartman – (Financial transactions)



Dr. Hugh Semple, D.V.M., Ph.D Managing Director, Novokin Biotech Inc. Edmonton, Alberta



In this issue the spotlight is on Dr. Semple, a valued member of the C&PCI's Alberta Industry Strategic Advisors Group. This group is comprised of 15 senior Alberta industry representatives who regularly consult and provide strategic advice to the initiative.

Dr. Semple holds a Doctor of Veterinary Medicine from University of Saskatchewan, and a Ph.D. (Pharmacokinetics) from the University of Alberta. From 1989 to 1999, he served as a professor of pharmacokinetics with the College of Pharmacy and Nutrition, and Associate Member in the Western College of Veterinary Medicine, University of Saskatchewan. In July 1998, he joined the Group but retains Adjunct Professor status with the University of Saskatchewan. He has over 24 peer-reviewed publications.

Dr. Semple is responsible for overseeing the scientific activities of Novokin's operation, including planning, co-ordination, budgeting, experimental design, reporting and implementation. He is also involved in writing applications for funding, writing business plans and other fundraising endeavours. Dr. Semple oversees the applications to regulatory agencies and ensures compliance with regulations. On off hours, you might find him playing his trombone in Edmonton's Mill Creek Colliery Band or the Ritchie Trombone Choir.

The C&PCI Team Wins AAPEX Award!

The C&PCI team recently received a Bronze award for outstanding teamwork. The AAPEX stands for Alberta Agriculture Performance EXcellence and reflects the character of the department in both the way it sounds and in its meaning. The AAPEX awards are awarded annually to recognize outstanding teamwork within AAFRD.

"I was very pleased to accept this award on behalf of the hardworking members of our team" said Kathy Lowther, Team Leader. "It has been an amazing year and everyone has worked so hard it is wonderful to receive this recognition."



2004-2005 C&PCI Team – Cosmetics & Personal Care Ingredients Initiative Core Team:

Back row l to r: Marlene Abrams, Jim Jones, Ed Phillipchuk, Deb Bartman Front row l to r: Donna Fleury, Kathy Lowther, Maxine Hutt

Missing: Kwesi Ampong-Nyarko, Tim Keating, Corey Keith and John Schaw (Keith & Associates), Matthew Machielse

Critical Support Members: Dr. Paul Kolodziejczyk, Lynn Stegman, Hong Qi, Connie Phillips, Aaron Rosland, Linda Gnam, Brenda McLellan, Dr. Stephen Greenberg, Dr. Nam Fong Han, Joseph Duszczyszyn

Related Industry Links:

Household & Personal Products Magazine: <u>www.HAPPI.com</u>

Interactive European Network for Industrial Crops & their Applications: <u>www.ienica.net</u>

In-Cosmetics (April 4-6, 2006) www.in-cosmetics.com/page.cfm In-Cosmetics is the leading International business exhibition of raw materials and ingredients for cosmetics, toiletries and personal care.

Cosmetic Corner Trends of the 60's

In the late 50s the make up company Gala introduced pale shimmering lipsticks with added titanium. Later Max Factor brought out a color called Strawberry Meringue, which was a pastel pearly pink. They really caught on in the sixties as young girls were frowned upon if they wore brazen red lips, so the softened pink and peach colors were acceptable initially to parents, but then became a trend.

Magazines taught step by step how to use recently introduced lip brushes and young girls began to blend and mix their own lip colours often having first blotted the lips out with Max Factor Pancake make up. Nail polish followed a similar trend with pastel pearl colours being the rage.



Cosmetics & Personal Care Ingredients Initiative NewsletterEditor:Corey Keith,
Keith and AssociatesDesign and Layout:
AAFRD

LET US KNOW.....

If you were forwarded this newsletter from a colleague and would like to be added to our list <u>OR</u> if you don't want to receive the Cosmetics Industry Connects Newsletter, please send an email to <u>Maxine.Hutt@gov.ab.ca</u> or call toll free 310-0000 and dial (403) 948-8538