Welcome!

We proudly present the Fourth Edition of "Cosmetic Industry Connects," the official newsletter of the Cosmetics and Personal Care Ingredients 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.

Cosmetics: 19 Industry Leaders Collaborate on Initiative

The Cosmetics & Personal Care Ingredients Initiative (C&PCI) focuses on developing an internationally competitive plant-based value-added cosmetic ingredients industry in Alberta through basic research and ingredient development. The goal is to convince global ingredient manufacturers that high-value, safe, functional, bioactive ingredients can be extracted economically from plants grown in Alberta.

This award-winning team maintains a clear market-focused strategic business development approach. The team worked hard in 2005, laying a scientific foundation for a strong cosmetic ingredient industry in Alberta while concurrently forming collaborative, relevant, local and international industry connections and relationships.

The C&PCI team works closely with an International Industry Strategic Advisory Board (with in-kind support since 2004) consisting of 4 major ingredient manufacturers, and through strategy meetings with 15 Alberta senior industry advisors. This resulted in two investment missions to Alberta focused on bio-industrial resources and infrastructure.

"I find your Newsletters very interesting and read them every time I receive one"

Joseph Duszczyszyn, President & C.E.O. Gattefossé Canada Inc.

In May 2005, team members attended the New York Society of Cosmetic Chemists Suppliers' Day in New Jersey and as of press time, they have just returned from the 2006 show. Attendance at the show provided the team with potential ingredient information and initiated investment discussions with leading cosmetic ingredient manufacturers and formulators. Discussions with industry leaders validated the strategic process and direction the team has been taking over the past three years. Coordination of follow-up meetings, company visits and targeted agronomic research is now underway.



Wild Bergamot (Monarda fistulosa) Compliments: Dan Tenaglia, www.missouriplant.com.

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

In each issue we'll publish "Frequently Asked Questions" as part of our ongoing effort to ensure those interested in our project are provided with as much information as possible.

Why is adding value to agricultural commodities important?

The global market for the many crops grown in Alberta is very cyclical and may be subject to subsidies and trade barriers. This makes it a highly competitive and relatively low margin industry. In addition, forces beyond the producers control can have a very negative impact, as was clearly demonstrated by the BSE crisis.

One way to help shelter our economy from these ups and downs is to diversify so that we are able to rely on a variety of markets, thereby spreading our risk. It is also important to add as much value as possible to what we produce, right here in Alberta.

It makes sense to have the processing industries located in Alberta so we keep the jobs, collect the taxes and create the wealth here, rather than sending our commodities to another country that then obtain these benefits.

Why do you have advisory groups?

We believe in a using a collaborative approach, and maintaining a market focus in everything we do. We have created the *Alberta Industry Strategic Advisory Group*, made up of industry leaders who have been gracious enough to donate their time to help grow their industry. They are committed to making their industry better and help the C & PCI team understand industry issues and provide us with valuable insight and expertise.

As well, the C & PCI industry is global in scope and we have formed an *International Advisory Board* made up of senior executives from international firms. They provide the perspective of larger, multinational players and important market input. We work hard to ensure we are focused on the market, as we cannot build a vibrant industry here in Alberta unless there is market demand for what we produce.



Peppermint (mentha piperita L.) Compliments: Dan Tenaglia, www.missouriplant.com.





Dr. Nam Fong Han, PhD,
President & CEO – Natunola
Health
President & CEO – Sentex
Systems Ltd.
President & CEO – NutriBios
Corp

Dr. Han is President and CEO of Natunola Health, a Canadian company based in Ottawa, Ontario that is becoming a leading supplier of botanical ingredients to the cosmetic and health care industries.

Thanks to its patented technologies, in particular its Vegetable Gel Technology, Natunola is able to offer health conscious consumers a unique natural alternative to petroleum-based ingredients. Natunola offers its customers vegetable gels based on canola, sunflower, castor and rice bran oils, as well as customized ingredients.

Growing on its patented technologies, Natunola has recently begun producing flaxseed kernel, hull, lignans and fibers for use in various applications. Natunola Health's website for reference is http://www.natunola.com/

Dr. Han has had a long and distinguished career having worked with the National Research Council, Philom Bios Inc. and Canamino Inc. before

> Cosmetics is a boon to every woman, but a girl's best beauty aid is still a near-sighted man" ...Yoko Ono

founding Natunola Health. Dr. Han is a member of the Society of Cosmetic Chemists, the Canadian Chemical Institute of Canada and is Past Chairman of the Editorial Board of the Canadian Chemical News Magazine. He is a highly sought after lecturer who has given presentations on a variety of topics in countries such as the U.S., Canada, the Peoples Republic of China, Taiwan, Singapore, Malaysia and Japan.

Dr. Han has been a member of the C & PCI Initiatives International Advisory Group for the past year.

.....Corey Keith, President, Keith & Associates corey@keithandassociates.ca 403.225.4129 "People are definitely a company's greatest asset. It doesn't make any difference whether the product is cars or cosmetics. A company is only as good as the people it keeps."

.....Mary Kay Ash

Related Industry Links:

Household & Personal Products Magazine: www.HAPPI.com

Interactive European Network for Industrial Crops & their Applications: www.ienica.net



Flax (Linum Usitatissimum) Compliments: Dan Tenaglia, www.missouriplant.com.

Senior Cosmetic Industry Executives Visit Alberta

The past few months have seen the C & PCI team host senior executives from two cosmetic ingredient companies, both well-established companies with international operations. These visits are a direct result of the efforts of the C & PCI team and are evidence that our efforts are starting to bear fruit. "Our collaborative approach and focus on the market have been key factors in our initiatives success in attracting the interest of these companies," states Kathy Lowther, Lead of the initiative. "We are constantly communicating with industry and our advisory groups have also been invaluable" Lowther added, "We believe our collaborative and business like approach ensures potential partners feel comfortable talking to us and we look forward to further discussions and additional visits in the future"!

Cosmetic Corner Trends of the 1970's

A natural look was important in the mid and late seventies. Eyeliner and painted on eyelashes all became passé and softer looks were fashionable. In the early seventies eyes sometimes had white highlighter on the brow and sometimes soft coloured eye shadows were used around the eyes in a way that had been used for eveliner. Pearlised liquid eyeshadows were a new innovation and a similar product was promoted in 2001. Very long eyelashes were still desirable. Loose powder went out of fashion and foundations worn alone gave a sheer effect. Lip liner was all the rage.

Charlie's Angels and their flicked up hairstyles.



The rough-cut blonde flicked hairstyle was popularized by Farrah Fawcett Major (above) from the series 'Charlie's Angels'. Constant uses of blow-drying, tongs or heated rollers were required to make the hair flick. Other styles included Afro perms, which only required washing and forking with a special lifting and separating comb.

Cosmetics & Personal Care Ingredients Initiative Newsletter

Editor: Corey Keith, Corey Keith and Associates Inc.

Design and Layout: Maxine Hutt

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