

**2018 ANNUAL REPORT  
FROM THE CHAIR OF NATURAL HEALTH PRODUCTS NZ**

Dear Natural Health Products NZ Member,

2018 was a stable year with continued positive relationships with our export partners and ongoing frustration at no current replacement to the withdrawn Natural Health Products Bill.

**PROGRESS ON THE AIMS OF Natural Health Products NZ**

Our constitution sets out the following objects:

**United Industry**

*To foster commitment, involvement, mutual respect, effective communication and joint collaboration between all participants in New Zealand's natural and complementary health products and services.*

Membership throughout 2018 decreased again slightly by 3% to 144 full and associate members, a decrease in membership revenue of 4%.

Relationships with our partners have continued well and we value the generous support of our corporate partners: IMCD (Gold partners), James and Wells, and New Zealand Couriers (Silver), New Wayz, Forbes Packaging and Scientific & Technical Recruitment (Bronze).

Summit 2018 in Nelson was another very successful and unifying event. Attended by 208 delegates with an increased number of international members and non-members signifying its strong appeal within the wider sector. The Natural Health Products NZ Supreme Award was won by Quantec Ltd, winners of the FernMark Licence Programme Growth Award and Highly Commended in the Cawthron Institute Innovation Award.

Suppliers Day at Villa Maria in August was well attended with 133 delegates. Thanks once again to IMCD for the support of this event, the wine & food matching function is an ideal time to network and discuss the innovations of the day.

**Representation**

*To be the pre-eminent body representing the natural and complementary health products and services industry in New Zealand.*

Our connections with industry associates at relevant organisations within New Zealand and elsewhere remains strong: BioTech NZ (formerly NZBIO), Cosmetics NZ, Medical Technology Association of New Zealand (MTANZ), NZ Self Medication Industry (NZSMI), Complementary Medicines Australia (CMA), International Alliance of Dietary/Food Supplements Associations (IADSA), plus Association of Southeast Asian Nations NZ Business Council (ASEAN NZBC) and New Zealand China Trade Association (NZCTA).

Our relationship with NZ Trade & Enterprise is excellent and they provide support both to the association and individual members. We have collaborated on a number of events through the year.

Our General Manager, Kerry Warn, attended the 5th Nutraceutical Industry Development Conference in Shanghai and presented an overview of the NZ natural health product sector.

Kerry also attended the BioTech NZ Bioactives symposium, Complementary Medicines Australia (CMA) Conference in Sydney, and Supply Side West in Las Vegas, hosting a well-attended get-together of members. Alison Quesnel, Public Affairs Director, attended the Cosmetics NZ Conference.

## **Advocacy**

*To influence local and international regulatory outcomes to achieve industry growth, a positive product environment, and low compliance costs.*

Alison Quesnel, our Public Affairs Director along with our government relations adviser Neale Jones have worked strategically and diligently this year and were able to report that the Private Member's Bill put up by NZ First to regulate dietary supplements under MPI was withdrawn. The Ministry of Health announced a new process to head towards regulation just prior to Christmas and that is in play as I write although disappointingly it appears no regulations will be through prior to the end of this current government term.

Our General Manager and/or our Public Affairs Director represent us at the MPI Food & Beverage Forum meetings, Therapeutic Advertising Pre-Vetting System Code Consultative Meetings and connect regularly with NZSMI, MTANZ, the CMA, the Advertising Standards Authority, and other organisations as required to ensure our voice is heard.

## **Regulation**

With a return to the consultation phase announced by MOH and MPI the likelihood of any regulations being passed this term is extremely low even if the proposed process goes to plan. Natural Health Products NZ does not believe this is the right path for the Government to take and we have written to the Minister of Health to express our concerns. We remain 101% committed to achieving meaningful progress on the regulatory impasse and will continuously review our strategy in light of ongoing developments.

## **Media**

We continue to represent the industry and our members in media. We are the go-to organisation for the industry and have provided comments and explanation where necessary. Our releases are generally picked up as responses to other commentary. Our policy is to always comment when asked and assist media wherever possible.

We thank Anna Radford of Cadence Communications and our PR Sub-Committee for their assistance.

## **Business Support**

*To provide and communicate information (including market research) to members (by way of publications, forums, commissioning research, etc.) that will support members in their businesses domestically and/or internationally.*

Summit 2018 in Nelson presented a wide variety of high calibre speakers that were extremely well received by delegates, with 97% of post-Summit survey respondents rating the Summit as Excellent or Very Good. 207 attendees participated over the 3 days of the Summit.

Suppliers' Day goes from strength to strength. Now in its 3<sup>rd</sup> year, the 2018 event attracted 133 delegates who were immersed in a day of thought-provoking presentations on innovations and new developments within the sector.

In May we ran a Compliance Workshop in association with Therapeutic Advertising Pre-Vetting Service (TAPS), Advertising Standards Authority (ASA) and Commerce Commission. This provided a chance to go into more

industry specific depth than can be covered in the regular TAPS briefings. There were 81 registrations from members and non-members, feedback was positive and a similar workshop will take place in 2019.

Our newsletter has grown to a distribution base of nearly 400 subscribers. Engagement remains very high with an average opening of 38%.

### **Export Development**

*To be New Zealand's key Natural Product export promotion body and to engage in activities that grow the New Zealand Natural Product export sector.*

In June our General Manager took a delegation of 5 member companies to Healthplex 2018 in Shanghai to exhibit in a joint NZ Pavilion. The pavilion was co-funded by NZTE and exhibitors enjoyed a range of additional benefits and networking events, made possible by our close relationship with the China Chamber of Commerce for Import & Export of Medicines & Health Products (CCCMHPIE). In addition to the show, speaking opportunities at the Conference and Networking Dinner provided good platforms to raise the profile of the New Zealand sector.

In October we co-hosted with NZTE a visiting Chinese delegation from CCCMHPIE. A group of Natural Health Products NZ members presented, displaying impressive innovation and the high quality standards of the New Zealand industry. This was a very successful exchange and has opened the door for ongoing dialogue between companies from the two countries.

Kerry also attended NZTE Export Essentials workshop, Complementary Medicines Australia Conference and SupplySide West, alongside a number of Natural Health Products NZ participating companies.

### **Financial Results**

Once again we have posted a modest surplus while achieving what we had set out to do for the year. The increase in projects over the year has contributed to an overall increase in revenue of 7%. We acknowledge the good financial management of our General Manager and would like to thank Kelly Morgan, our accountant for her diligent work.

The financial statements have been independently audited by Crowe Horwarth and received a positive clean audit report.

### **Personnel**

2018 has been a stable year, with no changes in personnel. I would like to acknowledge Alison Quesnel as Public Affairs Director. Her fine work in PR and Government Relations has ensured we are recognised as the credible voice of the sector.

I would also like to acknowledge and commend the growth Kerry Warn has shown in her position of General Manager. Really, between Kerry and her able assistants, day-to-day, periodic and event organisation and management have been of the highest calibre, standards and professionalism.

Liz Waite-Cooper as Executive Assistant has provided valuable organisational skills to all events and support for the Board, General Manager and members.

### **Executive of Natural Health Products New Zealand**

The elected Board of 2018 was:

Ron Geiger, Alaron Products Ltd, Chair  
Samantha Gray, BioEquitas (elected AGM 2018)  
Ross Keeley, Merinova Ltd  
Leigh Kite, Kite Contracting  
Peter Lehrke, Pharmaceutical Technologies Ltd  
Lorraine Moser, Vitaco Health Ltd  
Minesh Patel, New Zealand Health Manufacturing Ltd  
Phil Rasmussen, Phytomed Medicinal Herbs Ltd  
Amanda Wiggins, Forest Herbs Research Ltd

We thank the board for their support.

### **In Closing...**

Natural Health Products New Zealand Incorporated exists to represent and further the goals and objectives of the Natural Health Products sector in New Zealand. We are an open, consultative group funded primarily by the membership dues and contributions of our member and corporate sponsors. Once again this has not changed so we remain constrained financially and have to commit to the best we can within our budget. Whatever the membership wants from Natural Health Products NZ needs to be funded by the members and the other supporters we have in the form of our valued partners and sponsors. The Executive Board thanks the members for their support, constructive feedback, input and suggestions provided in the last year.

Finally, this is the last Chairman's Report I will be writing, as my resignation from the board as an executive and as Chair is effective from the close of this year's AGM. I always struggle to confirm how many years I have been in the position, 17 or 18 years, but in any case, I have been chair since the inception of then Natural Products New Zealand. I am proud of the organisation we have all created and supported, and look forward to even greater achievements in the future. Thank you to all of you for your support over the years.

On behalf of the Management and Board of Natural Health Products NZ:



With best regards,  
Ron Geiger

**CHAIR – NATURAL HEALTH PRODUCTS NEW ZEALAND INC**