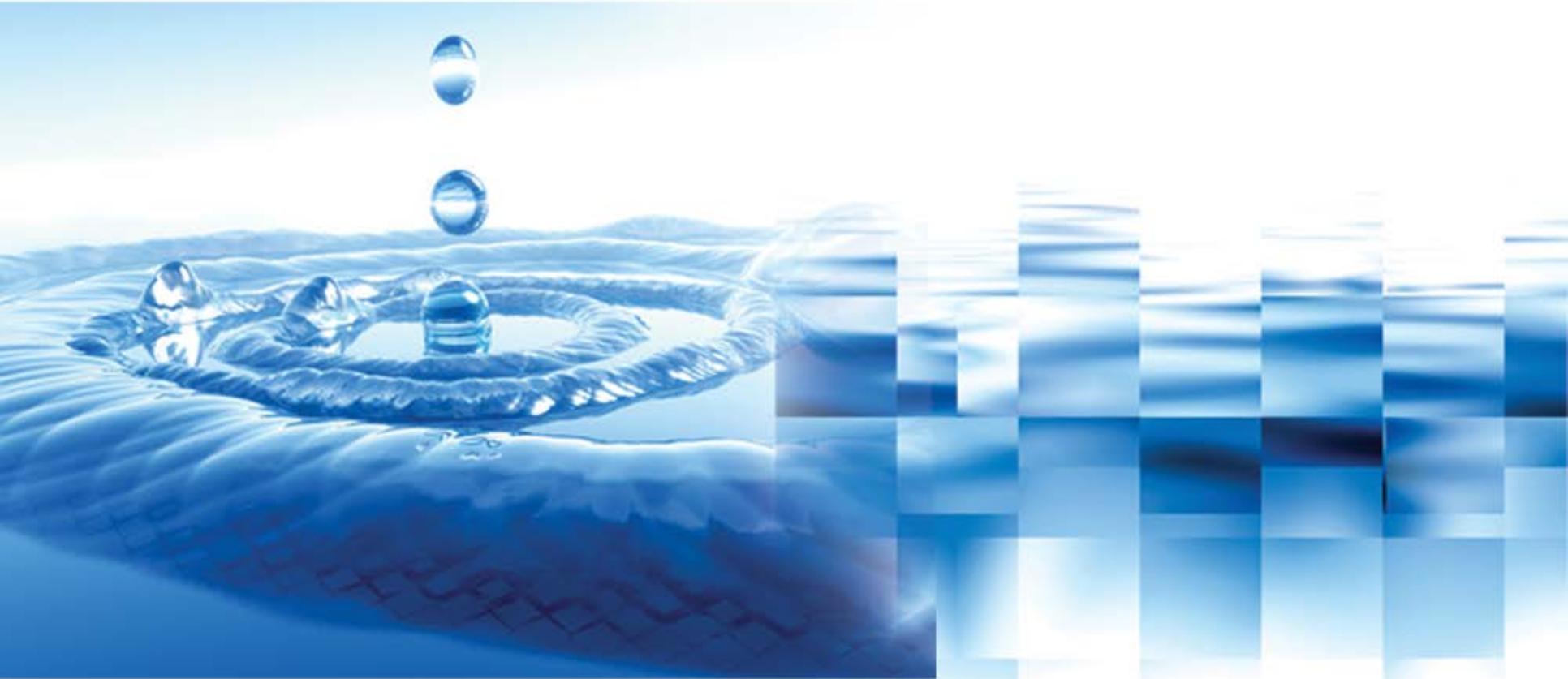




**ENIVA<sup>®</sup>**  
**NUTRACEUTICS**



**Presenter: Andrew Baechler, CEO**



**Plymouth, Minnesota, USA**

# Company History

- **Founded in 1998**
- **Over \$500M cumulative revenues, \$70M international**
- **Business conducted in 12 countries**
- **Onsite R&D labs, FDA/CFR-21 certified Nutra-Pharma Manufacturing Facility (liquids, powders, tablets, gels, capsules), Marketing and Distribution**
- **Produce, market and distribute natural supplement products and pharmaceuticals**
- **Produce our own “house brands” and provide contract manufacturing**
- **Goal is to share with you what we have learned from a practical application approach**



# Eniva Nutraceuticals: Leader in NutraPharma

- *In house R&D and Scientific Team*
- *Pharmaceutical-grade Ingredients*
- *Safety Testing and Ongoing Clinical Trials and Evaluations*
- *Certified ORAC Antioxidant Rating and Guarantee*
- *Liquid Delivery with Certified Nutrient Levels*

**Proven &  
Validated:**



Be Sure It's CL Approved



 **ENIVA**<sup>®</sup>



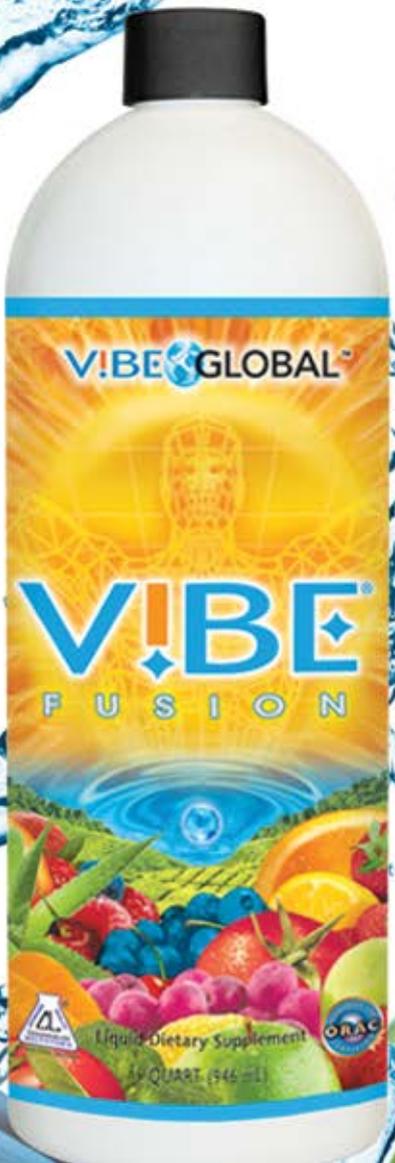




feel the fusion!

new

VIBE FUSION



full spectrum  
nutrition™  
is here

ENIVA®



# ENIVA<sup>®</sup> NUTRACEUTICS



ENIVA<sup>®</sup>



# A Comprehensive Offering of Trusted Wellness Products to Help You *LOOK, FEEL and LIVE Better*



- *Recognized industry leader with 16-year track record*
- *More than 80 wellness products*
- *Industry-leading safety testing*
- *Commitment to purity & effectiveness*
- *Stated and guaranteed nutrient levels*
- *Nutrient thresholds established by validated clinical research*
- *Premium products at preferred prices*
- *Real Results\**



\* This statement has not been evaluated by the Food and Drug Administration. This product is not intended to diagnose, treat, cure, or prevent any disease.



**Inc.** AMERICA'S FASTEST GROWING PRIVATE COMPANIES

**TOP 100 #55**

**ENIVA CORPORATION**

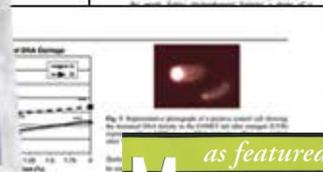
**COMPANIES BY INDUSTRY: HEALTH**

**TOP 100**



**Study from Ben Baechler**

ENIVA's research showed the amount of DNA damage in human cells exposed to UVB (2). This study tested the hypothesis that a liquid nutritional supplement containing several nutrients, a proprietary blend of plant compounds, and a proprietary blend for cellular repair including ENIVA's DNA Repair and 1,6-Hexanediol, would reduce UVB exposure-induced DNA damage in human skin cells exposed to UVB. The study also tested the hypothesis that ENIVA's DNA Repair and 1,6-Hexanediol would reduce UVB exposure-induced DNA damage in human skin cells exposed to UVB. The study also tested the hypothesis that ENIVA's DNA Repair and 1,6-Hexanediol would reduce UVB exposure-induced DNA damage in human skin cells exposed to UVB.



**ENIVA DNA Repair**

ENIVA's DNA Repair is a liquid nutritional supplement that contains a proprietary blend of plant compounds and a proprietary blend for cellular repair including ENIVA's DNA Repair and 1,6-Hexanediol. This study tested the hypothesis that ENIVA's DNA Repair and 1,6-Hexanediol would reduce UVB exposure-induced DNA damage in human skin cells exposed to UVB. The study also tested the hypothesis that ENIVA's DNA Repair and 1,6-Hexanediol would reduce UVB exposure-induced DNA damage in human skin cells exposed to UVB.

**BRUNSWICK LABORATORIES**

**ORAC CERTIFIED**

**CONCENTRATED NUTRITION**

**PHYSIOLOGIC IMPACT**

**Super Concentrate**

**APPROVED QUALITY**

**ConsumerLab.com MULTIVITAMIN**

**Be Sure It's CL Approved**

**PDR**

**30 DAY**

**For Prescription Drugs, Dietary Supplements, and More**

as featured in

**MINNESOTA BUSINESS**

NOVEMBER 2007

Malcolm Haines  
Imaginative marketer

Personalized Medicine  
Using your genetic code to detect, prevent and treat health problems

**BEYOND the Bubble**  
How the subprime meltdown impacts Minnesota's banking and business community

**Double TAKE**

Andrew and Dr. Ben Baechler took a \$70,000 loan from family and friends and turned it into a \$70 million nutritional supplement company. Can they double the size of their company, and take their message of wellness to the world?



# Unique Perspective...

## Multiple Global Export Strategies

- Traditional Retail via in-country wholesalers/retailers
- Joint Venture relationships with in-country company(s)
  - 100+ retail centers throughout Mexico bearing our brand & name
- Independent Distributors
  - 6 countries, peak of over 400,000 distributors
- NFR (direct to consumer—Not For Resale)
  - Japan, Canada (now), Australia



# Perspective Objectives

- Regulatory Lessons
- Assessing Claims
- Disclosure of Company Secrets
- Notes on NFR (not for resale)



# Regulatory Lessons

- Identify, and utilize, in-country expertise to accelerate regulatory process
  - Insight into changing regulatory developments
  - What will be different in next 6-12 months?
- What we learned...



# Regulatory Lessons

- What we learned... in-country expertise
  - Unless you have a large regulatory budget reserved, find in-country experts with the “inside scoop”. Worth its weight in gold!
  - Examples: Sweeteners & Mexico / UK
  - Selection of in-country regulatory expert/advisor will have the most significant impact on your proficiency to do business in that market



# Regulatory Lessons

- Identify the “preferred” classification for your product BEFORE entering
  - Focus on driving profit & regulatory ease
  - Just because it is a supplement here doesn't mean it cannot be a “food” or “beverage” there
  - Impacts both approval ease and tax/duty rates
- What we learned...



# Regulatory Lessons

- What we learned... product classification
  - Take the time to find the right classification
  - Example – Central & South America
    - We changed midstream (supplement vs. juice)
  - Always easier, and less costly, to do upfront versus changing later



# Regulatory Lessons

- Evaluating Your Ingredient Content
  - Just because legal here, doesn't mean legal there
  - Identify products that do & do not require formulary change
- What we learned...



# Regulatory Lessons

- Here's the deal... ingredients
  - Look for flexibility, while complying with legal requirements, before scrapping a formula
  - SPECIAL NOTE: a simple change in serving size may make the ingredient panel legal
  - Example: EU & Mex



# Assessing Claims

- Claims--There are things you can say in the USA that you cannot say elsewhere
- BEFORE you print 1000s of labels that DO have a legal ingredient panel, also check any marketing claims on the actual label
  - Including NAME of the product
- What we learned...



# Assessing Claims

- What we learned... claims
  - Look at everything
    - Early on, we did everything right on a product and forgot to check the *actual name*... Strawberry Slim
  - TIP: Also know the *definition requirements* applicable to you and the *differences*
    - Example: Non-GMO versus GMO-Free... you may become viable in some markets (not necessarily all)



# Disclosure of Company Secrets

- Some registration requirements may ask for information that may be considered company IP or secrets
  - Know what you are willing to share
  - Know what the in-country protections are (or not)
- What we learned...



# Disclosure of Company Secrets

- What we learned... secrets
  - Don't give someone in your company “blind authority” to send documents off if you have given them the directive of registration
  - Put in place a sign-off process



# Notes on NFR

## Not For Resale—personal consumption

- We have done over \$2M in NFR sales to date
  - (Japan, Canada & Australia)
- Overview
  - Product is solely for personal consumption
    - Not permitted in all countries
    - Still need to conduct due diligence on legality of formulary
    - Will likely need a “customs clearance” partner in the logistics process—these are readily available
    - It is a low cost (lack of formal registration), effective and relatively “rapid” way to get your products to the end consumer in a new market and “test the waters” before full registration
- There are limitations...



# Notes on NFR

## Not For Resale—personal consumption

- Limitations
  - Difficult to take advantage of “economies of scale”
    - Packages are shipped as individual shipments to recipient
  - Typically no warehousing in-country
- May be greater internal cost of managing service aspects of the shipment
- Typically much higher cost of shipping
- What we learned...



# Notes on NFR

## Not For Resale—personal consumption

- What we learned... NFR
- If the margins (or price point) of your product(s) will support the typically higher landed cost for NFR distribution...
  - Find a domestic NFR partner who specializes in your target country, interview and select
  - Pay close attention to minimum threshold levels for duties and tax... they DO change with currency fluctuation



# Thank You for Listening!

## Contact Info:

Andrew Baechler

[andyb@eniva.com](mailto:andyb@eniva.com)

763-795-8870

Michael Jordan -- Director of Business Development

[michaelj@eniva.com](mailto:michaelj@eniva.com)

763-447-3819

Christopher Gerrard – International Sales Manager

[chrisg@eniva.com](mailto:chrisg@eniva.com)

763-795-8870





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