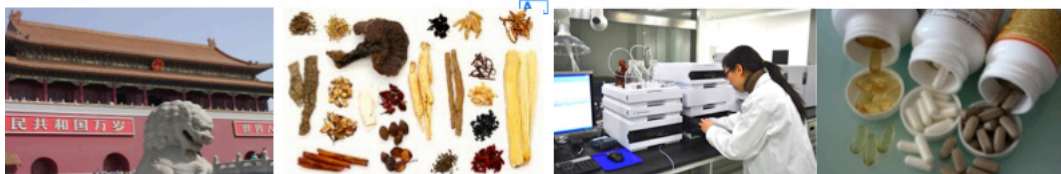


CHINA UPDATES

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Jining FDA Launched GMP Tracking Campaign on Health Food

To better promote the spirit of provincial regulator in food safety issue, the city FDA is to launch GMP tracking campaign on health food during the local food safety week.

The campaign covers the GMP workshop and mainly check the newly approved operation permit of production companies, especially those whose processing procedure is complicated, as well as those whose food might easily contain illegal addictive.

The safety check will be promoted as daily check in the future, which is in efforts to protect the rights of local consumers and make sure that the illegal producers can be punished accordingly. (Source: Shangdong Health News)

Guangxi Drafts New Plans on Food Safety Control

To better assess the food safety issue of health food in our district and crack down on illegal production, the city regulator has drafted new work plan on spot checking health food production and risk control that applies in Guangxi province, based on the local situation.

The new plan will be utilized by the local health food regulators from June to October in cities including Liuzhou, Guilin and Wuzhou.

The new plan will focus on the health food that claim to have effects on weight control, blood and sleep problems.



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The spot check will cover 27 types of functional health food and 125 batches of nutrition supplements.

It will also target at label problems and illegal additive. (Source: Guangxi News Site)

Food Regulator of Zhang Jiakou Launched Campaign to Address Food Safety Issue

From June to September, the local regulator of food safety will launch campaigns to better address local food safety issue, with a focus on school cafeteria, nursing home and tourism spot.

“We will make sure that the safety check will cover 100% of our planned places and will also make sure that all the food safety problems spotted will be well addressed,” said a director with local FDA.

The safety check will focus on operation permit of restaurants, disposal of kitchen leftovers, health of involved staffs and situation in processing factories.

The regulators will specifically check whether the restaurant make up regularly, raw materials of food and whether the involved staffs meet a certain health standard.

The local FDA will also hold expert seminars to discuss related issues, and related activities to engage industry associations to better address local food safety issues. (Source:hebei.gov.cn)

Luxury Outlets Sprout in China

With sales growth in China slowing for the likes of fancy handbags and designer wear, luxury-goods makers are importing a solution from other continents: discount malls.

Familiar sights along U.S. highways and in the remote outskirts of some European cities, outlet malls peddling high-end brands are now popping up in China. Shoppers can wander a faux Italian village—flush with Roman architecture and flashy fountains—where a genuine Burberry trench coat, for example, sells for about 9,000 yuan (\$1,450), some 40% off the

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Value Retail PLC, a London-based developer and operator of luxury shopping outlets in Europe, plans to invest about \$450 million in three new outlets in China over the next five years, bringing its total to five.

London-based investment management firm TIAA Henderson Real Estate is expanding an existing outlet in the northern city of Tianjin and opening two more in Shanghai and the southern Chinese city of Foshan. It also plans to acquire more sites in central, west and north China this year and next.

The companies are betting that customers who once equated luxury with paying top price are demanding more deals.



"Affluent Chinese shoppers have increasing brand

awareness while seeking greater discounts," said Kenny Sim, portfolio manager at TIAA Henderson. The malls are seeking shoppers who typically avoided brand-name stores in China because of high prices and high taxes, and went abroad for their designer handbags and shoes.

"Prices here are cheaper compared to the stores in the city center, and I come here because it's on my way home from work," said Qian Shuwen, a Shanghai resident in her late 20s shopping at Bailian Outlets Plaza in west Shanghai.

The deep-discount strategy does carry the risk of tarnishing a luxury brand's name, though Avery Booker, a partner at consulting firm China Luxury Advisors, says that by providing a way for brands to discount outside their own stores, the malls may help them preserve their pricey, exclusive images. Still, Value Retail and TIAA Henderson—which are building outlets near Shanghai Disneyland—declined to disclose the names of their tenants.

Image aside, experts say, the malls can help brands clear inventory that built up as the luxury business was hit by a slowdown in economic growth, tougher competition and a clampdown on lavish official spending and gift-giving.

Luxury-goods sales in mainland China rose 2% to 116 billion yuan, or about \$18.8 billion, last year, but that marked a slowing in sales growth from 7% in 2012, according to consulting firm Bain & Co.

"Demand for full-priced items has declined since more than a year ago because of the government's austerity measures," said Joe Zhou, head of research, East China, at Jones Lang LaSalle, a real-estate consulting firm.

The discount malls also attract shoppers who might

otherwise buy their luxury goods from buying agents on the gray market. Consultant Mr. Booker said many Chinese coming from overseas trips with luxury goods resell them in informal markets at home, where they can undercut official channels and still profit, thanks to lower overseas prices.

Some luxury-goods makers, including Italian fashion brand Gucci, a unit of Kering SA, and France's LVMH Moët Hennessy Louis Vuitton SA, try to fight this by limiting the quantity of goods shoppers can buy at stores beyond China's borders.

The outlets are a sign that China's luxury market is maturing and beginning to look more like those of Europe and the U.S., said Philip Guarino, Europe director of China Luxury Advisors.

"Consumers in Shanghai and the other tier-one cities are very sophisticated and won't buy at full price at home," said Jasmine Sun, a retail consultant at Smith Street Solutions in Shanghai, referring to China's most-developed cities. "The China market hasn't been fair to Chinese consumers. In Europe and the U.S., consumers have discounts and outlets. In China, they are working toward that same international standard."

Outlets typically stock items that are off-season, discounted by as much as 50% from the original retail price. A shopper wouldn't see the same item at the outlet and a flagship store at the same time. In the U.S., outlet stores often carry items made specifically for sale there.

On the vanguard of the trend, Gucci opened two outlet stores in China in 2012, one in the northern city of Tianjin and the other in southern Guangzhou, a spokesman said, declining to comment on any future outlet-store plans. Germany's Hugo Boss AG has 10 outlet stores across China. (Source: WSJ)



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Baidu to Cooperate with China Health Authorities in Disease Control



The Chinese Center for Disease Control and Prevention is working with online search giant Baidu to tap its huge user database to help forecast flu outbreaks.

Gao Fu, deputy director of the center, said a data-crunching prediction tool might be available as early as this year to track flu outbreaks nationwide. "Big data will play a major role in safeguarding and improving public health."

The tool is expected to provide the public with estimated flu epidemic levels and help boost prevention measures as well as aid authorities with more targeted responses, said Lai Shengjie, a researcher at the CDC's infection prevention and control department.

Previous reports said that Baidu's search engine had more than 100 million users a day, making it the most popular site of its kind in the country.

Users often search for flu-related information like symptoms and medications when they come down with the ailment and the data gleaned from such activity can be faster than that collected through traditional flu surveillance based in hospitals, Lai said. Keywords in searches such as "cold" and "fever" as well as a combination of these can be applied to gather useful data.

"There might be an outbreak following a surge of related search queries. Global positioning devices can then be used to locate any such outbreak and

its real-time movements," he said.

Other search data involving population movements, weather conditions and geographical factors can also help with flu predictions through scientific analysis, Gao said. "These are gaps that the data can help fill to supplement the traditional flu monitoring system."

US search giant Google launched a similar predictive tool in 2008 called Google Flu Trends, "which inspired us to create a Chinese one", Lai said.

Gao added that other medical conditions and issues such as digestive tract diseases, food poisoning, smoking control and infectious outbreak response might be included in the project.

But some experts questioned the credibility of such analysis, saying huge datasets do not necessarily guarantee validity.

Last year, science journal Nature reported that Google Flu Trends had overestimated the peak Christmas flu season in 2012 by 50 percent.

Lai said that the project will adjust and fine-tune the data by repeatedly comparing the data-generated trends with traditional flu surveillance results.

Other factors affecting the validity of the analysis, like the rapidly increasing use of smartphones, the rural-urban gap in Internet access and segmented search engine users, will all be considered to increase accuracy, he said. (Source: China Daily)

China's Science Journal: Eating Broccoli Help Body to Cope with Air Pollution



Image: reuters.com

Eat your broccoli, it's good for you. More specifically—and not incidentally if you live in China—it can apparently help your body better deal with air pollution.

According to a study published this week by the journal *Cancer Prevention Research*, an experiment conducted in eastern China's Jiangsu province found that feeding villagers beverages concocted from broccoli sprouts had various salutary effects, including helping the body to more speedily eliminate ingested air pollutants. The study was conducted by researchers from John Hopkins Bloomberg School of Public Health, as well as the University of Minnesota's Masonic Cancer Center, among others.

The beverage—essentially a tea made out of boiled sprouts—was provided daily for 12 weeks to 291 adults as part of a randomized, placebo-controlled clinical trial. Study participants were drawn from the rural township of Hehe in the Yangtze River delta region, an area researchers chose in part because of its heavy levels of air pollution, something that they say is associated with a higher risk for lung and heart disease. Though the delta region, which includes Shanghai, comprises just 2% of China's total area, it contributes at least 15% of its countrywide greenhouse gas emissions, they note.

Can diet really help change your susceptibility to pollution? According to researchers, eating broccoli sprouts “enhances the detoxication of some airborne pollutants and may provide a frugal means to attenuate their associated long-term health risks.”

That said, it's obviously no cure-all for those living under China's smoggy skies. “The ultimate answer [to China's pollution] lies in Beijing with the policymakers,” said Thomas Kensler, who holds

professorships at John Hopkins University Bloomberg School of Public Health as well as the University of Pittsburgh and was the leader of the study.

Still, Mr. Kensler said he is hopeful that more research can help further explore the ways diet might be able to help people strengthen their resistance to pollution. “We think this can contribute to potential solutions,” he said.

If you're not someone who keeps a ready supply of broccoli sprouts at home, Mr. Kensler notes that regular broccoli sold at supermarkets also contains the key molecule, sulforaphane, though in considerably lower quantities. “The more bitter your broccoli, perhaps the better,” he said, adding that one would have to consume roughly 150 grams of broccoli in order to consume the same amount of sulforaphane contained in three grams of broccoli sprouts.

The study wasn't without its mild hiccups: according to the paper, “unacceptable taste and mild stomach discomfort were the common complaints.” Researchers said the addition of pineapple juice and lime juice, though, helped mask some of the less appealing aspects of the broccoli flavor. (Source: WSJ)

China's FDA to Promote Non-Animal Testing

The Institute for In Vitro Sciences (IIVS) last week signed a Memorandum of Understanding with the National Institute for Food and Drug Control (NIFDC), a subordinate agency of the China Food and Drug Administration (CFDA). The two organizations will work collaboratively on a number of projects focused on cosmetic safety testing designed to promote in vitro (non-animal) techniques in China.



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In November 2013, IIVS held a week long training workshop at the NIFDC laboratory in Beijing to teach in vitro techniques for cosmetic safety testing to Chinese regulators including those from provincial agencies. Under the new memorandum, the NIFDC will coordinate with IIVS to hold an annual training workshop titled “Techniques for In Vitro Assays for Cosmetics Testing”. Additionally the NIFDC agrees to participate in validation projects of new models or techniques developed within China.

The MOU was signed by Dr. Wang Youchun, Deputy Director-General of NIFDC and Erin Hill, Co-founder and Vice President of IIVS. “The NIFDC has a great responsibility to introduce in vitro techniques to a large number of regulators within China” states Ms. Hill. “IIVS is honored to assist them in achieving this goal. Additionally our expertise in validation projects will be helpful as new in vitro methods are developed within China.”

Since 2012, the Institute for Food and Cosmetic Control (IFCC) within the NIFDC has been responsible for the testing of cosmetics for pre-market approval, post market surveillance, and investigations in response to consumer complaints. A new in vitro laboratory is currently under construction which will be used for, among other things, hands-on training. Dr. Wang Gangli, Director of the IFCC commented, “With our expanded laboratory space and support from IIVS experts, we will be able to organize workshops to train many more scientists within China on the use of in vitro methods for testing of cosmetics.”

Following the signing ceremony IIVS visited the laboratories of the NIFDC center responsible for the testing of drugs; the National Center for Safety Evaluation of Drugs (NCSED). The center Director, Dr. Wang Jufeng, and staff discussed potential collaborations and uses of in vitro methods in the evaluation of drugs within China.

About NIFDC: NIFDC areas of responsibility cover quality control of pharmaceutical products, biological products, medical devices, food, healthy food, cosmetics, reference standards, laboratory



animals, and drug safety evaluation. The Institute for Food and Cosmetics Control (IFCC), an internal institute of NIFDC, is responsible for safety evaluations of food, healthy food and cosmetics.

About IIVS: IIVS is a non-profit laboratory based organization with a mission to advance the use and regulatory acceptance of in vitro testing methods. IIVS provides laboratory testing services to industry as well as training and educational programs. (Source: www.iivs.org)

Nestle Opens Facility in Dongguan, China



Nestlé has officially inaugurated its latest Chinese research and development facility in Dongguan, in Guangdong province.

The R&D facility will support its partnership with Hsu Fu Chi and focus on research in confectionery and ice cream, building on Nestlé’s global R&D strength in these areas to develop more high-quality products for consumers across Asia.

Nestlé was among the first multinational companies to invest and build factories in Dongguan.

This research and development facility is part of the Nestlé R&D organization in China, which consists of two centers in Shanghai and Beijing. Each center is focused on nutrition and health, targeting consumer needs and conducting research on products, development, innovation and renovation. (Source: Nestle.com).

Vitafoods Asia returns to Hong Kong in September



Returning in 2014, Vitafoods Asia is the only Pan-Asian exhibition dedicated exclusively to the nutraceutical industry and with more exhibitors, features and presentations from industry leaders than previous editions, the show is expected to be bigger than ever.

Asia offers a wealth of opportunity for nutraceutical and functional food suppliers as awareness of and interest in the positive link between diet and health grows rapidly.

The region's demand is being driven by the ever-growing number of high earning, middle class consumers who seek solutions to health and well-being issues. There is also massive potential for market-savvy companies to exploit the as yet untapped potential for functional food and drinks.

This year's Vitafoods Asia (3-4 September, 2014) returns to Hong Kong, exploring these regional

macro trends, while also showcasing the latest innovative products and ingredients to identify new areas of opportunity. Exhibitors will gather from across the globe and include the likes of Bionov and Kaneka and International Pavilions will showcase exhibitor's from countries such as Malaysia, New Zealand and Singapore.

Chris Lee, Vitafoods Portfolio Director, says: "Now in its fourth year, the 2014 show cements its reputation as the essential date in the nutraceutical and functional foods diary in Asia. We always strive to be at the forefront of the industry sparking discussion among our visitors and exhibitors. This year we've introduced a host of new visitor features and expanded existing visitor attractions that delve even deeper into the trends and issues affecting this dynamic market."

NEW: The Vitafoods Asia Conference

Running alongside the exhibition, the Vitafoods Asia Conference is the only conference in Asia exclusively dedicated to the nutraceutical, functional and fortified food and drinks sector and features leading speakers from around the world over two days of presentations.

The Vitafoods Asia Conference's modular format allows visitors to choose those presentations most relevant to their businesses so they can make the most of their time at the show. Uncovering the latest in hot topics such as food safety following high profile health scares, weight management in reaction to the region's obesity crisis and how halal certification is key to success in certain markets, the conference is set to offer delegates plenty of food for thought. Speakers span research and technical backgrounds, with Natasha D'Costa from Frost & Sullivan, Prof Nagendra Shah of the Hong Kong University, Prof Zhen-Yu Chen at the Chinese University of Hong Kong and Prof Chau Chi Fai from the National Chung Hsing University in Taiwan, just some of the speakers already in the line-up.

NEW: Business Leaders Networking Breakfast

Taking place on the second day of Vitafoods Asia (4th September), the Business Leaders Networking⁷



Breakfast is an exclusive event for just 30 senior professionals. Chaired by Mr Pushpanathan Sundram, MD, EAS Strategic Advice and former Deputy Director ASEAN, it offers the opportunity to discuss and debate business opportunities across the region but also regulatory issues. One of the topics at the top of the agenda is ASEAN harmonization set for 2015, offering opinion on removing the technical barriers to trade between countries as well as promoting awareness around scientific and regulatory issues.

New: Vitafoods Asia Awards

Building on the success of last year's Nutrition Innovation Award, this year introduces two more industry accolades – Innovative Ingredient and Best New Finished Product.

Recognizing and rewarding technical advancement and scientific benefit, the Awards also credit those manufacturers designing products with specific health benefits to help end users.

Popular visitor attractions returning to Vitafoods Asia include the Seminar Theatre, which hosts presentations from leading associations, research analysts and suppliers including the likes of the ASEAN Alliance of Health Supplement Associations,

who will be discussing the ASEAN Harmonization process and the opportunities this presents for the nutraceutical industry. EAS regulatory advisory sessions will also return, providing visitors with free one-to-one regulatory advice catered to the specific needs of their company.

Vitafoods Asia also offers exhibiting companies an expanded platform to showcase NPD. The New Products Zone is a showcase of new products launched to the functional food and drinks market in the last 12 months. For the first time, alongside the New Products Zone are Innovation Spotlights, where visitors can hear expert opinions about the latest innovation on display and trends in the region from market leading research companies.

Visitors can see ingredients as fully formed products at the exhibition in the Finished Products Pavilion, dedicated to suppliers of supplements, functional food and drinks or private label services. The Tasting Bar, which has expanded for this year's edition, sits within the Finished Products Pavilion and allows attendees to see, touch, smell and taste new products.

“We're expecting this year's show to attract more visitors than ever, creating the region's most important calendar event for like-minded

businesses and professionals to swap ideas and insight,” adds Lee, Vitafoods Portfolio Director. “The addition of the Vitafoods Asia Conference and Business Leaders Networking Breakfast puts the show at the centre of thought-leadership in nutraceuticals and functional foods in Asia amongst the industry's top professionals.”

To keep up to date about the latest show news visit www.vitafoodsasia.com, or join the debate in our LinkedIn group www.vitafoodsasia.com/linkedin.

China Updates is published weekly by the U.S. – China Health Products Association, a non-profit organization dedicated to the promotion of dietary supplements and the nutritional / functional ingredients. The association’s major focus is the continued development of China’s dietary supplement and nutritional ingredient industry as well as offering business services to global companies wishing to enter the China Market

If you want to learn more about the association and how it can help your business, contact us at: info@uschinahpa.org

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