

Newsletter

VOLUME 2 | Q1 2022



Botanicals: The Answer In The Quest For Calm

The Institute of Food Technologists (IFT) recently announced their predictions for the 10 hottest food trends for 2022. Among them, the trend "All is Calm", an expectation for increased interest in products that promote calm, relaxation, and stress reduction. This trend is brought on by consumers' growing quest for natural solutions to help with anxiety, stress, and sleep. IFT's trend report specifically calls out popular botanicals related to this trend to watch including lavender, ashwagandha, valerian, and chamomile.

As the new year begins, more consumers than ever are seeking ways to enhance their wellness and self care routines. Reducing stress and making sure to get enough sleep are the keys to creating calm.

So how do botanicals fit into these calm-inducing routines? Small practices incorporated into daily routines can have a big impact. Two simple ways to incorporate the power of botanicals into your stress and sleep management routines are through aromatherapy and herbal drinks.

Harness The Calming Power of Essential Oils With Aromatherapy

According to <u>Mintel research on sleep benefits</u>, adults ranked improved energy, stress relief, and improved mood as the top benefits of sleep.

Consumers are recognizing the need to recharge the mind and body to achieve wellness. Aromatherapy is a natural, essential-oil-based therapy that harnesses the scent of botanicals to calm the mind and reduce feelings of anxiety.

Essential oils can be used with aromatherapy diffusers or in body care recipes. They can be mixed with coconut oil and applied to feet or pulse points at bedtime. We encourage exploration and testing of different aromas to discover personal preferences.

Get Started With These Essential Oils For Aromatherapy

LAVENDER

Lavender can promote powerful calming and relaxing properties which may help ease stress, tension and worry as well as generate a serene state of mind. It has a herbaceous, sweet, floral aroma imparting a clean and soothing fragrance.

ROMAN CHAMOMILE

Chamomile provokes a warm, soothing feeling to help alleviate feelings of anxiety. It has a bright, crisp, sweet, fruity, and herbaceous scent.

CLARY SAGE

Clary Sage can help evoke a soothing, calming and balancing effect. It has a bitter-sweet floral aroma with a slightly fruity and musky scent.

BODYCALM BLEND

A regulating and harmonizing therapeutic blend designed to help calm the mind and body and help ease stress. Includes the best oils to invoke a comforting feeling: Lavender Flower, Geranium, and Clary Sage.



Mintel reports that mental wellbeing is a growing health trend as consumers look for ways to find moments of relaxation and comfort. They point to a new market opportunity and the expectation for growth in products that support stress reduction and relaxation in the beverage space. Along with health benefits, the same Mintel report points out how tea offers possibilities to create interesting taste experiences, and particularly how botanicals can add a touch of surprise in terms of both taste and aesthetic.

One herbal drink that's growing in popularity is moon milk, an Ayurvedic drink that has sleep-promoting properties. It's made with milk (either plant or dairy) and contains different herbs and spices, such as Blue Pea Tea or turmeric, which can create surprising color effects. Its main ingredient is ashwagandha, an adaptogenic botanical ingredient said to have relaxing benefits.

Get creative and blend herbs together, or mix herbs and spices, for an even more powerful drink to promote a state of calm.

Get Started With These Herbal Teas For Relaxation

CHAMOMILE

Chamomile is one of the most ancient medicinal herbs we know of. It has traditionally been used as a therapeutic agent for a variety of ailments, including promoting rest and tranquility. It makes a tasty, comforting tea that is perfect any time of the day you want to unwind.

LAVENDER

Lavender is one of the most widely loved fragrances in the world. It has been traditionally used to help calm nerves, improve sleep, and help with overall relaxation. It boasts a distinctive crisp, fresh, and piney flavor. Brew the lavender flowers and drink as a tea, or put lavender flowers in a sachet and place under your pillow to help with a restful sleep.

PASSION FLOWER

Passion flower is primarily utilized for its calming properties, and may help with insomnia and anxiety. Passion flower tea has a mild, pleasant flavor with a grassy earthiness and floral note, and can be sweetened with honey. It is often combined with other soothing herbs in tea blends. For a peaceful sleep, try sipping a cup of passion flower tea right before bed.

LAZY DAZE TEA

This tea is a tasteful blend of mint and citrus fruit flavors, blended with aromatic chamomile flowers and elderberries. The chamomile adds a therapeutic, relaxing agent; the elderberries give that additional boost to help support your immune system.



The Quest For Calm Continues

The path to calm is through daily practices that support stress management and healthy sleep routines. Incorporating routines such as aromatherapy and drinking herbal teas are just a couple ways to address the ongoing need for self care.

We expect calming botanicals to continue to trend as consumers' quests for natural solutions for stress management and sleep support continue. Food, beverage, and wellness products can include formulations that pair functional ingredients with soothing aromas to offer these much needed and highly sought calming benefits.

How can you incorporate calming botanicals into your product lineup to take advantage of their natural benefits while meeting this growing consumer need?

Let's Get Started

Our team at Starwest can help you capitalize on these trends while fulfilling consumer needs.

Contact us at info@starwest-botanicals.com to get started.



CEO's Corner

Dear Starwest Community,

Let me start by first saying thank you—your response to our first newsletter was amazing! Keep the feedback coming, we love hearing from you!

We couldn't wait to publish this edition to fill you in on some major topics: Our article this month features botanicals to help aid sleep and manage stress. Who doesn't need that, right? We are now rolling into year three of the pandemic. It's hard to believe, yet undeniably true, and these two subjects seem to be on everyone's mind. In fact, the Institute of Food Technologists (IFT) recently published their 2022 Trend Predictions. Seeking "Calm" made the list, with a nice nod to botanicals as a way to get there. So whether it's sipping some herbal tea, or trying an adaptogen for the first time, today's consumers want all the help they can get. Check out the feature article and let us know how the suggestions are working for you and your clients. Here's to making 2022 a year where we minimize stress and maximize peaceful rest.

If we took a poll on the other hot topics of late, one that would certainly come up would be the global supply chain challenges we are all facing. No matter our role in business or as a consumer, we keep seeing it on the news, experiencing it with shortages of all types, and feeling it in our wallets. We know you are curious about how this is impacting the botanicals industry, and when things will get better.

In this newsletter, Cole Daily, Starwest's new Chief Operating Officer, gives us an in depth view on what's happening and how we can work together to minimize the impact of the global supply chain crisis together.

Lastly, we've been working hard to bring a fresh, new Starwest Botanicals to you. And while all the things you trust us for will remain unwavering, we will proudly be stepping up our game with more insights, seed-to-shelf sourcing stories, and the kind of information you crave to help you grow. From our new logo, to our vision—"Unearthing the wonders of nature to inspire *every body*"—we can't wait to bring you exciting news about where we are headed.

Starwest Botanicals helps conscious consumers unearth the powerful benefits of botanicals to transform daily life.

Stay tuned!

Amy

What's Next For Starwest?

- Our new brand look is almost ready—we can't wait to reveal it to you! With a nod to our history and a fresh, clean look, we're excited to hear what you think—watch for it soon!
- Our new website is being built now—expect easy navigation, more blogs, and sourcing stories from seed to shelf. Coming Summer 2022.
- An upcoming feature on today's botanical consumers, what they are craving and why.

Follow Along!

Follow us on LinkedIn to stay up-to-date on the latest industry news and trends in the botanicals and wellness space.

linkedin.com/company/starwest-botanicals



Meet The Team



New Hires



Kai Stark, VP of Supply Chain

Kai Stark is our VP of Supply
Chain and he brings more than 20
years of experience to his tenure
at Starwest. Over the last two
decades, Kai has traveled the
world developing premium sources
for ethically produced and ecologically sustainable spices, herbs,
teas, vanilla and essential oils.
At Starwest, Kai is a part of our
purchasing team and is responsible
for sourcing new items and selecting
overseas suppliers to negotiate
the intricacies of US customs and
ocean freight.

Kai is passionate about developing long-term, sustainable partnerships that benefit producers at origin and brand owners alike. In his free time, Kai likes to spend time with his wife, two sons, and dog. He enjoys skiing, cycling, and backpacking as well.

WHAT DOES KAI LOVE ABOUT STARWEST?

"In 2021, I had the chance to take a step back and reevaluate my career goals. After much reflection, I distilled my hopes down to the following: to find a small group of good people to do great things with. I sincerely believe that at Starwest, that's exactly what I've found."



Frank Lindsey, VP of Sales

Frank Lindsey is our new VP of Sales and brings over 25 years of experience in the industry. At Starwest, Frank is responsible for leading the sales and customer service teams in delivering profitable growth for the company. In his career, Frank has had the pleasure of working with and leading sales, marketing, and product development teams for companies focused on the retail grocery, food service, food

manufacturing, and health & wellness industries. He has developed and sold branded, co-packed and private label products. Additionally, he has led creation of new products for customers in the keto, vegan, organic, clean ingredient, and no/low sugar categories. Outside of work, Frank enjoys reading, hiking, exercising, and spending time with family.

WHAT DOES FRANK LOVE ABOUT STARWEST?

"On a daily basis we provide high quality products that can have a positive impact on the health and well-being of our customers."



Cole Daily, Chief Operating Officer Cole joined Starwest in early

January as our new Chief
Operating Officer. Cole comes to
Starwest with over three decades

of experience in the natural food and organic industry. He began his career at Frontier Co-op in the manufacturing and quality control departments. While working for Frontier, Cole had the opportunity to expand his career from working part-time in purchasing to managing teams in manufacturing and distribution. Cole ended his tenure with Frontier Co-op as the Executive Vice President of Operations. Cole enjoys activities outside of work such as being with his family and playing the piano.

WHAT DOES COLE LOVE ABOUT STARWEST?

"What I love best about Starwest is the people. I've been extremely impressed with the commitment of everyone and have been welcomed extremely warmly by all. I really look forward to getting to know everyone better and working with everyone to grow the business and create opportunities for us all."



Whitney Boyd, Executive Assistant & Recruitment Specialist

Whitney joined Starwest in November of 2021 as the **Executive Assistant & Recruitment** Specialist. Whitney brings 18 vears of business administrative experience accompanied by 6 vears of human resources and recruitment-related experience. Throughout her career, she has developed a passion for employee on boarding programs and will implement a new program here at Starwest. Outside of work Whitney is passionate about creative writing, poetry, and theatre. She also enjoys traveling and spending time with close friends and family.

WHAT DOES WHITNEY LOVE ABOUT STARWEST?

"I enjoy the people! As a new employee, I have found that I am surrounded by the most kind individuals at Starwest. I am enjoying getting to know the staff and everyone has been so welcoming!"

Meet The Team (cont.)

Milestone Employees



Colleen Grady, Supervisor Ingredients Sales Division

As the Supervisor of the Ingredients Sales Division, Colleen oversees several of our larger contract customers and supervises the sales team of eight employees. Additionally, Colleen is a part of the team that works on the forecasting and budgeting for 2022. Colleen has been a member of the Institute of Food Technology (IFT) since 2008.

Since 2010 she has focused on looking for and working with larger food manufacturers to increase sales. Outside of work, Colleen is a very crafty person and likes to work on sculpting and quilting.

WHAT DOES COLLEEN LOVE ABOUT STARWEST?

"Working in the Health and Wellness Industry is challenging, demanding and fulfilling. I love coming into the office as the people I work with push me daily to take on and learn new and challenging opportunities. I work with a terrific team of people who come together to help Starwest meet and exceed our customers' needs and expectations."



Lynette De Sousa, Operations Manager

Lynette joined Starwest in 2011 and brings 25 years of experience in operations including purchasing, forecasting, planning, manufacturing, and inventory control. At Starwest, Lynette oversees the Pyrites facility and its employees. Additionally, Lynette manages the Wholesale and Retail productions planning. In her spare time, she enjoys traveling, sunsets, coastal hikes, reading, gardening, and special time with her family.

WHAT DOES LYNETTE LOVE ABOUT STARWEST?

"I love the challenges and accomplishments we achieve daily. Most rewarding is seeing the pride in each employee's work and seeing their growth and personal improvement. I appreciate the team work amongst my coworkers. As a team we strive to meet all customer requirements."

Winner of "Let's Crush Covid" Raffle: Hector Villapudua

Starwest knows our team members are our greatest assets. In an effort to increase awareness about steps we can take to minimize the spread and impact of COVID, we held a "Crush COVID" contest. The winner was one of our operations team members, Hector Villapudua. Here he is on learning the news that he was the winner! We were as thrilled with the team participation as Hector was with his prize.



Wholesale Corner

Exciting news! Our new 2022 Wholesale Catalog will be published in March. We have 19 new products as part of the catalog. As a sneak peak, one of the great new products we're introducing is our Organic Elderberry Support Tea. It is a healthful combination of berries and herbs that may help to support a strong immune system and promote overall good health and well-being. We also embrace Rosehips, Hibiscus, and Echinacea in our blend, making this tea not only power packed, but flavor packed too. What's wonderful about this blend is that it can also double as an Elderberry Syrup blend—something we know your customers will love—they can make a cup of tea, or an elderberry syrup, or both!

Our supply chain investments and improvements are ongoing as we work through the challenges and impact that Cole and Kai highlighted in this newsletter. At Starwest, we are adapting, investing and continually working to mitigate that impact for our customers. Although supply has been a challenge these last few years, we're making headway and expect the situation to continue to improve throughout the first half of this year. We're also happy to announce that one of our most sought after products, Irish Moss, is finally back in-stock after a year+ wait. Don't miss out—it will go fast!

As our CEO, Amy McDonald said, from our new logo, to our vision—we can't wait to bring you exciting news about where we are headed. You will get a first glimpse of our new logo in our new March 2022 Wholesale Catalog—look out for it! From there, we have many other exciting projects in the pipeline to put that new look to use, so watch this space for more to come. In the meantime, we love hearing from our customers, so please reach out and let us know what we can do for you or how we can help.

State of the Supply Chain

Our CEO Amy McDonald interviewed our COO Cole Daily and our VP of Supply Chain Kai Stark on the current state of the supply chain for herbs and botanicals. Here, they answer your biggest questions about what's going on with the global supply chain, what we at Starwest are doing to mitigate the impact, and how you can help us be best prepared to meet your needs.

How has the botanicals, herbs, and spices market been impacted by the global supply chain issues we are experiencing?

As we all know, supply chains across the globe have been affected by the pandemic. The evidence is everywhere you look—empty department store shelves, people juggling work and home schedules, and higher prices on items like food, cars, and gas—everyone has been impacted. The botanicals, herbs, spices, and tea markets have not been left untouched. The pandemic and its effect on the supply chain is just one of a multitude of issues that has wreaked havoc on the global agricultural trade in the preceding decade. Global climate change, population migration to urban areas, and governmental "land-grabs" have also negatively impacted these supply chains—both home and abroad. For example, as weather patterns change throughout the globe, farmers have had to adapt their planting, growing, and harvesting techniques to keep up with ever-changing growing conditions.

Changing demographics have also stunted supply chains. As more and more people move to urban areas looking for opportunities, there are fewer people wanting to work in the agricultural sectors. That includes farmers, wild-harvest collectors, and agricultural workers. Due to the ingenuity and steadfastness of growers and collectors throughout the

world, product has still made it to market, but it continues to be a challenging industry to operate in. Needless to say, the pandemic has added to the list of issues facing importation and the agricultural industry, but farmers are some of the most creative people in the world. They've adapted throughout history and will continue to do so.

What has Starwest done to mitigate the impact as much as possible?

At Starwest we are adapting just like our partners in the fields throughout the globe. We're continually working with existing sources and finding new, alternative sources to satisfy our customer needs. Being as adaptable and flexible as possible with our supply chain is a top priority. A Prussian diplomat once said, "When France sneezes, the whole of Europe gets a cold." We approach our world-wide global network of growers in the same light. Because we source from many countries throughout the world, whenever and wherever any geopolitical or weather disruption occurs, a part of our supply chain is most likely going to be impacted. We must be prepared for those occasions—working with existing suppliers and creating new ones is our way of fending off colds.

Where is Starwest investing in the area of Supply Chain?

Starwest is investing in the whole of our supply chain. As mentioned previously, we are continually working with our sources overseas and here in the US. The service to our customers and building quality into our products all starts at the source—our global family. But we're also investing in our internal supply chains, making sure we're keeping up with the latest technology for food safety and processing equipment to get our customers the highest quality products possible. We're investing in our employee base as well. When it comes to continuous improvement of our supply chain, it's important for us to take a global view that includes each and every person and process involved.

Any ideas on how long this will persist and if there are certain categories of products that will remain a challenge?

I think we're in it for the long-haul. Life has changed for all of us and it will continue to do so. Eventually the effects of the pandemic will ease, but new problems to overcome are always around the corner. At Starwest we focus on the aspects of risk we can impact, but we also must adapt to situations and risks we can't—like weather and geopolitical issues. We take pride in offering solutions to complex problems for our customers. There are times when we'll need to work together to overcome them as well. Keeping open lines of communication is important as we navigate the choppy waters of a global supply chain. Customers can help by being as accurate as possible with their forecasted demand, but we know that's not always possible. We're here to help fill in the gaps and make the process easy for you—in a sustainable and ethical way.

What advice would you give our customers given the current state?

As I mentioned, growers, farmers, and collectors are continuing to face challenges getting product to market. The more we know your volume needs, the better we can prepare our partners at home and overseas to fulfill those needs. Contracting early and for annual quantities is always helpful and alleviates some of the guesswork of our volume commitments we make to our grower/collector partners.

What does the future hold for Starwest and our customers?

We have big plans here at Starwest—for our employees, vendor partners, and our customers. From working with existing partners to developing new sources and offering new products, we're always striving to provide the highest quality products to our customers. We think we're bringing the world together in our own way. Without your help and cooperation, it wouldn't be possible. From their home to our home to your home, we'll continue to be the glue that helps keep us all together. That's our focus. Thanks for being a part of something bigger than us all—a global community working together for the health of ourselves and our planet.



Bulk Ingredient Buzz

In the first installment of our quarterly newsletter, we discussed how functional ingredients in support of clean label and wellness will continue to enjoy significant growth for the next several years. Indeed, the nutraceuticals market is forecasted to expand percentage-wise by high single digits annually for the next several years.

For the consumer, clean label can mean a variety of things. According to an Innova Market Insights' Innova Health & Nutrition Survey, the top consumer perceptions for "clean eating" include foods/drinks that are: 1) free of additives and preservatives; 2) contain only natural ingredients; 3) organic; 4) sustainably sourced.

In a post-COVID world, foods that can maintain wellness continue to be a priority. As stated in <u>SIAL America's report</u> on the four biggest food trends shaping 2022, consumers are exploring the idea of "food as medicine", where there is an increased focus on eating fresh, less processed foods as a preventative measure for many health-related conditions. The report further indicated that consumers are increasingly looking for foods that support immune health, help manage stress & anxiety, and provide for daily dietary needs.

Starwest, with its broad range of organic and sustainably sourced functional ingredients, can enhance your product development efforts to address your customers' desire for clean label foods and beverages that support their physical and mental well-being. Please let us know how we can assist you with your product innovation process.





Connect With Us

800-800-4372 info@starwest-botanicals.com

Bulk Ingredients:
starwestherb.com

- Wholesale/Retail:
 - starwest-botanicals.com

STARWEST B O T A N I C A L S