

Featuring TJ McIntyre and Pixie Matè in Sunday, March 26 Daily Camera issue. Circulation: 41,410

Organizer: Natural 'mainstream'

At food expo, CEOs say demand has driven rise in product demand

By Alicia Wallace
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Editor's note: Business Writer Alicia Wallace is covering the Natural Products Expo West in Anaheim, Calif., following about three dozen local companies as they stake their claim in an industry Boulder helped create.

ANAHEIM, Calif. — Simply put, a lot has changed in 25 years in the natural and organ-



Feinblum



McIntyre



Perzow

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ic industries. The products that were once relegated to specialty and health food stores can now be found in the neighborhood market, the grocery store and the superstore.

Now 25 years old, the Natural Products Expo West, a three-day industry trade show

that continues here through today, is now one of the largest 100 expos in the nation. Organizers expect the number of attendees and exhibitors at this year's event to be higher than in past years.

"This is no longer niche. This is mainstream," said Fredrik Linder, president of Boul-

der-based New Hope Natural Media, which puts on the annual expo.

Linder was one of 10 industry executives — eight of whom hail from Boulder and Broomfield — who gathered Saturday morning to discuss issues facing the natural industry. The first Meet the CEO Breakfast & Trends Forecast brought together veterans of the industry such as Pharmaca Integrative Pharmacy founder Barry Perzow and newer leaders such as T.J. McIntyre, co-founder of Boulder-based Pixie Mate.

The conclusion: Bigger is better.

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Bethany Winder, of Boulder, lets her 10-month-old son, Eli, try a sample Friday at Whole Foods Market on Pearl Street in Boulder. Whole Foods has driven demand for organic products said industry executives gathered for the Natural Products Expo West in Anaheim, Calif.

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Demand for natural foods drives expansion

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"Whole Foods is driving this category," said Barney Feinblum, who served in executive positions at Celestial Seasonings, Horizon Organic and is now chief executive officer of Organic Vintners. "They're creating this demand."

The demand has spilled into conventional retailers. Stores such as Safeway and Wal-Mart that once offered just a taste of this market have put those efforts into high gear.

Boulder got to witness some of that expansion firsthand.

Safeway Inc. reopened its North Boulder store as a "Lifestyle" store, outfitting it with a more-pronounced natural section. The Pleasanton, Calif.-based grocer is now in the process of launching its own brand of organic products to its 1,800 stores nationwide.

On Friday, Wal-Mart Stores Inc. said it was ramping up the number of organic products in its stores.

Having the mega-retailer's at-

ON THE WEB

● Read more about the Natural Products Expo on Alicia Wallace's blog, "Slightly Risky Business."
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tention could broaden the industry more, but it should not lower the values or quality of natural products, said Paul Repetto, co-founder of Horizon Organic Dairy, a Boulder County firm that is now part of Broomfield-based WhiteWave Foods.

"If you cheapen or change that, you'll lose essentially the people who are growing your business," Repetto said Saturday.

The success of the industry in the conventional market could funnel down to suppliers, creating more organic producers and creating a better variety of products offered, Feinblum said.

Recently, the increased demand caused a squeeze in the supply.

Companies such as Broom-

field-based WhiteWave Foods, maker of Horizon Organic and Silk soy milk, has weathered dairy shortages, said CEO Joseph Scalzo.

To address this issue, his company created the Horizon Organic Producer Education program to help farms convert to organic practices.

A lack of organic almonds nearly spelled disaster for Berkeley, Calif., nutrition and energy bar manufacturer Cliff Bar & Co., said CEO Sheryl O'Loughlin. But the company, which had guaranteed the ingredient would be organic, was finally able to secure the ingredients.

"We can't run a business on just getting lucky," she said. "We made a promise to consumers."

Increasing cooperation between those in the natural industry and those in the conventional markets could be one solution, she said.

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