

November 15, 2016

NBTY changes name to Nature's Bounty

Aisha Al-Muslim

DOW JONES

21.03 to 18,868.69

Over the past year:



CRUDE OIL

\$0.09 to \$43.32

Over the past year:



Key:
 ○ — Past year's low
 ● — Past year's high

Close; color indicates up/down from previous close

MARKETS END MIXED; TECH SHARES DROP

U.S. stocks came back from an early loss and finished almost unchanged yesterday. Technology companies like Apple and Microsoft took big losses on fears about their overseas revenue, but bank stocks continued to surge along with bond yields.

Technology stocks have been weak since last week's election, and they fell further yesterday as investors wonder if Donald Trump's policies as president will hurt their sales in China and other markets overseas.

Bank stocks built on their post-election gains as bond yields continued to rise. That paves the way for banks to make more money from lending. Government bond yields are now at their highest levels since January.

"The market is sniffing out the belief that some of these Trump policies may drive some better economic growth but also may, in fact, be somewhat inflationary," said PNC chief investment strategist Bill Stone.

The Dow Jones industrial average rose 21.03 points to 18,868.69, another all-time high. The Standard & Poor's 500 index dipped 0.01 percent to 2,164.20 after it fell as much as 0.4 percent earlier. The Nasdaq composite sank 0.36 percent to 5,218.40.

— AP

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Vitamin firm looks back for new name

NBTY returns to Nature's Bounty name, after Suffolk company's No. 1 brand

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Ronkonkoma-based vitamin and dietary supplement company NBTY Inc. is returning to its roots and changing its name to The Nature's Bounty Co. as a tribute to its top-selling brand, company officials announced yesterday.

The company was founded in 1971 as Nature's Bounty Inc. It changed its name to NBTY Inc. in 1995, after the letters of its stock symbol. The latest change, which takes effect immediately, comes after the company found NBTY was hard for consumers to identify, officials said.

The company is a global manufacturer, marketer, distributor and retailer of more than 16,000 products, including vitamins, nutritional supplements, sports and active nutrition items, and beauty products. Its three key businesses include vitamin brand Nature's Bounty, health and wellness retail chain Holland & Barrett International, and supplements brand Puritan's Pride.

"We really do believe that we have grown into a wellness company," said Steve Cahillane, president and chief executive of Nature's Bounty Co. "We want our name to reflect exactly who we are. . . . We also believe that if we are going to call the company something, then looking at the No. 1 brand is a pretty good place to start."

The company's largest consumer products brand, Nature's Bounty, reported \$580 million in sales in fiscal year 2016, up from \$547 million the year before. The company reported more than \$3 billion in total sales.

Its other brands include Sundown Naturals, Solgar, Osteo Bi-Flex, Ester-C, MET-Rx,

Pure Protein, Balance, Body Fortress and Organic Dr.

Nature's Bounty Co. operates 13 facilities in Bohemia, Holbrook, Ronkonkoma and Bayport. The company also maintains facilities throughout the United States, Canada, the United Kingdom, China, the Netherlands, Spain, South Africa and New Zealand. It employs about 11,000 globally, including more than 2,100 on Long Island.

In February, the company sold retailer Vitamin World, including its headquarters in Bohemia and 378 stores, to Manhattan-based private equity firm Centre Lane Partners LLC for about \$25 million. The company also began to shrink its contract manufacturing and private-label business, although it said it would continue to make some private-label products.

Vitamin World "was a really structurally challenged No. 3 player in the marketplace," Cahillane said. "It made all the sense to divest ourselves from Vitamin World so that we could focus on our winning retail platform, which was Holland & Barrett."

Holland & Barrett has roughly 1,200 stores in the United Kingdom, the Netherlands, Ireland, Belgium, Sweden and India. The U.K.-based subsidiary of Nature's Bounty



LINDA ROSIER PHOTOS

CEO Steve Cahillane says the Ronkonkoma maker and marketer of 16,000 products, sold globally, has grown into a "wellness company."

Co. was founded in 1870, originally as a grocery and clothing store. It was acquired by the company in 1997.

The Nature's Bounty Co. name is also meant to reflect the company's commitment to "supporting wellness by leveraging science and nature," the company said.

The name change comes after the company reached an agreement with New York Attorney General Eric T. Schneiderman in September to implement new quality control measures for its herbal supplements sold nationwide. The attorney general had ordered Walmart, Walgreens, Target

and GNC stores to pull store-brand herbal supplements off their shelves after DNA tests showed few or none of the listed herbs in the products. The findings included NBTY-manufactured supplements sold at Walgreens and Walmart.

The attorney general's office found no evidence that NBTY failed to comply with U.S. Food and Drug Administration requirements or industry standards, the company had said at the time.

"We are shifting towards greater transparency," said Brian Wynne, president of the company's Consumer Products Group North America, adding the company has a scientific advisory council. "Less ingredients in the product and less stuff on the label."

The company was acquired and taken private in 2010 by the Carlyle Group, a Washington, D.C.-based investment fund. Until earlier this year the company reported its financial results publicly because its debt was publicly traded. It stopped reporting its financial results when the company refinanced its debt.

At a glance

- **Company:** Nature's Bounty Co., Ronkonkoma
- **Founded:** 1971
- **Primary business:** Vitamins and dietary supplements
- **Revenue (fiscal 2016):** \$3 billion
- **Employees:** 11,000 globally; 2,100 on Long Island

