BEAUTYCOUNTER®

WRITTEN STATEMENT OF S. GREGG RENFREW FOUNDER AND CHIEF EXECUTIVE OFFICER BEAUTYCOUNTER

BEFORE THE

SUBCOMMITTEE ON HEALTH OF THE U.S. HOUSE COMMITTEE ON ENERGY AND COMMERCE

ON

"Building Consumer Confidence by Empowering the FDA to Improve Cosmetic Safety"

December 4, 2019

Introduction

Chairwoman Eshoo, Ranking Member Burgess, and Members of the Energy and Commerce Subcommittee, thank you for holding this important hearing and for inviting me to participate. I am honored to share my experience of bringing safer personal care products to the market, in the hope that it will inform our collective work to advance our cosmetic safety laws, which have stood largely unchanged since 1938.

My name is Gregg Renfrew and I am the founder and CEO of Beautycounter, a company with a mission to get safer products into the hands of everyone. Armed with the firm belief that commerce can be an engine for change, we provide solutions through education around industry issues, advocacy for legislative reform, and the manufacture of safer, high-performance skin care and cosmetics products, here in the United States.

Beautycounter is the result of my recognition of the connection between our environment, what we put in our bodies, and what we put *on* them. Through personal experiences, as well as those of friends and family around me, I was compelled to address the need for change in the personal care industry. And as I began to address the need, it became apparent that this was not only an opportunity to do better, but it was compelling business opportunity as well. Today's consumers are more informed, and curious, about their products and what is in them than ever before. Increasingly, scientific research highlighting exposure to harmful ingredients from the products we use on our bodies every day is contributing to a reshaping of perceptions around health and wellness, particularly in personal care. And those perceptions are driving consumer choice: the clean beauty industry continues its impressive growth, on track to reach a value of nearly \$22 billion by the year 2024.¹

One company, even with the combined efforts of others, cannot fix this problem alone. And the magnitude of change needed to get safer products into the hands of *everyone* requires Congress to act. In that spirit, today I will focus my testimony on what we believe is critical to crafting cosmetic safety laws that truly protect U.S. consumers, while simultaneously advancing the beauty industry.

A Consumer-Centric, Health-Protective Safety Standard

The current absence of modern, federal safety regulations governing the beauty industry force businesses like Beautycounter to make their own determinations about the safety of products. And though mission-driven companies are integral to social innovation, there is inherent risk of comprehensive change not being adopted in the absence of legislative reform. As companies currently market in their own ways, inconsistent definitions and standards cause confusion, resulting in a lack of consumer confidence. A uniform, safety standard is paramount to maintain consumer trust.

¹ Statista, available at <u>https://www.statista.com/statistics/750779/natural-organic-beauty-market-worldwide/</u>

We believe that *how* Congress defines what is "safe" is one of the most important elements of reform. By creating a strong, safety standard in this bill, Congress has the opportunity to protect the health of American families, while making sure that our business community is keeping pace with international markets, many of whom have long demanded greater oversight of ingredients.

When I set out to start Beautycounter, the "clean beauty" category did not exist, and most of the safer products in the market asked consumers to compromise on the performance of the product. Without FDA regulations defining words like "natural" and "organic," consumers are left deciphering the complexity of ingredient safety on their own. I knew that we could do better, and that one should not have to sacrifice efficacy in the name of safety.

In the absence of federal safety regulations, we turned to peer-reviewed science to determine which ingredients met our rigorous safety standards. And to achieve our desired results with a lean, start-up team, we had to make large investments of time and resources into reviewing scientific literature to guide our decisions about ingredient safety. As you can imagine, this was no small feat and we still rely on cutting edge science for our innovative, safer formulas.

We are encouraged by the language proposed for the safety standards under multiple proposals before the committee. Beautycounter supports a safety standard where the FDA has the tools to adequately assess both short and long-term impacts of ingredients used in personal care products. We believe that the proposed safety standard of "reasonable certainty of no harm" best reflects a public health-focused approach that consumers can trust.

Furthermore, when determining the safety of an ingredient, we encourage the FDA to consider vulnerable populations like pregnant women and children, as well as cumulative and aggregate exposures, when possible.

Timely Ingredient Review Based on Existing Science

Just as Beautycounter was forced to define "clean" in the absence of a uniform, safety standard, so too was it necessary for us to create a comprehensive list of ingredients that we do not use, in the absence of routine, ingredient review by FDA. Scientific research continues to reveal multiple connections between exposure to harmful ingredients and significant health issues like cancer², delayed brain development³, and disruption of our hormones⁴, which is why Beautycounter created The Never List[™] - over 1,800 ingredients we pledge never to formulate with. And while we certainly understand that other companies will not necessarily adopt

² President's Cancer Panel: Reducing Environmental Cancer Risk, available at

https://deainfo.nci.nih.gov/advisory/pcp/annualreports/pcp08-09rpt/pcp_report_08-09_508.pdf

³ Exposure to Toxic Environmental Agents, American College of Obstetricians and Gynecologists available at <u>https://www.acog.org/-/media/Committee-Opinions/Committee-on-Health-care-for-Underserved-Women/ExposuretoToxic.pdf.</u>

⁴ Introduction to Endocrine Disruptors, National Institute of Health, *available at* <u>https://www.niehs.nih.gov/health/topics/agents/endocrine/index.cfm.</u>

standards as protective as ours, we are pleased to see many examples of others creating their own lists of banned ingredients.

Levels of transparency in our industry are much improved from even seven years ago when we started, but I believe that the FDA must ultimately take the lead to increase consumer confidence in the personal care products they purchase. At the end of the day, the ingredients a company does *not* use is only half the story; the rest of the story is about the ingredients that they *do* use. As such, we believe that the FDA must have the ability to conduct comprehensive reviews of ingredients, making determinations around their safety. And we believe that the FDA must begin this process now.

We support legislation that reviews as many ingredients as possible each year. The sooner that information and safety determinations can be made on ingredients, the faster manufacturers like ourselves can bring safer products to market. Additionally, we encourage you to allow the FDA to review classes of ingredients, where relevant, to expedite this process and conserve agency resources, while noting that specific safety determinations must be made on individual chemicals.

As I reflect on Beautycounter's early days, I can't help but think about how much we could have benefited from a federal program that allowed us to either avoid, or use, ingredients based on a comprehensive review of available scientific literature. I have no doubt that many other companies feel the same.

An Appropriately-Funded FDA Cosmetics Program

A recent *New York Times* article revealed that the FDA has just six full-time inspectors to monitor three million shipments of cosmetics coming into the U.S. each year.⁵ For far too long, the Agency's limited resources has meant that oversight of personal care products has been piecemeal and ad hoc, to the detriment of consumers. As such, Beautycounter supports a system of user fees to ensure that the FDA has a dedicated and fully-funded program. There have been too many instances of strong legislation being passed by Congress, only to face delay due to the Agency's lack of resources.

As the CEO of a company that started with just a handful of employees, I understand how the notion of user fees can seem daunting. Through this experience we have gained a first-hand appreciation for the need to make reasonable accommodations for small to mid-sized businesses when changing the regulatory landscape. That is why we support a sliding-scale, user-fee program that takes into account large *and* small businesses. As a company grows, we believe that it is only right that its responsibility increases accordingly.

⁵ F.D.A. Has 6 Inspectors for 3 Million Shipments of Cosmetics, *New York Times*, Aug. 2, 2017, *available at* <u>https://www.nytimes.com/2017/08/02/us/politics/fda-has-6-inspectors-for-3-million-shipments-of-cosmetics.html</u>.

Additionally, we note that the FDA has a record of successfully administering user fee programs for its other areas of oversight, including prescription drugs and medical devices. We are confident that similarly, the Agency can successfully implement a new cosmetic program.

Federal Law That Accounts for State Protections

Given the lack of current, federal legislation on cosmetics and personal care products, many state legislatures were forced to take action in the form of cosmetic safety laws. Many of these state regulations have already transformed consumer markets for personal care products, cosmetics, children's toys and furniture.

As a brand that has supported many pieces of state legislation, we recognize that consumers in these states fought hard for these common-sense, health protections. Beautycounter supports a state preemption approach that preserves existing state laws, while creating a federal program that will negate the need for new laws to be passed. We support the approach taken on the Senate-side, outlined in the Personal Care Products Safety Act, spearheaded by Senators Feinstein and Collins.

Conclusion

I am truly humbled by what we have accomplished in seven short years. But there is a lot more work to be done. At Beautycounter, we are constantly referring to "progress vs. perfection", and I believe that the sentiment holds true for the legislative process. While I have described the areas that we think are critical for effective reform, we are encouraged by the key elements reflected in the current draft of the Cosmetic Safety Enhancement Act, including: setting mandatory Good Manufacturing Practices, granting the FDA the ability to recall products that cause injury or serious harm, increasing ingredient transparency for products sold online, and requiring the disclosure of fragrance allergens.

I believe that this Committee can, and must, come together to pass bipartisan consumerprotective legislation, as you have successfully done many times before. But I am not asking you to do this important work alone. I, on behalf of Beautycounter, our advocates, and our clean beauty movement, commit to mobilizing our community of millions to support this important public health issue.

In closing today, I am asking you to act.

Act to protect the mother trying to find safer products for herself and her family. Act to empower companies large and small across America, looking to provide more of those safer products. Act to meet consumer demand for greater transparency around ingredients in the products that we put on our bodies every, single day.

It is a rare opportunity indeed to make history by doing good. When you pass legislation that will protect the health of American families, you are not only responding to a growing, passionate,

and bipartisan electorate eager for reform, but you are forever changing the course of an industry and making our country healthier and safer for all.

Thank you for your time today and for your leadership on this important issue.