



2017
YEAR
IN
REVIEW

ASSOCIATION AT-A-GLANCE

Since 1894, the Personal Care Products Council (PCPC) has served as the leading national trade association representing the most trusted and beloved brands in beauty and personal care. Headquartered in Washington, D.C., PCPC advocates on behalf of its 600 member companies to promote an effective and pragmatic regulatory environment enabling companies to manufacture, distribute, and supply the safest products that families around the world trust and enjoy every day. Sound science is the foundation for everything that we do with additional focus on harmonizing global regulation of our industry. We engage with a variety of stakeholders, including with the news media, to share the industry's perspective and educate about the complexity and scientific sophistication behind our products. More than 120 years later, we stand united and resolute in our commitment to safety, quality and innovation.



A MESSAGE FROM THE PRESIDENT & CEO



For more than 120 years, the Personal Care Products Council (PCPC) and its 600 member companies—manufacturers, distributors and suppliers—have produced safe, high-quality products that families around the world trust and enjoy every day. These products play a critical role in the health and well-being of the millions of Americans who rely on them.

PCPC's four strategic priorities guide the association's work on behalf of its members—modernized government policies, sound science, global access, and protecting the industry's reputation and building trust. We remain united and steadfastly determined to protect our industry's future and effectively position our companies to continue to provide safe, innovative products.

2017 was an exciting yet challenging year for our country and for our industry. A new Administration and Congress provided new opportunities to unite the industry and invigorate our nearly decade-long commitment to cosmetics regulatory reform. We made significant headway educating policymakers, regulators, legislators, consumers and the media about the industry's scientific rigor and advocating for policies based on sound science. We strengthened our science-based programs supporting product safety; focused on harmonizing international cosmetics regulations and eliminating trade barriers that hinder industry's access to consumers abroad; and further established PCPC as a trusted, respected voice and advocate for the personal care products industry. But we have more work to do.

We value the important role our products play in American families' lives, some for generations. We take our responsibility for the safety of our products and the consumers who use them very seriously. We will continue to fight to ensure consumers have a variety of choices and can have confidence in the products they use every day.

Thank you to all of our members, seasoned staff, sister associations, policymakers, regulators, NGOs and other important stakeholders who share our goal to continue to provide consumers with access to safe products and exciting innovations. We are proud of the accomplishments made over the past year outlined in the following pages.

LEZLEE WESTINE
President & CEO
Personal Care Products Council

ENGAGING POLICY MAKERS

PCPC represents the industry at the federal, state and local levels on issues of interest to the cosmetics and personal care industry. Major federal priorities that PCPC continues to champion include Congressional funding for the Food & Drug Administration's (FDA) Office of Cosmetics and Colors and modernization of FDA's laws regulating cosmetics and personal care products.

Advocated for the introduction of additional cosmetic regulatory reform legislation, which went before the U.S. Senate Health, Education, Labor, and Pensions (HELP) Committee. Collaboration with a diverse group of interested parties and key stakeholders will continue in 2018.

Refined an industry-supported position around over-the-counter (OTC) drug regulatory reform, providing important context about the impact of the legislation on cosmetic-OTC products.

Encouraged Congress to adopt budget report language requiring the FDA to continue necessary funding of \$11.7 million for the Office of Cosmetics and Colors.

Advocated for alternative methods to animal testing and an improved reporting process by solidifying industry's position and support for the Federal Accountability in Chemical Testing Act in the U.S. House of Representatives Energy and Commerce Committee.

Hosted a Federal Lobby Day with Congressional staff and industry opinion leaders to discuss federal cosmetics legislation, trade issues, and industry's economic contributions to the nation.

Our products are the first thing people wake up to in the morning, and the last thing they use before they go to sleep. It is as personal as it gets. That personal connection will be more important and more valuable than ever, as we redefine how best to tell our story in this changing world."

THIA BREEN

*Chair of the Board, Personal Care Products Council
Former Group President, North America, The Estée Lauder Companies
2017 Annual Meeting Chairman's Remarks*



Above: Guests gather for PCPC's annual political outreach event.

ADVANCING SOUND SCIENCE

Significant efforts took place to strengthen PCPC's science-based programs that support the safety of cosmetics and personal care products and their ingredients, as well as PCPC's influence in scientific and regulatory forums.

Facilitated a workshop with the FDA and member companies to engage on data integrity, investigations, inspections, and microbiology. PCPC continues to dialogue with FDA on quality metrics and other key issues which promote important changes to the reporting approach.

Led the U.S. delegation and participated in two meetings of the International Organization for Standardization (ISO) Technical Committee 217. Experts from around the world came together to develop and publish International Standards in the areas of Microbiology, Analytical Methods, Terminology for Organic and Natural Cosmetics, Good Manufacturing Practices, and Sunscreen Methods.

Assembled the Global Plastic Science Task Force and led efforts to align on global definitions and a risk assessment approach for plastics and polymers used in our products. This esteemed group of scientific experts continues to study the potential environmental impact of our products.

Secured placement of *Preserving the Facts on Parabens: An Overview of These Important Tools of the Trade* in the scientific magazine, *Cosmetics & Toiletries*.

The Science Symposium and Expo featured **four sessions** covering important topics in the areas of **cosmetic microbiology, quality assurance, environmental science** and **safety assessment**.

The Science Symposium and Expo attracted more than **200 participants** in 2017.



Left: Presenter addresses attendees at the cosmetics forum event in New York City. **Top Right:** Former PCPC Chief Scientist Beth Jonas providing attendees with a scientific overview.

ADVOCATING AT THE STATE AND LOCAL LEVEL



Policy decisions are increasingly being made at the state and local level and are having a global impact, which affects a wide range of industries, including the cosmetics sector. Legislation varies from product and ingredient bans to threats on intellectual property.

Managed a variety of “anti-cosmetics” issues at the city and county levels.

Advocated for the continued use of sunscreen ingredients in cosmetics and personal care products in Hawaii, which were threatened in thirteen pieces of state-level legislation, aimed at banning or restricting the ingredients.

Led a national campaign exempting sunscreen from over-the-counter drug bans in schools, allowing students to have adequate UV protection at school. PCPC partnered with the American Academy of Dermatology and the American Society

of Dermatologic Surgery to secure the introduction and passage of legislation in seven states: Arizona, Florida, Louisiana, Ohio, Utah, and Washington to allow wearing sunscreens while in schools.

Engaged in a professional products labeling bill in California to amend language to align the requirements for professional products with existing federal requirements for consumer cosmetic products.

Protected the integrity of fragrance formulas.



Built a coalition of **30+ groups** to support the “SUNucate” program

Actively engaged on **300 pieces** of legislation in over **30 states** and localities

Launched cosmetics forum in New York City and hosted **Emerging Issues Conference** in Los Angeles

COSMETIC INGREDIENT REVIEW EXPERT PANEL

The Cosmetic Ingredient Review (CIR) Expert Panel is an independent, non-profit scientific body that was established in 1976 to assess the safety of cosmetic ingredients used in the U.S. PCPC initiated the CIR program at the suggestion of and with the support of the Food and Drug Administration (FDA) and the Consumer Federation of America (CFA). The Panel is comprised of world-renowned scientists and physicians who have been publicly nominated by consumer, scientific and medical groups, government agencies and industry. Representatives from FDA, CFA and PCPC serve as non-voting liaisons to The Panel and are actively involved in the comment and discussion process. Panel members must meet the same conflict of interest requirements regarding financial interests as special non-government advisory experts to FDA.

For more than 40 years, CIR has examined and evaluated worldwide published and unpublished scientific safety data for ingredients used in cosmetics and personal care products. Meeting four times a year in Washington, D.C., the Panel conducts those evaluations in an open and expert manner.

In 2017, CIR completed the scientific safety assessment of 336 ingredients, of which 257 were deemed safe, 73 were deemed safe with qualifications, 2 were safe for some uses and safe with qualifications for others, 3 were safe for qualifications for some uses and insufficient for others, and 1 had insufficient data to make a determination. Also in 2017, 3 ingredients that were previously listed as insufficient data changed categories; 2 of those ingredients now are listed as "zero use," and 1 ingredient is now "use not supported." This accomplishment represents an average of 515 ingredient reviews per year over a five year period, and a total of 5,278 ingredient safety determinations since the program began. All findings are published in the peer reviewed *International Journal of Toxicology*.





ENSURING LEGAL & REGULATORY COMPLIANCE

The federal and state regulatory landscape continues to shift, with increased attention by regulators on ingredient safety. This has spurred attention from trial attorneys, resulting in an up-tick of actions against our industry's products.

Played a key leadership role in discussions with California's Department of Toxic Substances Control with regard to the disposal of personal care products as medical waste.

Clarified the intent of a 2016 California emissions law to ensure that the focus is not on propellants in cosmetic aerosol products.

Worked to prevent entities from obtaining exclusive trademarks on international nomenclature (INCI names), which is in direct conflict with the purpose of INCI.

Advocated for the formation of an Advisory Council, comprised of retailers, manufacturers and third-party organizations, to provide guidance and input on any future retailer compliance policies for national brands.

Convened the industry's most prestigious Legal & Regulatory Conference, attracting more than 130 attendees and securing nationally-recognized speakers, lawyers, and regulation experts.

Provided critical feedback to a third-party organization that is developing criteria to assess the sustainability attributes of personal care products.

DRIVING GLOBAL ACCESS

PCPC's Global Strategies program focuses on harmonizing international cosmetics regulations and eliminating trade barriers that hinder our industry's access to consumers abroad. Working with international sister associations, PCPC promotes global best practices in cosmetics regulations and assists member companies to enter foreign markets. The Global Strategies team manages a number of programs to engage international regulators and to assist our members in complying with international laws.

Established, for the first time, a dialogue with Indian regulatory officials to promote reform of their cosmetics law. In collaboration with the Indian Association, IBHA, and Cosmetics Europe, PCPC jointly sponsored a workshop for Indian authorities that promoted global regulatory best practices, and secured participation by U.S. FDA, the U.S. Department of Commerce, and the American National Standards Institute.

Led a high level delegation to Beijing for meetings with Chinese Government agencies to promote regulatory reform and finalize the pending reform legislation that would significantly improve market access for our products. During the visit, PCPC hosted a successful workshop on safety assessment practices with technical experts from China's National Institute for Food & Drug Control.

Achieved support from NAFTA governments to negotiate a cosmetics chapter that would go beyond commitments in the Trans-Pacific Partnership (TPP) Cosmetics Annex, and coordinated industry associations to demonstrate unity on objectives for the Chapter.



Above: PCPC leading a delegation visit to Beijing for meetings with Chinese and U.S. Government officials in October 2017; **Top Left:** PCPC's Senior Staff during the Annual Meeting's Washington Report session; **Top Right:** Lezlee Westine addresses attendees at PCPC's Annual Meeting.



ENHANCING REPUTATION AND BUILDING TRUST

The Public Affairs & Communications team works to establish PCPC as a trusted, respected voice and advocate for the personal care products industry. Staff informs, engages and acts as a go-to source for key stakeholders including consumers, regulators, policy makers, media and NGOs. In 2017, the team made important strides in educating stakeholders about the industry's commitment to safe and innovative products and its contributions to the economic and social well-being of our nation.

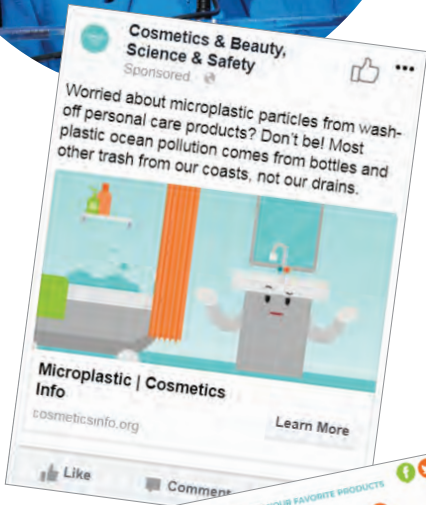
Engaged with a variety of national, international, local and trade print, broadcast and online news outlets around complex issues including, product and ingredient safety, cosmetics regulation, and environmental impact. The team actively sought opportunities to provide industry's perspective on key issues and secured media placement in important news coverage.

Enhanced Cosmeticsinfo.org, the industry's science and safety website, to ensure priority issues and ingredients are addressed and made available in a timely manner. The site garnered more than 1.7 million sessions, from 1.3 million+ users, who turned to the site for critical information about the products they trust and purchase for their families.

Secured a coveted speaking engagement for industry at SXSW 2018 in Austin, TX. Staff will use this as an opportunity to educate key stakeholders about the industry's scientific rigor when developing its products.

Launched a national digital media campaign to help engage with key audiences on the issue of microbeads and microplastics.

Garnered 3.4 million impressions through a Facebook campaign to help educate consumers about the industry's commitment to the environment.



LOOK GOOD FEEL BETTER FOUNDATION



look good **feel better**
foundation
of the Personal Care Products Council

Completed a re-branding in January 2017, changing its name and brand image to the Look Good Feel Better Foundation, with a tag line “of the Personal Care Products Council.” The re-branding creates improved recognition and alignment with the Foundation’s charitable mission and 25-country global affiliate network.

Partnered with Lord & Taylor for its all-store Charity Day. The event, supported by Look Good Feel Better volunteers representing the program in numerous stores, helped to educate consumers and Lord & Taylor sales associates about the charitable work of the program, sold 60,000 savings passes to directly benefit Look Good Feel Better, and earned more than 150 million traditional and social media impressions that included Look Good Feel Better information.

Executed Look Good Feel Better Week (April 23-29) beginning with the launch of the “More Than Makeup” (#MoreThanMakeup) campaign. The campaign increased engagement on Look Good Feel Better’s social platforms by more than 670%, and earned more than 95 million traditional and social media impressions.

Executed the sixth Look Good Feel Better Global Affiliate International Executive Director’s Meeting in London, in partnership with the LGFB UK affiliate. The meeting brought together representatives from 20 of the 25 global affiliates for two days of learning and sharing on subjects such as stronger global alignment, sharing of best practices in program implementation, volunteer management and increased engagement of thought leadership across the oncology and beauty communities.

Kicked-off the second Look Good Feel Better online charity auction in partnership with Charitybuzz during Look Good Feel Better Week. The auction raised funds and awareness for Look Good Feel Better, earning more than 210 million traditional and social media impressions that helped to educate consumers about the program.

Partnered with Benefit Cosmetics and their Bold Is Beautiful campaign. Supporting empowerment of women and girls, the initiative donated the proceeds of brow waxing services at Benefit boutiques and their retail partners (ULTA, JC Penney, BELK, Macys) to six charities, including Look Good Feel Better. Consumers were educated about the charitable partners in stores, online and through more than 120 million social media impressions during the month of May alone.



Above: Look Good Feel Better for Teens ambassador Caly Bevier.

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December 2017*



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