

31th Winter Seminar Champfèr 2013

The Engadin Cosmetic Marathon Part II (January 27-31)



Mountain view from the hotel

The seminar continued on Tuesday afternoon and started with a subject that is not often touched in this detail. *Dr. Thilo Poth* – Gaba International AG presented his subject »Active Ingredients for Halitosis Management«.

Halitosis or bad breath occurs when noticeably unpleasant odors are exhaled whilst breathing.

About 25 % of the population is occasionally affected and around 5 % are severe sufferers. In more than 90 % of the reported cases halitosis originates in the oral cavity and is mostly associated with an excessive bacterial growth on the tongue. Fewer cases are linked to periodontitis and even less to non-oral conditions. Through their catabolism the involved gram-negative anaerobic bacteria generate mal odorous volatile sulfur compounds (VSC) by cleaving sulfur containing amino acids. The VSCs are eventually exhaled and are accountable for the oral malodor.

Models have been developed to investigate the clinical efficacy of specialized products and put it in guidelines. In such studies

the breath of subjects is smelled by trained panels of people that have been calibrated to grade oral malodor according to a standardized scale and in most studies exhaled air is additionally analyzed for VSCs by analytical devices. Numerous studies have shown that products combining actives with different modes of action are among the most effective ones.

In a typical example of such a study a mouth rinse that contains amine fluoride/stannous fluoride, zinc lactate and a mal odor inhibiting flavor yielded an overnight reduction of VSC concentrations by 59 %. A chlorhexidine containing positive control rinse led to a similar reduction. Studies have further shown that tongue cleaning has a halitosis reducing effect on its own but that the combined use with other products has additional beneficial effects.

The afternoon continued with *Dr. Frank Grossmann* – Ophan-Biotec-Foundation who introduced us into a world of an almost forgotten pharmaceutical part. He presented »Social Business for rare Diseases. How suitable Business goes together with Pharma«.

There are over 7000 different types of Rare Diseases many of which are not considered so uncommon. Together Rare Diseases are not rare, because more than 230 million people worldwide suffer from it. These individuals with a Rare Disease constitute a neglected group of patients living with major health problems and social discrimination in modern developed countries. That 75% of these individuals are children makes it even more imperative that we act for them and their families. They have to live with a strong social disadvantage due to their lack of networks, unreliable knowledge about their disease and limited, highly expensive treatment options.

The cost-benefit ratio is an important measurement of our over-inflated healthcare sector. Creating new and costly innovations only exacerbates this problem. Complex problems need creative, innovative and well thought through solutions. Success measurements need to be redefined.

Patients were not previously consulted or considered in the actual therapy processes. The patient was a 'good patient' as long as he was passive and faithfully

consumed his medications as instructed. Rare Diseases are missing these therapies and networks. Affected people have begun to organize themselves and change the status quo from that of passive to active engagement and action. Because patients can do much more than just follow doctors orders. They are all mobilized, committed and interested stakeholders in understanding their own health situation and in addition helping to improve cost savings. The patient's passive approach to receiving is transformed into a proactive self engagement.

If we succeed in generating economic activity with social needs and connecting the needs of the customer, we create a successful symbiosis within the principle of »Creating Shared Value«. Companies can create economic value while creating societal value by redefining productivity in the value chain, reconsidering markets and products by building and supporting business clusters.

The last presentation of this afternoon was held by *Dr. Joachim Blank* – COO AC Serendip AG with an important subject however totally different to the previous lecture: »Mixing and Dispersing«.

In the center of the production process mixing and dispersing specifically for skin creams and lotions is found in the cosmetic industry. The constantly growing quality demand for cosmetic products is challenging formulators and production people to the same extend.

Challenges are for example the start of a new modern, big and efficient production plant. The transfer of existing formulations to a new plant and its technology is not always simple. The same problem might be the full use of the new technological possibilities.

Creeping and therefore barely detectable changes are also a challenge. During the years companies are arranging themselves with compromises and provisions and produce under apparently stable conditions. In practice it can be often noticed that sound knowledge at the device between machine supplier and machine user is missing.

A major part of emulsions is still produced in a hot/cold process. Therefore heating and cooling conditions and the control of heat flows are important. Once created, heat quantities should be recycled by heat exchangers. The incorporation and coupling of the buildings climate control would be ideal which is quite difficult for existing buildings and plants.

Between laboratory scale and a production tank huge differences occur during mixing and stirring. The determined transfer from laboratory scale to production scale is essential for a safe and fast transfer to the required production scale. A targeted up-scaling reduces the risk of unusable batches.



Beata Hurst in the audience

After a long day with very different subjects the second day of the winter seminar ended. Wednesday started with marketing presentations. *Mrs. Renate Bötschi* – !NOW Werbeagentur AG presented her subject »Superior Winner of the Sales-Marathon with the right Packaging Design« with an interesting example. Packaging Design – from a misunderstood art object to an artistic »culture shock«: parade example.

1962 *Andy Warhol* had his first single exhibition with Campbell's Soup Cans as artist in *Walter Hopps'* Ferus Gallery in Los Angeles. There were 32 almost identical pictures: the soup-cans were available in 32 different flavors. The pictures raised total misunderstanding and found only 5 buyers. One of them was the actor *Dennis Hopper*,

and another was *Donald Factor*, a later part bequest of the Max-Factor-Concern. From one of the gallery owners *Warhol* got \$ 1000 for the 32 pictures after the exhibition under the pretense to keep the ensemble together. 1996 they were sold to the Museum of Modern Art in New York City for 15 Million Dollar.

For many customers it was a kind of »culture shock«. Since the food concern Campbell Soup Company is selling its products as global player worldwide, juices and soups inclusive packaging are adopted to the local taste. However, the worldwide call of the *Warhol* transfer is still resonating a little. Therefore: Packaging Design as elementary part of trade mark communication has – as

every communication – a sender with intentions (strategic trade mark maker) and a receiver with demands (the target customers/consumers).

The next subject is directing our attention to the natural cosmetics market. *Ms. Elfriede Dambacher* – Naturkosmetik Konzpte presented her subject with the title »Natural Cosmetic – Milestones of the green Cosmetics Market, how a growing Market with Future Perspective developed from a Countermotion«.

Cosmetics quickly developed after the Second World War and through almost endless possibilities of the chemical industry. Only after the report of the Club of Rome in the nineteen sixties (Limitedness of Re-

sources) and the rising green movement it began to change a little.

Natural cosmetics of today's character started at the beginning of the 20. Century with the founding of Weleda. *Annemarie Lindner*, the founder of Annemarie Börlind developed her own formulations and offered the first products in the nineteen sixties exclusively in health shops. In the nineteen seventies new company ideas developed in the spirit of the green movement. Furore made *Anita Roddick* in the nineteen eighties with her Body Shop Concept.

Long ago the natural cosmetics grew out of the green movement milieu and arrived in the center of the society. However it needed a long time until natural cosmetics reached all distribution ways. The increasing environmental awareness and the advancing acceptance brought new challenges. The lack of animal tests alone did not make a natural cosmetic product. Therefore the market began to establish rules for itself. In 2001 the first certificate for natural cosmetics has been presented to the public by BDIH. One year later the natural cosmetics association COSMEBIO was founded.

The first decade of the new millennium was the golden decade of natural cosmetics. The LOHAS as modern eco-social movement combined indulgence and environmentalism together without the dogmatic of the nineteen eighties. Natural cosmetics were allowed to be luxurious!

Taking the development of the last three decades into account the innovation power of the segment, mainly existing of middle to small companies, is causing respect. Step-by-step almost every trade group was developed. Long ago it became an offer-driven market from a demand-driven market. Target group specific concepts and brands are key that have to tell a real story, reliable and authentic.

The final lecture of the morning went into the area of trademark law. *Mrs. Andrea Moser* – MGB Migros-Genossenschaftsbund presented the subject »Trademark Protection«.

According to the definition of trademark law a brand is an indicator that is suitable to differentiate the different goods or services of a company from another company (protected originality sign). With the help of the trademark law brands can be protected by registration entries, creating exclusive rights and therewith protect investments in such brands.

Brands could be words, letters, numbers, illustrations, logos (so called word and design marks), three dimensional forms or combinations of such elements with each other or with colors. The requirement is that the brands are graphically presentable. Also a melody presented by notes could be protected as a trademark.

To get trademark protection for an indicator it must be registered in a trademark register as a trademark. Thereby absolute protection exclusion criteria exist that are checked by the register office and their presence would lead to the refusal of an entry. Excluded from a trademark registration are namely signs that are common property and misleading and improper signs. Before every trademark registration a legal assessment and research of an indicator is necessary to exclude the risk of a conflict.

A registration is valid to the extent of the territorial application of the respective trademark register. A registration in the trademark register of a country provides a countrywide protection. Is a protection also required abroad, bottom-up to the basic trademark a registration propped to the Madrid Protocol about the international registration of trademarks that includes most of the continental and Eastern European countries, as well as numerable Asian countries can be added. Additionally to the So-called »Madrid Protocol« an EU-wide registration of a so-called EU-Trademark complements the international registration system.

The afternoon was fully absorbed by »communication« that was presented by *Dr. Stefan Hermann Siemer* – Ambulance for New Communication with the title »The Beauty of Sustainability and the Sustainability of Beauty«.

The manifold interactions between the cosmetics beauty segment and the concept of sustainability were presented from the viewpoint of communication. In the methodology a lively presentation, talks and discussions as well as short workshops to deepen the subject with specific cases should be provided.

The content should represent the claim and the reality of a sustainable development concept. The initial situation is a world that at the same time becomes better and worse whereas economic growth is not always seen positive. Sustainable developments could be solutions and empty formula.

In the focus of the industry the diabolic relationship of cosmetics and sustainability are standing facing each other. The subject beauty is standing in close correlation in dealing with death and decline.

How can in practice the realization of sustainability being reached in a company? An organizational anchorage of the subject in companies leads to corresponding expectations of customers, employees and other stakeholders. The concept of »Social Footprint« and other areas of focus show social diversity.

Companies do have the obligation to adjust their information politics and communication regarding their own guidelines. Sustainable branding is sometimes standing between clarification and trash, between greenwashing and missionary zeal. The language world and the picture world are finally defining the look-and-feel of sustainability. The consumer has a kind of trash-desire and harmony need where the secondary virtues of sustainability and its staging are reflected.

Sustainability can be used as market driver. The differentiation und similarities between greenwashing and legal advertising for sustainability are often not obviously recognizable. A good communication facilitates the integration of stakeholder groups. It leads to the reputation setup and protection of the reputation. The communication and the image of a brand could be a contribution to a more beautiful world and esthetic dignity.

On Thursday all participants met in the afternoon for the last seminar session. The beginning was made by *Mr. Richard Haemel*, who himself more than once ran the New York Marathon. His title was therefore »The New York Marathon – an experience report«. We listened to a humoristic presentation about a long preparation phase, a run with highs and lows, charley horses and the endless lucky feel to finally reach the finish after many kilometers.

The last presentation of the 2013 Winter Seminar was held by *Mr. Eric Calmon* – Lucas Meyer Cosmetics with the title »Formulation Upgrade«.

High sensorial attractiveness and optimum efficacy of a cosmetic formulation are two main targets to seduce consumers. The challenge of a formulator is to combine well selected ingredients to reach the most »perfect« product and answer consumer expectations.

Theoretically, the most basic cosmetic emulsion would be oil and water emulsified with a synthetic emulsifier. However, its texture and its activity would not be expected to be attractive. In this way, raw material suppliers develop efficient ingredients dedicated to enhance such a formula. Functional ingredients, active ingredients and delivery systems are three different pathways to optimize a cosmetic formulation and reach innovative, effective and pleasant-to-use cosmetic products.

To enhance the sensorial attractiveness of an emulsion, the choice of the emulsifier is crucial. It influences the viscosity, the consistency, the richness and the skin feel during and after the application. Natural phospholipid-based emulsifiers provide a great benefit to emulsions due to the specific sensorial profile of phospholipids called the »Phospholipid Touch«, characterized by a cool, soft and non-greasy skin feel. This added value gives a luxurious signature to the product. Moreover, the skin-identical composition of biomimetic phospholipid-based emulsions contributes to a better skin tolerance and provides activity to the formula base such as moisturizing, restructuring and soothing properties.

Efficacy claims are one of the most obvious reasons for the consumer to select a cosmetic product. However, the promise must be respected in order to gain its loyalty. Active ingredient development

The seminar ended at this point after many interesting presentations of different cosmetic subjects. They all had one thing in common. To be successful in the corresponding areas much endurance is



Group of participants

must therefore fit to a trendy concept, an innovative mechanism and visible results. To enhance activity of active ingredients, delivery systems are efficient technical solutions by increasing their penetration. Liposomes are used for many years in this way but are quite difficult to make for non-experts.

A patented range of easy-to-use mixture enables to create home-made liposomes by only adding water. Compared to ready-to-use liposomes of the market, these mixtures allow personalization of the active ingredients with respect to the encapsulated active and its concentration.

However, in extreme conditions, sensitive membranes of liposomes can be destabilized and broken. A new and innovative delivery system developed to be more resistant against electrolytes and surfactants protects the membrane with its polysaccharide coating and reinforces its stability face to non-compatible agents. This new technology therefore allows the encapsulation of charged molecules or the increase of the carrier stability in a formula containing charged molecules or surfactants.

needed. In each of the areas one has to pass a marathon first to become a successful player.

The title of the next winter seminar is »Constant Change-At First Hand«. The title of the new seminar has a double meaning. It's the new seminar title and it is new that the seminar will take place in Davos next year. It will begin on Sunday evening January 26, 2014 with a Key-Note Speaker and it will end already on Wednesday, January 29 at noon time. The new seminar hotel is the Hotel Grisha which is not only centrally located and easy to reach by train and car but also wintersport facilities are close and can easily be reached by foot.

With a crying eye we say good bye to Champfèr that for many years was the »home« of the Winter Seminar. However, with a smiling eye we are looking forward to discover new pathways for the Seminar in Davos.

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