

Lifeway Applauds Federal Drug Administration's Steps to Reinforce that Kefir is a Dairy Product

To help curb consumer confusion, the FDA has requested comments on proposed guidelines on the use of 'milk,' 'cultured milk' and other dairy food names with plant-based products

Morton Grove, IL — October 8, 2018 — To remedy consumer confusion surrounding ingredients and nutritional benefits of both dairy and plant-based products, FDA Commissioner Scott Gottlieb, M.D., has invited comments as part of the agency's process of issuing guidance on the proper labeling of kefir, among other items, as a dairy product. In the request for information, the FDA specifically identified the misuse of kefir, the name of a dairy food, on plant-based product labels. The FDA expressed concern that plant-based products bearing the names of dairy foods are often packaged like their dairy counterparts and often sold in or adjacent to dairy displays in stores, but "may not have the same basic nature, essential characteristics, and characterizing ingredients as their dairy counterparts." In an accompanying news release, Commissioner Gottlieb stated, "consumers should be able to know at a quick glance what type of product they're purchasing for themselves and their families. Implementing clear and transparent food labels and claims is an issue I've made a high priority." The Commissioner reiterated that the FDA will issue guidance that provides greater clarity on appropriate labeling of plant-based products.

Lifeway Foods, Inc., (Nasdaq: LWAY), has been the leading U.S. supplier of kefir, a 2000 year old cultured dairy product, since 1986. The company provides this high quality probiotic product to help support the microbiome. Clear labeling standards, such as ensuring that the names of dairy foods like kefir are not used with non-dairy products and that labels fully and accurately disclose active cultures, ensure shoppers have access to the ingredient and nutrition knowledge that they need to make informed decisions about their health. Along with the delicious taste, consumers have an expectation of nutritional support from legitimate and accurately labeled kefir products. Current labeling confusion around dairy and plant-based products is a major concern for the industry.

"I am proud to report that after decades of working with the FDA and Health & Human Services, they have officially sided with us and today started the process of clarifying the proper use of dairy terms, including kefir," said Lifeway Foods CEO Julie Smolyansky. "Kefir is a 2000-year-old product with a rich, storied history and over 100 years of medical research behind it. It is one of the oldest living bacteria and, when fermented in dairy, becomes a special superfood that has survived war and famines. Kefir was considered by our ancestors to be a gift from the gods. It has stood the test of time. Kefir traveled across the ocean with my family to the United States 32 years ago when we launched Lifeway Foods. When people buy and consume kefir, they expect to get certain benefits and certain nutritional support. Over the years, we have seen a rise in faux kefir products that don't offer kefir's health and nutritional benefits. It is our obligation to protect the word and ensure that products labeled as "kefir" are authentic. We are committed to a marketplace that does not confuse consumers with fake and falsely labeled foods. I look forward to continuing to work with various regulatory arms and our industry on this important work at the FDA, and on the next step: formalizing a separate standard of identity for kefir."



Commissioner Gottlieb's statement can be found at: https://www.fda.gov/NewsEvents/Newsroom/PressAnnouncements/ucm621824.htm

The FDA's accompanying Notice can be found at:

 $\underline{https://www.federalregister.gov/documents/2018/09/28/2018-21200/use-of-the-names-of-dairy-foods-in-the-labeling-of-plant-based-products}$

About Lifeway Foods, Inc.

Lifeway Foods, Inc. (LWAY), which has been named one of Forbes' Best Small Companies, is America's leading supplier of the probiotic fermented beverage known as kefir. In addition to its line of drinkable kefir, the company also produces frozen kefir, specialty cheeses and a ProBugs line for kids. Lifeway's tart and tangy cultured dairy products are sold across the United States, Canada, Latin America and the United Kingdom. Learn how Lifeway is good for more than just you at Lifewaykefir.com.

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