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Program Offers New Mexico Herbalist Free Technical Help

By Monica Abeita, Regional Development Corporation for Northern New Mexico Connect

In the 29 years since he bought Santa Fe-based Herbs, Etc. from its founder, herbalist Daniel Gagnon has worked hard to meet demand from the more than 2,000 U.S. retailers that carry the liquid herbal extracts and herbal medicines he manufactures.

Because quality control was critical to establishing and maintaining the company's reputation, Gagnon imposed rigorous anti-microbial standards for his potions. Traditionally, Gagnon eliminated unwanted microbes by processing his herbs with water and alcohol. But in 2000, he developed a way to remove the alcohol to produce an alcohol-free product using olive oil and soft gel encapsulation.

Gagnon tested the microbial levels for his products by sending samples to independent laboratories. When what seemed like elevated microbial levels or spikes were reported, Gagnon dumped what he assumed were contaminated batches. After several spikes and product losses, Gagnon turned to the New Mexico Small Business Assistance (NMSBA) program for advice and assistance.

Created by the Legislature in 2000, NMSBA is a resource for small businesses in New Mexico that face technical challenges like Gagnon's. Through NMSBA, eligible companies are paired with experts and facilities at Los Alamos and Sandia national laboratories at no cost to the business; the state gives the labs a tax credit equal to the value of the time spent on each project, with researcher hours capped at \$20,000 for businesses in rural counties and \$10,000 for Bernalillo County-based companies.

Once approved, the business owner is matched with a lab scientist or engineer who helps with product testing and design consultation. Gagnon worked with Los Alamos National Laboratory microbiologist John Dunbar, who analyzed Gagnon's test standards and found them excessively strict. The levels of microbes in Herbs, Etc. products were well below standards set by the Food and Drug Administration and those that occur naturally in many herbs, spices, grains and other foods. High levels of benign soil bacteria, for example, sometimes occur because the extracts are derived from roots.

Dunbar advised Gagnon on an acceptable standard for microbe measurement and monitoring, and the benefits were immediate. “I feel confident in the new scientifically based standard that NMSBA helped me establish,” Gagnon said. “In addition to making my products better and safer, I have experienced a positive impact on waste control, production and cost.”

NMSBA has helped 1,876 small businesses in New Mexico obtain technical expertise through the state’s two national labs. Yet many eligible businesses aren’t aware that this help is available.

To qualify for assistance, a company must be a profit-making venture located in the state and meet the U.S. Small Business Administration definition of a small business. It must be owned and operated by a U.S. citizen and file gross receipts taxes with the state. Urban and rural enterprises are eligible.

NMSBA accepts requests for individual projects year-round; it’s not a competitive process. Those who want help fill out an online application and the labs try to match them with the appropriate person. For more information, visit to the NMSBA website (www.nmsbaprogram.org) or contact Becky Coel-Roback (505-667-1710) at Los Alamos or Genaro Montoya (505-284-0625) at Sandia.

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