



STEP 1: INTRODUCTION

What is a medicinal herb? Medicinal herbs are plants that are used for medicinal purposes. Other types of herbs include culinary herbs, used to flavor food, and aromatic herbs, used to add fragrance. Medicinal herbs cover a wide range of types of plants. They can be annuals or perennials; woody or herbaceous; sun loving or shade requiring. The parts of the plants used for medicine may be their leaves, flowers, roots, seeds or bark. What puts medicinal herbs together in a category is their use in healing. Plants have been used by humans and animals for medicine for many hundreds of years. Not surprisingly, many medicinal plants have a rich folklore associated with them. This cultural history is an important part of many communities in North Carolina and many other places. In addition to their cultural significance, medicinal herbs are important economically. Due to North Carolina's unique topography and climate, growers here have the potential to profit from the cultivation of many medicinal plant species.

What is the medicinal herb industry like? There are many players and a wide range of commercial activity within the medicinal herb industry. It is comprised of everything from multi-national corporations trading large volumes of bulk raw materials around the world, to small-town businesses making value-added herbal products for direct sale to local customers, and everything in between. For example, some of the types of companies you may find in the medicinal herb industry include:

Companies that purchase raw materials and manufacture finished herbal products

Companies that purchase raw materials and manufacture ingredients for other companies to put into finished herbal products

Companies that purchase raw materials and sell them to manufacturers (i.e., brokers)

Companies that grow their own raw materials and sell to herbal product manufacturers

Companies that grow their own raw materials, add value to them by processing them and crafting finished raw materials for distribution or direct sale.

The broad scope inherent in this industry translates into a lot of information for interested growers to understand, but it also means there are different ways for growers to get involved. With creativity and perseverance, growers and entrepreneurs of all shapes and sizes have the potential to find a niche in this marketplace.

Not only is this industry multi-faceted, but it is also incredibly dynamic. The medicinal herb market fluctuates in a way that differs from many agricultural markets. It is immature by industry standards and not as well organized as other commodities. It is also under pressure from federal agencies to ensure safe products which has many herbal product companies and regulatory agencies working together to develop standardized quality measurements and procedures. This means that it is an industry in constant flux! This can present an opportunity for a grower or herbal product entrepreneur, but it also means growers must maintain a level of flexibility that they may not have needed in other industries, for example with traditional commodity crops in North Carolina.

If you're thinking about entering the medicinal herb industry, the first thing you'll want to do is evaluate your interests, resources, and capabilities to get a sense of how you may want to get started.