

About the Functional Mushroom Council

The <u>Functional Mushroom Council</u> is a group of mushroom growers, suppliers, and brands who believe in the immense potential—and the urgent need—for a unified voice in the rapidly expanding functional mushroom industry in North America. The Council anchors a community of growers, ingredient suppliers, and functional-mushroom brands committed to collectively advancing the sector.

The Council was founded by industry leaders such as Fungi Perfect, M2 Ingredients, Monterey Mushrooms, Aloha Medicinals and Far West Fungi in 2024. These founding growers, with deep expertise in organic mushroom cultivation and sustainable practices, came together to form a coalition dedicated to pushing the boundaries of scientific inquiry, market education, and industry integrity across North America.

At its core, the Functional Mushroom Council's mission is threefold:

- To foster rigorous research that illuminates the benefits of functional mushrooms
- To educate the public and industry on their health and wellness potential
- And to support the success of growers, suppliers, and brands throughout North America.

The Council represents a uniquely strong base of North American growers who are often vertically integrated—cultivating, processing, and supplying ingredients that power some of the world's most innovative and trusted brands. By leading with science, quality, and collaboration, the Council aims to elevate the role of functional mushrooms in food, beverage, and wellness.

Some of the earliest written records of functional mushrooms date back as the Han Dynasty (202 BC – 220 AD) in China. While uses for more medicinal mushrooms go back more than a millennium in China, functional mushrooms have only begun becoming a household name in the U.S. in recent years. The pace of growth in the functional mushroom space is nothing short of spectacular. In 2023, the North American functional mushroom supplements market was estimated at approximately \$541 million, and it is projected to grow at a compound annual growth rate (CAGR) of ~15% through 2030, expecting to reach \$1.41 billion. Meanwhile, the broader North American functional mushroom market (including ingredients and food & beverage as well as supplements) accounted for over \$5.4 billion in 2023, with analysts projecting ~11.8 % CAGR through 2030. Functional mushroom–infused foods and drinks have seen U.S. sales surge more than 450% since 2021 with consumer demand driving immense innovation and more widespread adoption.

This growth is fueled by the strength of North American cultivators, like those in the Functional Mushroom Council. Until recently, nearly 90% of functional mushrooms



that were consumed in the U.S. came from overseas, but now, thanks to the incredible growth in the North American Mushroom market, nearly 50% of all functional mushrooms used in the U.S. are grown domestically. No longer dependent on imported ingredients, brands that use functional mushrooms can now source high-quality, organically grown functional mushrooms directly from domestic growers. These vertically integrated operations ensure consistency and transparency – which is rare with international growers – and foster innovation.

The Functional Mushroom Council plays a critical role in helping the world's leading functional food, beverage, and supplement brands by bringing mushroom science and products to consumers. The Functional Mushroom Council is the champion in this thriving ecosystem, where growers and brands together are building the future of functional health in North America.