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Local News

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Success Stories Deseret Laboratories builds reputation of quality

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ST. GEORGE -- In this laboratory of stainless steel machinery and white lab coats, thousands of nutritional supplements and pharmaceutical products come through production lines each day.

Across the street from Deseret Laboratories International's production facility, you can still see the ribbons of white gypsum rock that started it all, though the mineral is no longer used in the company's products. The products have evolved into a broad range of tablets, capsules and bulk powders made for the food, nutrition and pharmaceutical industries.

While Deseret Laboratories does not have any local customers -- 70 percent of its products are sold overseas -- the locally-owned company has 245 employees, including Ph.D.s, chemists, a microbiologist and lab technicians.

The company was founded by St. George attorney Scott Gubler who, in 1983, refiled a claim on 1,500 acres of gypsum south of St. George. Gubler's grandfather,



Nick Adams / The Spectrum

An equipment operator stands at a terminal inside a room where materials are granulated, part of the process of making tablets for pharmaceuticals and nutritional supplements at Deseret Laboratories.

Deseret Laboratories

Founders: President and CEO Scott Gubler, vice president Mark Gubler

Year: 1983

Employees: 245

About this Feature

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a prospector by hobby, had previously laid claim to the mineral, but the claim had expired.

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Gubler and his brother, businessman Mark Gubler, began looking for ways to use the gypsum, a calcium-rich mineral, in a cost-effective way.

With 96 percent pure calcium content, the gypsum could be used as a filler in calcium-fortified foods and pharmaceutical tablets, executive vice president Mark Gubler said. In aspirin, for example, gypsum was sometimes granulated and used as a filler.

In the process of looking for users, the brothers partnered with a pharmacy company in the eastern United States to granulate and compress gypsum into tablets. By 1989, Deseret Laboratories had 6 employees working out of a warehouse on Industrial Road with a single piece of used machinery.

Soon, the company began using the same granulating process with other calcium sources such as calcium carbonate and oyster shells. Gradually they expanded their scope, taking the tablets through the coating and encapsulating process.

In 1991, the company moved to a 30,000 square foot building in Fort Pierce Industrial Park. Since then, they have added on eight times and now the facility stretches 120,000 square feet.

Now, Deseret Laboratories takes most of its products from raw minerals through the packaging process.

The vertical integration goes all the way down to the company making its own equipment, which it also sells to other companies. Deseret Laboratories recently sold its fluid-bed granulator to a lab outside of Shanghai, China.

Very few companies are vertically integrated the way Deseret Laboratories is, Gubler said. He said most of its competitors do only a part of what they do.

The company has about 30 major customers with recognizable labels, although the multi-level and private-label companies that market the products ask that DLI not disclose their names, Gubler said

"We credit our success to being surrounded with good people," he said.

Those people include employees who have to be flexible and skilled enough to change the manufacturing process every day, for example, from vitamin E tablets to a tooth-whitening tablet. Tablets come in a variety of shapes, including pentagons, squares, modified ovals and animal-shapes. Some are chewable and some are hard. Each day, machines have to be cleaned and stamps and dyes adjusted for the exact and intricate process of making a multi-vitamin or other product.

In a nutritional supplement, there might be 40 or 50 different ingredients in one tablet, Gubler said. Pharmaceutical products usually have only one active ingredient.

Employees also must ensure that every tablet meets the label claims. Each must be tested for potency, mineral content, weight and thickness. The tablets

have to be hard enough to endure travel without losing more than one percent of their mass, while at the same time they have to be soluble in the body.


The company is also frequently engineering new products, he said. Right now chemists are working on a treatment for ulcers.

About 90 percent of the company's products are nutraceutical, the other 10 percent are over-the-counter drugs, Gubler said.

"Our goal is to be a major player in the over-the-counter market," he said.

Another component of Deseret Laboratories' success, he said, has been avoiding debt by investing most of its money back into the business.

In a small market, with probably 20 major competitors, the company's biggest market ally is word-of-mouth, he said, and building a reputation of quality.

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