

10 Key Factors to Consider When Choosing a Capsule Supplement Manufacturing Company



By Rick Handel

Capsules account for 10.2% of all supplement dosage forms. What's more, the year-over-year dollar share for both **gelatin and vegan capsules** has increased by 2% and 3.3%, respectively.¹

Based on this data, capsules are clearly a preferred supplement delivery format for many consumers. They offer convenience, precise dosing, and excellent protection for sensitive ingredients.

However, just because many manufacturers use the same source for empty capsules, don't assume that the choice of capsule manufacturing partner doesn't matter. On the contrary, it matters a great deal. In fact, the **capsule manufacturing company** (i.e., *contract manufacturer of dietary supplements*) you choose can significantly impact your product quality, regulatory compliance, brand reputation, and ultimately, the success of your business.

In this article, we'll explore 10 essential factors to consider when selecting a **capsule supplement manufacturing company**.

What Does a Capsule Supplement Manufacturer Do?

A capsule supplement manufacturer manages every stage of producing an encapsulated dietary supplement for your brand. This process includes:

- Formulation development
- Sourcing and testing raw materials
- Bench-scale testing
- Full-scale production
- Packaging
- Final product testing

To ensure precise dosing, raw materials must be carefully weighed using calibrated scales, then uniformly blended in a commercial mixer. The blended powder is loaded into the hopper of an encapsulation machine, which precisely fills each capsule to meet specified dosage requirements.

Partnering with an experienced manufacturer that properly maintains its equipment and adheres to current Good Manufacturing Practices (cGMPs) is vital for ensuring consistency, safety, and quality at every stage of the **capsule manufacturing process**. The finished result is a custom dietary supplement you'll be proud to put your brand name on and bring to the market.

Factors to Consider When Choosing a Capsule Supplement Manufacturing Company

As mentioned earlier, selecting the right capsule supplement manufacturing company is a critical decision that can directly affect the quality and success of your product.

To make an informed choice, consider these 10 key factors:

1. Regulatory Compliance and Certifications
2. Quality Control and Testing Standards
3. Customization Options in Supplement Manufacturing
4. Formulation Support
5. Production Capacity and Scalability
6. Lead Times and Production Efficiency
7. Cost-Effectiveness and Pricing Transparency
8. Packaging and Labeling Services
9. Communication and Support
10. Reputation and Client Reviews

Regulatory Compliance and Certifications

Regulatory compliance is essential to avoid issues with the FDA and FTC when marketing encapsulated dietary supplements. It begins with adherence to current cGMPs, which is typically validated through FDA inspection. Additionally, independent GMP certification is awarded after a successful cGMP audit is conducted by a reputable third-party organization, such as NSF.

Some manufacturers go a step further by obtaining NSF Certified for Sport certification, which provides additional assurance that products are free from banned substances.

Depending on your target audience and brand positioning, you may also want to confirm that your capsule supplement manufacturer has additional certifications, such as:

- **Halal certification**
- **Kosher certification**
- **Certified Organic**
- **FSSC 22000**, a globally recognized food safety standard, is less common in the supplement industry, but a strong differentiator.

These certifications not only provide peace of mind regarding regulatory compliance but can also enhance your brand's credibility and give your products a competitive edge in the marketplace.

Be sure to check with your contract manufacturer to see which certifications they currently hold and how often they are audited.

Quality Control and Testing Standards

Quality control is inseparable from regulatory compliance, and it should never be compromised. Your brand's reputation depends on it.

As the saying goes, *"You don't get a second chance to make a first impression."* The same holds true for supplements. If a customer has a negative experience with your product, whether due to poor quality, inconsistent dosing, or contamination, they're unlikely to buy it again. Worse, they may leave a negative review that damages your brand.

To avoid this, ensure your contract capsule supplement manufacturer follows strict quality control and testing standards. One of the most important tools you can request is a Certificate of Analysis (COA) for each batch of your product.

A COA provides detailed information on:

- **Form and potency** of each active ingredient.
- **Safety testing** for contaminants such as heavy metals, yeast, mold, pathogens, and other microbiological agents.
- **Testing methods** are used for verification, ensuring they meet industry standards.

When the COA aligns with the product specifications you originally submitted, it's a strong indication that the product meets your quality requirements. In addition to reviewing the COA, always inspect the finished product to ensure the capsules and packaging meet your brand's standards for appearance and consistency.

Ultimately, quality is not just a compliance requirement, it's a cornerstone of building consumer trust and long-term brand success.

Customization Options in Supplement Manufacturing

One key advantage of working with a contract development and manufacturing organization (CDMO), as opposed to a white-label or private-label manufacturer, is the ability to fully customize your product. A CDMO gives you the flexibility to select specific ingredient forms, include unique combinations of nutraceuticals, adjust dosages, and even use specialized capsule types, such as delayed-release capsules for targeted delivery and protection from stomach acid for sensitive nutrients.

Customization extends beyond the formulation of your product. You can also tailor your packaging to reflect your brand identity and enhance shelf appeal. Whether you want a matte-finish bottle with post-consumer recycled content, convenient and portable blister cards, multi-supplement packets, or a label with rounded corners and a custom finish, a CDMO can help you bring that vision to life.

These custom options not only allow you to differentiate your product in a crowded market but can also enhance efficacy and improve the overall consumer experience.

Formulation Support

If you own a startup brand or don't have an experienced formulator on staff, you will find that formulating a high-quality capsule supplement can be quite challenging. Even if you're knowledgeable about nutraceuticals, critical technical details can derail your formulation if not properly managed.

For example, certain ingredients may not be suitable for encapsulation, or you might select the wrong form or dose of a compound. Some combinations may be chemically incompatible or lead to stability issues. Others may not meet regulatory or substantiation standards for claims. These are common and costly pitfalls for those without formulation expertise.

That's why you must work with a CDMO that offers in-house **formulation design services**. An experienced formulator can help you create a well-balanced, stable, and effective product, ensuring it meets regulatory requirements and consumer expectations.

Having expert guidance at this stage significantly increases your chances of launching a successful and competitive supplement.

Production Capacity and Scalability

Production capacity and scalability may not be top of mind when you're starting out, but they should be. If your initial product run is successful and sells out quickly, you'll likely want to place a second, larger purchase order (PO) immediately. In that moment, your CDMO's ability to scale production becomes critical.

Not all manufacturers are equipped to handle a rapid increase in volume. For instance, if you chose a CDMO based primarily on its low minimum order quantity (MOQ), it may be a smaller operation with limited equipment or staff. This could create bottlenecks when you need a faster turnaround or a significantly larger production run.

Discuss scalability with your CDMO from the outset to avoid delays and missed opportunities. Ask about their facility size, number and variety of production lines, staffing levels, and how quickly they can ramp up to meet growing demand. Planning for success means ensuring your manufacturer can grow with you.

Lead Times and Production Efficiency

Avoiding supply chain disruptions is essential for maintaining product availability and protecting your brand's reputation. Stockouts can lead to lost revenue, dissatisfied customers, and missed growth opportunities. One of the most effective ways to mitigate this risk is to ensure your CDMO has multiple, reliable sources for both raw materials (e.g., nutraceuticals and excipients) and packaging components (e.g., bottles, caps, lids). This ensures that if one supplier experiences a shortage or delay, an alternate supplier can step in—minimizing production interruptions.

*If you're interested in learning how to build a strong **nutraceutical supply chain strategy**, our Chief Supply Chain Officer, Thomas Ullrich, shared his expert strategies and practical insights in his latest blog article.*

The most common cause of supply chain delays is raw material transit time. While some ingredients may arrive within days, others, particularly those sourced internationally, can take 6 to 8 weeks or longer. That's why effective demand planning is key. By forecasting your needs and placing purchase orders early, you give your CDMO adequate time to source, receive, and schedule your production run.

To streamline your fulfillment process, choose a CDMO that provides real-time order tracking for finished product shipments. Knowing who is handling your delivery (e.g., FedEx, UPS, USPS, DHL) and being able to monitor your order status at every step allows for better inventory planning and customer communication.

Cost-Effectiveness and Pricing Transparency

Before committing to a contract manufacturing partner, it's essential to have a clear understanding of all associated costs. Speak directly with your account manager to review the full scope of charges—this includes formulation, raw materials, manufacturing, packaging, labeling, testing, and shipping. Be sure to ask about any hidden fees that may be outlined in production agreements to avoid unexpected expenses down the line.

One important cost consideration is there are different types of capsules that can be used when creating a product. Two of the more popular options are vegan capsules and gelatin capsules.

Vegan capsules are made from *hypromellose*, a form of plant cellulose. Vegan capsules are generally more expensive than gelatin capsules, though the difference is often modest. Given increasing consumer preference for plant-based options, the added cost may be well worth it for your target market.

Also, pay attention to minimum order quantities (MOQs). While smaller CDMOs may offer lower MOQs, which can be appealing to start-up supplement brand owners, this often comes with a higher cost per unit. Conversely, larger **supplement contract manufacturers** may require higher MOQs but typically provide more competitive pricing per unit.

To make the best long-term decision for your brand, weigh both short-term affordability and long-term scalability when evaluating cost structures across different CDMOs.

Packaging and Labeling Services

Packaging plays a crucial role in capturing consumer attention and influencing purchasing decisions. Whether you're focused on creating an attractive, distinctive look or aligning with sustainability trends, the right packaging strategy can set your product apart. However, it's important to balance these goals with cost considerations.

If you're exploring custom bottle shapes, folding cartons or container designs, be sure to confirm that they are compatible with automated packaging lines. Containers that can't be run through standard automation may require hand-filling—significantly increasing labor costs and production time.

Another key consideration is your distribution strategy. If you plan to sell through big box retailers or grocery chains, be aware that these outlets often prefer standardized, space-efficient packaging. Unusually shaped bottles or cartons that take up excess shelf space may be rejected or not prominently featured, which can affect your sales. In this case, less is more—sleek, practical packaging can improve both retail acceptance and logistical efficiency.

Sustainable packaging, such as materials made from recycled or biodegradable sources, continues to gain popularity due to growing consumer concern for the environment. While these materials may cost more, the price difference is often modest and can add meaningful value to your brand.

A smart middle ground is to use standard containers that are compatible with automated packaging lines, and enhance the product's visual appeal through distinctive, high-quality graphics or color-keyed caps. This strategy maintains production efficiency while still delivering strong shelf presence and brand differentiation.

An experienced CDMO can help you evaluate packaging options that balance visual appeal, sustainability, and cost-efficiency without compromising scalability.

Communication and Support

Effective communication with your CDMO is crucial for a smooth manufacturing process, from initial planning to final product delivery. One of the first things to confirm is whether your CDMO will assign you a dedicated point of contact (i.e., an account manager). Having a go-to person familiar with your project streamlines communication and helps prevent missteps.

It's also wise to confirm there's a backup contact available in case your primary representative is temporarily unavailable due to vacation, illness, or other circumstances. This ensures continuity and avoids unnecessary delays.

A reliable CDMO should provide regular updates, respond to inquiries in a timely manner, and offer full transparency regarding production status. In doing so, it allows you to respond quickly to any decisions that may need to be made, thereby avoiding delays.

Reputation and Client Reviews

When selecting a CDMO, verifying their credibility is a vital step before entering into a partnership. One of the most straightforward ways to gauge a manufacturer's reliability is by reviewing client feedback and testimonials. A strong majority of positive reviews generally indicate the CDMO delivers consistent quality and dependable service.

However, it's also wise to approach review platforms with a critical eye. Be cautious if a CDMO has nothing but perfect, glowing reviews. This could suggest that negative reviews are being filtered out—or, in some cases, that a portion of the positive reviews may be fabricated by employees, external partners, etc.

Instead, look for CDMOs with a balanced mix of reviews. Pay particular attention to the negative feedback. Did the company respond? If so, how quickly and professionally did they handle the situation? Put yourself in the reviewer's position and ask, *"Would I have been satisfied with that response?"*

How a company handles criticism says a lot about its customer service philosophy—and that's just as important as their production capabilities.

If you have colleagues or contacts in the dietary supplement industry, seek out their opinions, too. Industry word-of-mouth is often one of the most accurate measures of a CDMO's reputation.

During your due diligence, stay alert for potential red flags. Evaluate how transparent and communicative the company is during early conversations. Check the FDA's website for any history of warning letters, inspections, or compliance issues. If you're able to tour the facility, look for signs of outdated equipment or poor maintenance.

Finally, consider asking trusted contacts whether the CDMO has shown any signs of financial instability. A stable, reputable manufacturing partner is essential for long-term success.

Concluding Thoughts

Whether you're a newcomer to the industry or aiming to diversify your product range, choosing the right capsule manufacturing company is critical to the success of your brand. This article outlined 10 key factors to consider when evaluating a capsule supplement manufacturing partner.

From regulatory compliance and quality control to formulation support, scalability, and lead times, each element plays a vital role in ensuring your product is safe, effective, and ready to be brought to the market. Customization options, including capsule type, dosage, and packaging, allow for differentiation and brand appeal, while transparent pricing and strong communication prevent costly surprises. Reputation is another crucial factor—credible CDMOs should have a mix of honest reviews and a clear track record of regulatory compliance.

Ultimately, working with a reliable, experienced CDMO helps streamline production, reduce risk, and deliver supplements intended to *exceed* consumer expectations and industry standards.

Vitaquest is a Best-in-class Capsule Supplement Manufacturer

Vitaquest is a CDMO that has provided supplement brands with exceptional supplement research and development, capsule manufacturing, **packaging design**, **powder and particle engineering services** using fluid bed, oscillation, and roller compaction technologies, and **fulfillment solutions** for over 45 years.

Our team possesses the expertise, cutting-edge facilities, and solutions needed to swiftly and effectively turn your encapsulated supplement concept into reality. In addition to capsules, Vitaquest offers a variety of other dosage forms, including **tablets**, chewable tablets, oral disintegrating tablets (OTD), effervescent and **powders**. Furthermore, you'll receive an exceptional level of customer support.

Vitaquest also has expertise in domestic and international regulatory standards, as well as sustainability practices. Sourcing sustainable ingredients and using eco-friendly manufacturing processes can enhance brand appeal. Our FDA cGMP compliance – as well as third-party GMP certification from NSF, USP and others – assures brand owners and consumers that we meet industry regulations and standards. Likewise, our ability to offer Kosher, Halal, and certified organic products, and FSSC 22000 certification for food safety are relevant certifications for manufacturing excellence.

Are you ready to learn more about our best-in-class capsule supplement manufacturing capabilities? If so, call 800-526-9095 to speak with one of our knowledgeable sales executives or request a **nutraceutical manufacturing quote if you've already finalized your project requirements!**

Frequently Asked Questions About Choosing a Capsule Manufacturing Company

Q: What are the common problems encountered during manufacturing of capsules?

The most common problem encountered during the manufacturing of capsules is ensuring that the precise dose of blended raw materials is provided in each capsule. For this reason, it is important for a brand owner to work with an experienced manufacturer who maintains their equipment and follows current good manufacturing practices (cGMPs) to ensure proper dose filling of capsules.

Q: How do I choose a capsule size?

This is not as difficult to do as it might seem at first. Essentially, you choose the capsule size that will fit the materials in your supplement formulation. It is best to consult with a CDMO such as Vitaquest who can help you to choose the best capsule size for your formulation.

Q: What is the most popular size capsule?

In general, a 00-size capsule is the most popular, especially for herbal products, but a 0-sized size is a close second in the dietary supplement industry.

About Rick Handel, Senior Vice President of Commercial Operations

Rick Handel is a 50-year veteran of the nutraceutical industry, with a strong background in formulation, R&D and GMP manufacturing of dietary supplements. Rick is celebrating 30 years with industry-leading supplement manufacturer Vitaquest International, where he currently serves as Senior Vice President of Commercial Operations. In that capacity, Rick is responsible for driving sales and innovation by identifying and developing new strategies, business opportunities, science-backed ingredients, and novel delivery technologies. Rick holds eight patents and has presented his published scientific papers and studies at conferences around the world.



References

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