



new

THE WELLNESS REVOLUTION

How to Make a FORTUNE in the Next
TRILLION DOLLAR INDUSTRY

PAUL ZANE PILZER

Author of the New York Times Bestsellers God Wants You to Be Rich and Unlimited Wealth

revised and expanded

The New Wellness Revolution

Second Edition

**How to Make A Fortune
in the Next Trillion Dollar Industry**

PAUL ZANE PILZER



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The Revolution Continues

What's New in *The New Wellness Revolution*

The *Wellness Revolution* (Wiley, 2002) was the “shot heard round the world” for the wellness industry. It defined wellness as an industry—linking hundreds of thousands of disparate service and product suppliers with a single cause. It showed like-minded scientists, fitness providers, businesspeople, food manufacturers, restaurant owners, wellness product distributors, doctors, and others focused on disease prevention and anti-aging that they were part of a worldwide revolution—not just lone iconoclasts inside their chosen profession or industry.

Following the publication of *The Wellness Revolution*, I was called the “economist turned wellness guru” by the *New York Times*. I received an honorary doctorate for the role played by the book in helping Congress pass Health Savings Accounts (HSAs) and other healthcare financial reforms—reforms that now allow wellness-oriented consumers to save money on their health insurance and finance their wellness. And my book was published in 12 languages and became the focal point for an international wellness community—thousands of people contacted me to share their wellness experiences and/or to tell me about new business opportunities in this exciting, soon-to-be \$1 trillion industry.

As a restless writer and economist, I’ve always preferred to move on to new frontiers after each book or project. But in this case, my publisher and editor convinced me to write this revised edition, because so much has happened in wellness in the past five years. Some of these events happened as I predicted, and some I missed back in 2002.

The Wellness Revolution foresaw the meteoric rise of wellness from \$200 billion in 2002 to \$500 billion today, and that Health Savings

Accounts (HSAs), which began in South Africa and were spreading worldwide, would soon become universally allowed for U.S. citizens. However, I missed how quickly governments around the world would embrace wellness food standards, and I miscalculated the voluntary conversion of many sickness and food industry providers (including, to some extent, McDonald's and Wal-Mart) to wellness and healthy food offerings. I also missed the extent to which the bifurcation of the United States and the other developed nations would continue into wellness "haves" and "have-nots." While millions of people embraced wellness during the past five years, millions more turned the opposite direction—the percentage of overweight Americans alone rose from 61 to 65 percent and the increase in diet-related diseases like Type 2 diabetes now make the United States look medically like a third world nation.

These trends have kept us on track to meet or exceed my original \$1 trillion prediction for the wellness industry, and have greatly accelerated the need and opportunity for more wellness entrepreneurs.

Sir Isaac Newton said, "If I have seen further than others it is by standing on the shoulders of giants."¹ Since I began tracking the wellness industry back in 1996, my giants have been the wellness revolutionaries I first began profiling in *The Wellness Revolution*—men and women pioneers in wellness who had already made a major difference by 2002. People like:

- Frank Yanowitz, the wellness cardiologist who created a business specializing in preventing heart disease versus just treating it;
- Jill Kinney, the fitness expert who built a \$100 million fitness club business that delivers exercise at the workplace; and
- Steve Demos, the "soy wonder" who founded SILK soymilk and assembled the first billion dollar national wellness brand.

Their stories, along with an update on where they are today, are in *The New Wellness Revolution*.

But, equally significant, since 2002 I have become aware of hundreds more wellness revolutionaries—people who have also made a difference in the wellness industry, and in doing so, have greatly enriched our world. Some of these wellness revolutionaries include:

- Peter and Kathie Davis, cofounders of IDEA and ACE, who organized 20,000 fitness professionals into a cohesive international force that brought professionalism, standards, and accreditation to the fitness industry;
- Information pioneers like Tod Cooperman and Joseph Mercola, who built enormous web-based businesses by simply supplying wellness information to tens of millions of consumers worldwide;
- Chiropractors like Fabrizio Mancini and Bob Hoffman who, along with other leaders in this 100-year-old international profession, are returning the chiropractic industry back to its wellness origins;
- Entrepreneurs like Patrick Gentempo, who are using the franchise and distribution methods of fast-food companies to build national wellness franchise businesses;
- Medical doctors who are trying to put themselves out of business, like Russ Reiss, a heart surgeon who seeks to eliminate the need for heart surgery through stem cell research; and
- Nonprofit professionals like Geoff Tabin, who has taken the most popular operation in the world, a \$3,500 antiaging cataract surgery, and made it available to millions of people in the third world by using contemporary technology to reduce the price to \$20 per surgery. As the wellness revolution enters its next stage, similar opportunities to make wellness affordable to the masses, just as Henry Ford did with the automobile, are appearing in all parts of the wellness industry.

Since 2002, the list of wellness revolutionaries, my “giants,” has expanded one hundred-fold. As I stand on their collective shoulders I am able to see clearer into our wellness future. I wish I had room to tell you all of their stories, and I apologize to the many whose stories did not survive the editing process into this book.

These wellness revolutionaries are the true heroes of the wellness revolution. Whether you are an experienced wellness professional looking to grow your business, or you are reading this book in search of a new business opportunity, their stories will provide you the inspiration and the information you need to capitalize on the great opportunity ahead:

The opportunity to make an incredible fortune by doing incredible good in the greatest industry on earth—wellness.

The Next Millionaires— Wellness Entrepreneurs

If you are an entrepreneur, or are considering becoming one in wellness, there has never been a better time in history to own your own business.

When I was growing up in the 1950s, millionaires were fictional characters in television shows like *The Millionaire* or in comic strips like *Little Orphan Annie*. Nobody actually knew or saw a millionaire. Even on *The Millionaire* the “millionaire” John Beresford Tipton never appeared on camera. I remember asking my dad to go out to dinner and hearing his reply: “What do you think we are, millionaires?”

But by 1991, the amazing U.S. economy had produced 3.6 million U.S. households that had a net worth of \$1 million or more. Then, in just the next 10 years, the number of millionaire households doubled to 7.2 million. It took the U.S. economy 215 years to create the first 3.6 million millionaire households, and then just 10 years to create 3.6 million more.

As explained and predicted in my 1991 book *Unlimited Wealth*, what happened in the 1990s was the beginning of a 40-year period of international economic growth. From 1991 to 2001 U.S. household wealth tripled—from \$13 trillion to \$40 trillion—and a similar expansion occurred in every developed nation except Japan.

There have always been periods of economic growth and wealth accumulation, but in the past this often meant that the rich got richer and the ordinary person didn’t stand a chance. What was so unique about the 1990s was the enormous number of new households that shared in this wealth. But the 1990s were only the beginning:

The 1990s were the beginning of a period that will be known one day as The Democratization of Wealth, not just in the United States, but in every nation from China to Europe.

As you will see in this book, because of fundamental changes in the world economy, in technology, and in new legislation favoring the individual over the organization, we are just beginning a period of democratization of wealth that would make Karl Marx stand up and cheer. But even Marx couldn’t have fathomed what is happening today—for we are not taking from the rich and giving to the poor, we are creating new wealth in which everyone who chooses to can share.

Today, more than 10 million U.S. households have a net worth of \$1 million or more. By 2016, there will be 20 million U.S. millionaire households. Each household represents approximately 2.5 people, meaning that 50 million Americans will soon live in a household with a net worth of \$1 million or more.

Number of U.S. Millionaires, 1991–2016

	1991	2001	2006	2016 (predicted)
Number of millionaire households	3.6 million	7.2 million	10 million	20 million
Number of Americans living in a millionaire household	9 million	18 million	25 million	50 million
U.S. household wealth	\$13 trillion	\$40 trillion	\$60 trillion	\$100 trillion

Millionaires are the fastest growing minority in the United States and the developed world today.

And as you will see throughout this book, as people become millionaires, or just increase their wealth on the way to becoming one, the most important thing they desire with their newfound wealth is wellness.

The more people increase their wealth, the greater proportion of their income they spend on wellness.

Is It Nature, or Nurture?—It's Neither

One of the most fascinating parts of my research is discovering who is becoming a millionaire today—becoming a millionaire seems to have less correlation each year with your race, religion, country of origin, or even your parents or your education.

When the Forbes 400 list of the richest 400 Americans was first published in 1981, it contained 12 Rockefellers, 10 Morgans, 6 Astors, and other family names that had become synonyms for American wealth. Twenty-four years later only 40 of the original 400 (or

their children) remain on the list, and none of these family names are in the top 10. The top 10 today possess 32 percent of the total wealth of the top 400 richest Americans.

But, rather than the rich getting richer, all of the top 10 on the Forbes 400 list were born poor or middle class, and only two of the top 10 finished college. Having an Ivy League education and/or being born into great wealth may even have a negative correlation for great financial success.

Moreover, it appears that many if not most of the people on the Forbes 400 list have something else in common—a brother or sister who is as great a failure in life as they are a success.

Several recent U.S. Presidents have a degree from Yale and a brother who has been to jail (or close to it). Donald Nixon, Billy Carter, Roger Clinton, Neil Bush—none of these people were either nurtured or natured to fail, and most had the same family upbringing and educational opportunities as their successful sibling.

Achieving great success today is no longer mostly determined by the color of your skin, your country of origin, or even your individual parents. Great success is now, more than ever before in human history, about making a choice. Of course your education, your parents, and other factors outside your control play a role, but the largest determinants of success today are the choices you make.

If you have read this far, you have already made your choice—the choice to either become one of, or help create more of, the next 10 million millionaire households that will be created in the next 10 years.

There are many paths to success you can choose. It is my hope that you will choose a business or career in the emerging wellness industry. For as you will soon see, starting or building a wellness business creates the perfect storm of opportunity to make a lot of money and to do incredible good.

What Are Some of the New Wellness Trends Highlighted in *The New Wellness Revolution*?

As expected in a revised edition written by an economist, the numbers and projections have been updated. But there is more to this revised edition than just updated forecasts. Here are a few of the new trends in wellness:

1. The wellness revolution began in the United States, but is growing even faster internationally.

The Wellness Revolution, published in 2002, was focused solely on the U.S. domestic market, where the modern wellness movement began. Yet this book has been published in 12 languages, and unit sales overseas, particularly in Asia, have exceeded sales in the United States. While the modern wellness industry may have begun in the United States, like so many other new products and industries originally made in America, it is now growing even faster outside the United States.

The New Wellness Revolution is written for people around the world.

2. Wellness today is primarily a grass-roots movement driven by individual entrepreneurs and small businesses.

In 2002, I wrote mostly about the larger \$100 million wellness companies, since that is how I originally became acquainted with the wellness industry. Yet the majority of wellness sales, then and today, are made collectively by individual entrepreneurs, direct selling professionals, chiropractors, osteopaths, other health professionals, and small businesses. This is because becoming a wellness customer requires a paradigm shift on the part of the consumer, and direct person-to-person contact is the best way, and sometimes the only way, to make this paradigm shift in a person's thinking take place.

The New Wellness Revolution explains why the majority of opportunities in wellness still await the individual entrepreneur or health professional, and how new management techniques and forms of business organization (like direct selling and franchising) can allow such individuals even better technology than if they were part of a large corporation. This will continue for at least another decade, until wellness is a mature industry and the majority of wellness consumers are not new to wellness.

3. Some large sickness-oriented food companies have switched sides and joined the wellness revolution.

When I wrote *The Wellness Revolution*, in 2002, some of the worst sickness-oriented food businesses were milk dairies. Following the book's publication, the world's largest dairy, Dean Foods (U.S. sales \$10 billion), purchased one of the best wellness food companies in the world; Steve Demos's \$300 million WhiteWave, Inc., the

maker of SILK soymilk. Yet, as explained in Chapter 4, rather than destroying SILK and its quality wellness product line, it looks like WhiteWave and its wellness philosophy have taken over at Dean Foods.

The New Wellness Revolution explains how this turnaround in thinking at Dean Foods and other large food companies is only the beginning, and how this phenomenon is increasing rather than decreasing wellness opportunities for everyone, particularly wellness entrepreneurs. As explained in Chapter 2, once a consumer has his or her first wellness experience (like drinking soymilk), he or she typically becomes a voracious consumer of more and more wellness products and services.

4. Retailers and restaurants, formerly known for only sickness-industry products, have similarly switched sides and joined the wellness revolution.

In 2002, most wellness food retail sales were through designated wellness outlets like health food stores and wellness restaurants. While the number and sales of these wellness outlets have increased, the majority of wellness food sales is shifting to traditional retail food and restaurant outlets.

In 2005, McDonald's began selling a fruit and walnut salad, and overnight it became the country's largest food-service consumer of apples, requiring an estimated 54 million pounds of apples per year. McDonald's has a great tradition of solving social problems, and now this worst offender (e.g., "Super Size Me") is poised to become a major wellness contributor. In the 1970s, McDonald's became the first major employer to embrace hiring and training inner city youth, after many in America had given up on them. In the 1980s, McDonald's reengineered its operations to be able to hire senior citizens in selected markets through innovations such as flexible hours and large-button cash registers. This slumbering giant, which feeds more than 46 million people every day, has been awakened to wellness.

At the beginning of 2006, Whole Foods Market (sales of \$7 billion) was the largest wellness food market. But on March 26, 2006, Wal-Mart (sales of \$275 billion) opened its first organic foods Supercenter in Plano, Texas, and simultaneously began featuring wellness products in all of its stores. By the time you read this, Wal-Mart may be the world's largest wellness food retailer.

All of this bodes well for the wellness industry, and particularly for wellness entrepreneurs, because this greatly increases the acceptance of well-

ness products and distribution outlets for mass-market wellness produce. Despite the recent growth of wellness to a \$500 billion industry, most consumers have still yet to have their first wellness experience, and the numbers of overweight and obese have continued to rise.

5. This switching sides phenomenon is generally not taking place among sickness-industry (e.g., traditional medical) providers.

Unlike the \$1.3 trillion food industry, the \$2 trillion medical industry has not embraced wellness and shows few signs of doing so. While there are exceptions, for the most part U.S. hospitals, pharmaceutical companies, and health professional organizations are either ignoring wellness or fighting it whenever it crosses into their territory.

The traditional medical or sickness industry is fighting a losing battle. Like the railroads at the beginning of the 20th century, which saw their industry as trains versus transportation (and subsequently lost out to trucks and automobiles), the sickness industry is poised to lose out to wellness.

When the automobile first came out 100 years ago, most people saw it as just a carriage without a horse or a train that didn't require rails. A select few realized that the horseless carriage was not like a carriage or a train, but represented a new industry that would fundamentally change almost every aspect of American life—people like Henry Ford (autos), John D. Rockefeller (gasoline), Ray Croc (drive-in restaurants), Howard Johnson (roadside motels), and thousands more became the billionaires of their day and the leaders of our society. A similar opportunity awaits entrepreneurs and health professionals who realize that wellness is a new movement, a revolution, rather than a single healthier item of food or alternative medical treatment.

While everyone reading this book might personally wish that traditional medicine would return to its Hippocratic roots and embrace wellness, the stubbornness and shortsightedness of many traditional medical providers has created an enormous business opportunity for wellness entrepreneurs and professionals.

6. Thousands of new wellness products and services have come to market, some of which I predicted back in 2002, but, frankly, many of which I didn't expect to occur until at least 2012.

In 2002, I expected that in about 10 years DNA- and other scientifically-based tests for targeted nutritional supplementation

would become universal, adding legitimacy to the then-\$80 billion vitamin business. But I far underestimated how fast legitimacy would come to the wellness diagnostic industry. In 2004, a DNA-based swab kit to identify vitamin deficiencies became available for \$10 per test. In 2005, a \$10 million, room-sized, fingertip-reading light scanner that reads antioxidant levels was redesigned into a booksized unit and made widely available for less than the cost of a laptop computer—already 10 million people have had their antioxidant levels measured with this portable device.

Moreover, as also explained in Chapter 10, another new development, stem cell research, holds great promise for wellness. Although scientists still don't know exactly how stem cells work, medical professionals are using them to rebuild damaged organs and to slow down the aging process.

The New Wellness Revolution explains how these and many other new products are legitimizing the wellness industry by applying medical testing techniques and pharmaceutical-grade manufacturing standards to wellness products and services.

7. In the United States, from 2004 to 2007, enormous changes occurred in health insurance that now allow employees and individuals to invest in their own wellness, and to keep what they don't spend on sickness today for their future wellness (or retirement) tomorrow.

In 2002, I correctly forecast that Congress would have to make Health Savings Accounts (HSAs) universally available for all Americans—but I didn't expect it to happen so quickly, nor did I expect that my work would play a role in helping convince Congress to take action.

The New Wellness Revolution explains how and why three million Americans have already opened HSAs, and how more than 11 million Americans are now covered by employer-provided Health Reimbursement Arrangements (HRAs). HSAs and HRAs allow employees a 100 percent income tax deduction for many of their wellness expenditures, and they allow people to keep for their future wellness tomorrow what they don't spend on sickness today.

HSAs, HRAs, and other Consumer Directed Healthcare (CDH) vehicles allow consumers to choose their own health providers—putting chiropractors, osteopaths, naturopaths, and other wellness-oriented providers on an equal basis with traditional sickness-industry medical providers.

This leveling of the playing field between sickness and wellness providers began in South Africa, and is now taking root in every developed nation—because governments finally recognize that preventing disease and supporting antiaging are the only solutions to the rising medical costs that threaten their economies.

8. In 2005, the cost of providing U.S. employees sickness-industry health benefits exceeded profits for the Fortune 500 largest corporations—and stockholders worldwide are questioning whether to continue funding many once-viable corporations, like General Motors.

While everyone has talked about the rising cost of employer sickness-industry expenses for decades, 2005 was the watershed year—the year in which rising sickness-industry expenses went beyond just reducing profits to actually threatening the very existence of major U.S. employers. Employers en masse have realized that the only long-term solution to rising sickness-industry expenses is wellness—programs that increase fitness and prevent disease from occurring in the first place.

The New Wellness Revolution explains the enormous opportunity for local wellness entrepreneurs to provide workplace wellness programs in their own communities, starting with weight loss and smoking cessation programs for employers powered by HRAs.

9. Despite the growth of the wellness industry from \$200 billion to \$500 billion in just five years, and the resulting millions of new wellness industry consumers, the untapped market for wellness has actually increased in size. In the United States alone, the number of overweight adults increased from 61 to 65 percent during the past five years, and childhood obesity grew 10 percent, from 27 to 30 percent of children.

When I began writing about obesity and overweightness in 1996, I never thought this epidemic would be even larger more than ten years later. Although millions of new consumers every day embrace wellness, millions more remain outside the reach of the current wellness industry and become more overweight, malnourished, exercise less and/or continue to smoke.

The New Wellness Revolution explains how the population of every developed nation continues to divide itself into two opposing socio-economic groups—those who are fit and healthy and take care of

their wellness, and those who don't. This terrible phenomenon has catastrophic economic and social consequences.

The contractual sickness-industry obligations to solely former employees now threatens the viability of many U.S. school systems and the ability of local and national government to provide basic human services. In the United States alone, this unfunded local and state government obligation to provide unlimited sickness care to former employees now exceeds \$1 trillion, and the resulting scandal will make the \$300 billion S&L scandal of the 1980s pale by comparison. The scandal may even be worse in Europe and other developed nations.

10. I've joined the wellness revolution as an entrepreneur.

In 1999, I founded a company to spread wellness by reforming health insurance. This company became part of Steve Case's *Revolution Health Group* in 2005, and today supplies wellness-oriented health benefits to millions of people through their employers or through Wal-Mart's Sam's Club stores.

In 2006, I founded a similar company focused on distributing similar wellness-oriented health benefits through wellness entrepreneurs and financial services professionals. This new company, Zane Benefits LLC (www.zanebenefits.com), is already making a difference on hundreds of college campuses and with thousands of entrepreneurs and employers, by getting consumers better, safer, and cheaper wellness-oriented health insurance.

Action Plan for Entrepreneurs and Wellness/Health Professionals

At the end of each chapter you will find a section called *Action Plan for Entrepreneurs and Wellness/Health Professionals*. This is meant for new entrepreneurs or for people currently employed who are contemplating striking out on their own. I do not want to imply that my suggested *Action Plan* is the only one you should follow. My objective is to illustrate how great an opportunity there is in wellness, and to stimulate your mind to apply your own background, education, and life experiences to becoming an entrepreneur in the wellness industry.

Paul Zane Pilzer
Park City, Utah

Why Wellness Is the Next Big Thing

In the twentieth century, our lives were revolutionized by things like the automobile, airline travel, the personal computer, and family planning. In those cases, initial discoveries led to the birth of empires and to unprecedented individual wealth for those entrepreneurs and investors who got in first. The next big thing of the twenty-first century has begun, and it promises to similarly revolutionize our lives and offer opportunities for tremendous wealth building over the next 10 years.

This book is not about a fad or a trend—it's about a new and infinite need infusing itself into the way we eat, exercise, sleep, work, save, age, and almost every other aspect of our lives.

This next big thing is the *wellness revolution*.

The desire for wellness already pervades our decisions, from which toothpaste and shampoo we use in the morning to what we eat throughout the day to the type of bedding and cosmetics we use at night. We demand more safety from our products; we want more prevention from them, too. And yet we are only at the beginning of the public consciousness of this growing need—because most people still aren't aware of how simple choices affect their wellness, and many wellness products and services aren't yet widely available in the marketplace.

This book explains the emerging wellness industry, so as to arm you with the information that you need in order to profit from it, both financially and personally.

I show you how to stake your claim in this huge opportunity—how to find your place in this new total-life industry that not only can bring you riches, but also does incredible good.

The Next Big Thing

When Henry Ford first invented a mass-produced automobile that was affordable to the common person, many scoffed at the thought that people would buy it. There were few paved roads on which to travel, gasoline stations were nonexistent, and most people lived within walking distance of their workplaces. But the need grew along with the proliferation of the product. People moved to suburbia and needed cars. At the same time, gasoline stations sprang up. Soon the car became necessary just to get to work or shop for daily necessities.

What if you had been told back then that Henry Ford's Model T wasn't just another new product, but the beginning of a whole new trillion dollar sector of the world economy—that in 100 years there would be 500 million cars on the road, necessitating ancillary trillion dollar industries in gas stations, road construction, replacement tires, motels, suburban homes, and fast-food restaurants?

Would you have accepted this notion? In addition to the limitations of no roads, no gasoline stations, and conveniently nearby workplaces, people typically worked six days a week for little pay, with little time off for Sunday drives in the country. To accept this concept you would also have had to foresee the coming five-day, 40-hour workweek and the rise in discretionary income.

But suppose you overcame your skepticism and saw the new self-powered vehicles of Henry Ford and others as the beginning of a trillion dollar industry. As an entrepreneur or an investor, where would you have placed your bet? Would it have been on gasoline-powered cars or on electric or diesel ones? Would it have been on road construction, on replacement parts like tires, or on residential land development? And just as significantly, once you picked one of these areas, what specifically would you have done to stake your claim?

More recently—in 1981—a surprise mega-industry was born from the newly minted personal computer, the IBM PC, along with competitive models by Apple and RadioShack. Perhaps most people were similarly unable to predict that these were not just new products, but the harbingers of another trillion dollar sector of the world

economy—a sector growing so fast that personal computer sales would surpass U.S. automobile sales in only 10 years, by 1991.

In our modern economy, changes that used to take place over the span of 100 years or more now take place in 10 years or less. Had you been able to foresee the rise of the trillion dollar personal computer business like Bill Gates (Microsoft, software), Michael Dell (Dell Computer, hardware), Jeff Bezos (Amazon, distribution), and countless others, in what part of the personal computer industry would you have placed your bet?

Historically, pivotal new products became available because of scientific breakthroughs that allowed their invention and affordable manufacture.

The self-powered vehicle and the personal computer were the oxymora of their times. After all, in the days of the horse and buggy, the public had a difficult time accepting that a vehicle could be self-powered. Similarly, in the days of roomsize mainframe computers, who could easily visualize that a computer could be personal?

People didn't need the automobile and the personal computer before they became available—any more than today we need interplanetary travel. Yet once they became available, they quickly went from simply being new products to becoming absolute necessities for daily work and life.

What was it about these two new products, and several others, that made them so immediately successful? Was there something self-evident about them that foreshadowed how pervasive they were about to become in almost every aspect of our lives? Knowing those traits could perhaps help you predict other new industries from which to profit.

There are actually five distinct characteristics of emerging pervasive industries, which I will tell you about in a moment. But first I want to share with you a crucial way of thinking about wellness and understanding the causes of its inevitable growth.

Defining the Trillion Dollar Wellness Industry

We are now at the beginning of the next trillion dollar industry—an industry that will impact almost every aspect of our lives and achieve \$1 trillion in sales in just five more years, but one that is as unknown today as the automobile industry was in 1908 or the personal computer industry was in 1981.

The automobile industry was spawned by scientific breakthroughs in chemistry, metallurgy, and mechanics. The personal computer industry was spawned by scientific breakthroughs in physics and binary mathematics.

This next trillion dollar industry is being spawned by scientific breakthroughs in biology and cellular biochemistry.

The wellness industry is tackling one of the most profound issues of life, solving one of the few remaining mysteries of human existence—age and vitality—on which technology has yet to make its mark. In order to define the wellness industry and identify its opportunities, we must first distinguish it from a related industry based on some of the same technology—the current \$2.0 trillion (U.S.) healthcare industry.

Approximately one-sixth of the U.S. economy, about \$2.0 trillion, is devoted to what is erroneously called the “healthcare” business. *Healthcare* is a misnomer, as this one-sixth of the economy is really devoted to the *sickness* business—defined in the dictionary as “ill health, illness, a disordered, weakened, or unsound condition, or a specific disease.”¹

The sickness business is *reactive*. Despite its enormous size, people become customers only when they are stricken by and react to a specific condition or ailment. No one really wants to be a customer.

In the next 5 years, an additional \$500 billion of the U.S. economy will be devoted to the still relatively unknown already-\$500 billion *wellness* business—defined in the dictionary as “the quality or state of being in good health *especially as an actively sought goal* [emphasis added].”²

The wellness business is *proactive*. People *voluntarily* become customers—to feel healthier, to reduce the effects of aging, and to avoid becoming customers of the sickness business. Everyone wants to be a customer of this earlier-stage approach to health.

From this point forward I use the following definitions:

Sickness industry products and services provided reactively to people with an existing disease, ranging from a common cold to existing cancerous tumors. These products and services seek to either treat the symptoms of a disease or eliminate the disease.

Wellness industry products and services provided proactively to healthy people (those without an existing disease) to make them feel even healthier and look better, to slow the effects of aging, and/or to prevent diseases from developing in the first place.

How to Read This Book

Throughout this book I highlight important points you need to know in order to explain the importance of this new industry to your family, associates, clients, customers, investors, and partners.

I also highlight points essential to helping you stake your claim through entrepreneurship, investment, distribution, and/or by using this information to change your existing business today.

In Chapter 1, I share with you my vision for the wellness industry. When I began to write the first edition of *The Wellness Revolution* (2002), I thought the existing items in the wellness industry—fitness clubs, vitamins, and the like—might already total a few billion dollars in U.S. sales. I was very surprised to find that sales in 2002 had already reached approximately \$200 billion—they rose to approximately \$500 billion by 2007. Yet still only a small percentage of the population know about wellness. Imagine what will happen as more people understand the potential that wellness can add to the quality and longevity of their lives!

In Chapter 2, I explain the notion of demand, how it operates in relation to wellness, and how controlled growth of demand can occur. I show why the \$500 billion in proven demand today is still only the tip of the iceberg, and why these new products and services represent the beginning of a *new* \$1 trillion sector of our economy (as opposed to offshoot products in existing industries like agribusiness or medicine).

In Chapter 3, you learn how our \$1.3 trillion existing agribusiness and food industry targets overweight and obese consumers for ever-

increasing consumption—causing a health crisis in the United States that finds 65 percent of the population currently overweight and 30 percent clinically obese. These numbers have doubled in the past two decades and have increased seven percent in the last five years. Other developed nations, especially in the EU, Japan, and Taiwan, are not far behind.

Then, in Chapter 4, you learn how this has created one of the greatest business opportunities of our time—educating consumers and providing healthy food and the necessary vitamins and supplements that are no longer contained in our modern food supply.

In the past, a significant part of the health and sickness industry was concerned with wellness. At the beginning of the last century, technological breakthroughs in inoculation and antibiotics allowed medicine to develop preventive measures for many diseases (smallpox, typhoid, tuberculosis, polio) that had been the scourge of humankind for millennia.

That was the past.

Most of the one-sixth of the U.S. adult working population that work in the healthcare industry today focus on treating the symptoms of disease rather than on preventing disease. This is because it is more profitable for medical companies to research and develop products that create customers for life.

It is also because the third parties paying for most medical treatments—insurance companies and ultimately employers—have less of a long-term financial stake in the health of their employees. If you are among this one-sixth of the workforce in the healthcare field, Chapter 5 examines some of the entrepreneurial opportunities arising in the wellness industry for medical professionals. Providing wellness products and services that people will voluntarily purchase with their own funds works better than providing bureaucratic procedures to unhappy consumers without choice who are financed by distant third parties.

In Chapter 6 you learn why our existing employer-based healthcare insurance system is on the verge of collapse and what you can do to protect yourself and your family. Despite a rising economy since the beginning of the 1990s, U.S. personal bankruptcy filings tripled—from approximately 750,000 in 1990 to 2,000,000 in 2005—with much of the increase resulting from family medical

catastrophes. One million middle and upper-class U.S. families are now forced into bankruptcy every year by the sickness industry.

In Chapter 7 you learn how opting out of the existing sickness-based system (i.e., getting permanent, renewable, wellness-oriented health insurance today) can save you thousands of dollars a year and pay for the wellness products and services you need to invest in your long-term health and vitality.

The entrepreneurial opportunity to convert households from employer-based sickness-only health insurance to wellness-oriented individual and family health insurance is one of the greatest opportunities within the wellness industry.

As exciting as some of these developments may seem today, they all pale in comparison to the coming new wellness products and services. As with automobiles in 1908 and personal computers in 1981, the best new products and services are still in the laboratory and will be coming onto the market in the next few years. Already today, it is possible to examine a person's DNA and predict his or her probability of developing certain diseases. It is now possible, using a portable laser-based device, to take an indirect reading of antioxidant and other vitamin levels. Using this information, a wellness entrepreneur can now target specific exercise, food, vitamin, and supplement-based therapies—adding years in both quantity and quality to the life of a customer. And these breakthroughs of the past few years are just the beginning.

Even these immediate opportunities pale in comparison to what is coming next—for we are getting close to cracking the genetic code for aging itself, and once we do, the wellness industry will be at the forefront in distributing the resultant products and services.

In any industry based on new technology, the greatest entrepreneurial fortunes are consistently made by those who distribute products and services rather than by those who make them. This is partly because, in any area of rapidly advancing technology, today's CD-ROM disc is tomorrow's eight-track tape, and only distributors beholden to a specific technology are able to quickly shift to new and

more efficacious products. But it is mostly because of the following, as you learn in Chapter 8:

Today, 70 to 80 percent of the cost of most retail products is in distribution—which explains why the world’s greatest individual fortunes are now being made by people focused on distributing things rather than on making things.

You also learn in Chapter 8 how the nature of the opportunity within distribution has recently changed—from the physical distribution of products themselves to the intellectual distribution of information about them. Sam Walton (Wal-Mart) became the richest man in the world 20 years ago by physically distributing to customers what they already knew they wanted; however, more recently Jeff Bezos (Amazon.com) became *Time* magazine’s Person-of-the-Year by teaching customers about products that they didn’t know even existed. Nowhere is this more true than in the emerging wellness industry—an industry in which most of the costs of products and services lie in their distribution and in which the overwhelming majority of future customers do not yet know that the products even exist.

Some readers who are not doctors, health professionals, or experienced businesspeople may be asking themselves what is the best place to get started in wellness without putting their savings or job at risk? For most of these people, as well as for experienced businesspeople, the Direct Selling industry is a great place to find their wellness fortune. As explained in Chapter 9, you can get started for less than \$100 and work part-time until your business takes off. Even if you discover that Direct Selling is not for you, you can still win in the long run by applying the skills and leadership you learn in another field.

Suppose I told you in 1845 about the gold rush that would be coming to California in 1849. No matter how motivated you were to get rich and no matter how hard you worked once you got to California, you wouldn’t have made a dime unless you knew where to stake your claim once you got there. In reality, very few of the wannabe miners who spent their lives searching for gold actually made it. Many of the fortunes of the California gold rush were made by individuals using skills and relationships they had already developed elsewhere to provide products and services for the gold rush industry—men like Henry Wells (1805–1878) and George Fargo (1818–1881), who formed the Wells Fargo Company to provide banking and express transport services for miners.

Each of us has generic abilities, functional skills, and personal relationships based on what we have done in our lives until now. In Chapter 10 you learn where you should stake your claim to your share of this emerging \$1 trillion wellness industry.

From providing services to distributing products to investing in wellness companies, there are numerous opportunities, but the best ones for each of us are the ones that best utilize the assets we already have.

The Five Distinct Characteristics of Pervasive Industries

The most successful investors and entrepreneurs know how to distinguish between a passing fad and a long-term trend—the five distinct characteristics of pervasive industries that I promised to tell you about. Let’s take a look at these characteristics and analyze each one with respect to the emerging wellness industry.

Most people think of Henry Ford as the inventor of the automobile in 1908 with his Model T. However, cars were actually around for decades earlier as recreational toys for the wealthy.* Ford’s real invention was to use various new technologies to produce, in his own words, a car “so low in price that no man making a good salary will be unable to own one.”⁵

A similar story can be told about radios, televisions, restaurants, airplane travel, VCRs, DVDs, fax machines, personal computers, PDAs, e-mail, and many other inventions that have become ubiquitous and changed the way we live.

All of these products, like the automobile, started out as products for the rich. Then, once technology advanced to the point where they could be produced at a price affordable to working people, they became ubiquitous. Why did they become so popular? What else did these products or services have going for them in addition to being first enjoyed by the rich?

*Ford, like most entrepreneurs, at first did not succeed. He founded his first motor company in 1899—it flopped. He founded a second one in 1901, which also failed. And the firm we know today as Ford Motor Company, which he started in 1903, almost failed in 1906 because he went too far upscale before deciding to make the affordable Model T.

Each of these now-ubiquitous products or services had five distinct characteristics at the time they traveled from the classes to the masses.

Experienced entrepreneurs and investors look for all five of the following characteristics to be present before they launch a new mass-market business.

- 1. Affordability**
 - 2. Legs**
 - 3. Continual consumption**
 - 4. Universal appeal**
 - 5. Low consumption time**
-

1. *Affordability.* When the VCR first came out in 1976, every household wanted one, but few could afford the \$1,500 price. As advancing technology lowered the price to less than \$100, so many VCRs were sold that by 1990 there were 121 million VCRs in 110 million U.S. households. The same phenomenon happened more recently with DVD players, iPod music players, satellite GPS devices—except in some of these cases what took place in 14 years with VCRs during the last century took place in our century in 14 months. In some cases, such as with the automobile or single-family homes, rapidly advancing technology couldn't make them cheap enough to be affordable—but then another new industry, consumer finance, emerged to spread out the cost on an affordable monthly basis.
2. *Legs.* No amount of marketing will make a product or service ubiquitous unless it has legs—the ability to walk off the shelf without promotion once a critical mass of people own it. Cars, televisions, and PCs are all products that consumers immediately want once they see them being enjoyed by others. Marketing graveyards are filled with products that stopped selling the minute their promotion had stopped.
3. *Continual consumption.* It costs more than \$100 today in promotion and advertising expenses to get consumers to try a new product, and that's just to see if they like it. If they do like it, to succeed it must be part of a business with products or services that they will continue to purchase. With television or radio, continual use leads to more advertising sales, which leads to more shows, which leads to more televisions and radios. While

a consumer might purchase a VCR or DVD player for \$100 only once every five years, each VCR or DVD creates hundreds of dollars in annual sales and rentals of prerecorded movies. Once people buy a new PC, they typically then want a new printer, a better monitor, a faster Internet connection, and so on. Ubiquitous products must be continually consumed in order to succeed.

4. *Universal appeal.* In order to become a mass-market business that changes the way in which we live, especially with the high cost today of customer education, the product or service must be one wanted by virtually everyone who learns about it. Virtually everyone today wants a car, a radio, or a PC—but not everyone wants a kayak, a mountain bike, or a luxury cruise. However, just because a business has universal appeal doesn't mean that there is such a thing as a universal product—each consumer has different needs that must be served within the same product family. Henry Ford initially made his Model T affordable by making a single universal model, often boasting that he would sell you a car “in any color you want, so long as it's black.” Yet Ford lost out in the 1920s to General Motors when GM appealed to the Model T owner who wanted to trade up to a higher-quality model with a wide choice of colors and with annual model changes to stimulate recurring demand.
5. *Low consumption time.* This is the greatest challenge today for new products and services seeking to become ubiquitous—busy consumers must have time to enjoy them. At the time they became widespread, most of today's ubiquitous products, in addition to being enjoyable, actually saved the consumer time. The automobile and jet plane got them there faster, the VCR or DVD let them watch a movie in less time than it took to go to the theater (or gave them more time with their families while they watched their favorite show over dinner), and the PC produced finished letters in a fraction of the time it took using a typewriter.

Wellness Is a Pervasive Industry That Won't Go Away

Until recently, many wellness products and services were available only to the rich. I first became aware that such products and services existed in the late 1990s, when we built our family beach house in Pacific Palisades, California, and I noticed how my wealthy and

celebrity neighbors approached the subject of food and health. After I became a wellness consumer, I found it difficult to obtain many of the products and services I wanted when I traveled outside of my up-scale community—from restaurants serving healthy food to exercise facilities at hotels.

Today things are changing. Every day more restaurants serve healthy food, new exercise facilities open, and more vitamins and supplements are being touted in mainstream advertising. But have things changed enough for the wellness industry to be ready to jump from the classes to the masses? To answer that question, let's take a closer look at the five characteristics of ubiquitous products and how the wellness industry relates to each of them.

First, are wellness products and services affordable? It used to be that the only way to get fresh, healthy food was to make it yourself. Restaurants served either expensive, heavy cuisine or prepackaged processed food. Today, healthy food is available not only in health food restaurants, but in most eating establishments, as they add affordable, healthy alternatives to their menus. As we examine later in more detail, a similar lowering of prices is occurring in other wellness areas: Personal trainers now work by the hour for dozens at one location, rather than for only one celebrity at a private home, and quality vitamins and supplements are now readily available without having to grow or mix them up yourself. Moreover, as we discuss in Chapter 7, when it comes to making wellness affordable, new health insurance plans have emerged that give healthy consumers and employees thousands each year to invest in their wellness, or save for future sickness or wellness expenses.

Second, do wellness industry products have legs to “walk off the shelf on their own” without continued promotion? Every time successful wellness consumers mention their age, adeptly perform some physical activity, or lose weight, their friends and associates ask what they are doing to look so young, become so strong, or get into such good shape. Invariably, their response leads to the purchase of a similar item by the person asking the question.

Wellness industry products and services have perhaps the strongest legs of any product or service, as people immediately notice when someone has a wellness experience and are anxious to duplicate the results.

Third, are wellness industry products and services continually consumed? By their very nature, vitamins, exercise, food, and other well-

ness products and services are perhaps the most continually consumed products and services in our economy. When wellness consumers find something that works for them, they typically become enthusiastic consumers of that product or service and become open to trying other wellness items. For example, once people start exercising to lose weight, they often start taking dietary supplements and seeking out healthier cuisine.

Fourth, do wellness products and services have universal appeal? Every human being, no matter how healthy or fit, wants to be even healthier and more fit. This is partly because there is no limit to how well and strong we can feel, but mostly because only the wellness industry offers solutions to the universal problem of human aging, rather than just telling aging consumers to meekly accept their deteriorating physical condition.

Last, and perhaps most important in assessing both the short- and long-term prospects for the wellness industry, do consumers have available the time it takes to consume most wellness products and services? The answer to this question bodes well for our entire economy as well as for the wellness industry.

As explained in Chapter 2, the growth of our modern economy depends on consumers spending their increasing disposable income on luxury goods that soon become necessities—often on new products and services that didn't exist when they were born. However, a close examination of some of these new products and services yields a paradox that could limit this growth in the future.

Most new luxury products, from Harley-Davidson motorcycles to home garden tractors, have one major drawback: they take time to enjoy. This is one of the great paradoxes of modern life. Each year, consumers seem to have more and more disposable income but less and less time to enjoy it. In contrast to the “idle rich” and “working poor” stereotypes of the past, disposable income today is inversely proportional to leisure time for almost every class level. When you asked people years ago why they hadn't bought a particular new item, a typical response might have been that they couldn't afford it. Today, a more likely response might be that they haven't had time to play with the new item they bought a week or month ago.

Moreover, an increasing amount of the growth in consumer demand today is for entertainment and services rather than for physical products. These time-consuming purchases, ranging from massages to luxury cruises to opera tickets, have their own limitation on demand—the 24-hour day and the 365-day year. Some consumers report that their main time constraint today comes from other leisure activities rather than from their work.

Our modern economy could grind to a halt because of such a non-monetary limit to consumer demand—unless, of course, technology could come up with products and services desired by consumers that do not take time to enjoy.

Wellness products and services represent perhaps the only sector of consumer spending that does not take time to enjoy. Money spent to make a person feel stronger, smile better, look younger, or feel healthier yields rewards that are enjoyed every moment of every day—on the job, at home, and at every moment in between.

It is clear that wellness is about to change our lives as much as did the automobile or the personal computer. Before I explain how you, the entrepreneur, can benefit from this pervasive and eternal industry with tremendous growth potential, let's examine how the wellness industry got started and how pervasive it is about to become.

Why We Need a Revolution

First, let's check out the definition:

rev·o·lu·tion¹

- 1 a: a sudden, radical, or complete change**
- b: a fundamental change in political organization**
- c: activity or movement designed to effect fundamental changes in the socioeconomic situation**
- d: a fundamental change in the way of thinking about or visualizing something: a change of paradigm <the Copernican revolution>**
- e: a changeover in use or preference esp. in technology <the computer revolution> <the foreign car revolution>**

The seventeenth-century English writer John Milton saw revolution as the right of society to defend itself against abusive tyrants—creating a new order that reflected the needs of the people. To Milton, revolution was the means of accomplishing freedom.²

The eighteenth-century German philosopher Immanuel Kant believed in revolution as a force for the advancement of humankind—a natural step in the realization of a higher ethical foundation for society.³

The nineteenth-century German philosopher G. W. F. Hegel saw revolutions as the fulfillment of human destiny, and he saw revolutionary leaders as necessary to instigate and implement reforms.⁴

These insights aptly apply to the wellness revolution.

Entrepreneurs and revolutionaries are really the same kinds of people born into different circumstances. Both see the status quo in need of change, and both are willing to take the risks, and reap the rewards, of changing it.

The emerging wellness industry is as much a reaction to the tyranny of the sickness and the food industries as it is to every person's desire for the freedom wellness offers. Wellness is the next natural step forward in our destiny and in the advancement of humankind. By extending your years of strength and wellness, you can accomplish those things you want to accomplish.

The revolutionary leaders in wellness are the entrepreneurs who grow and procreate wellness, the inventors who instigate wellness services and products, and the practitioners and distributors who carry the wellness message throughout society. Take your pick of how you want to be a leader of this new industry.

Revolutions and entrepreneurial journeys often begin with an epiphany—an illuminating discovery by an individual that typically sets him or her out on a quest. For everyone, this trigger will be different. For you, it could be what you learn from this book, or it could be a sickness experience—your own or that of a loved one—that could have been prevented. My epiphany occurred during a speech I was giving in 1996.

How Wellness Became My Cause

When I was growing up in the 1950s, economic issues seemed to dominate 95 percent of our waking lives. My father left for work at 5:30 A.M. and returned home after dinner, just as my mother was putting my brothers and me to bed. He did this six days a week. All our neighbors and relatives lived a similar existence, except those unlucky enough to be out of work. And, although everyone talked mostly about economic issues (how to make money, where to find work, etc.), no one seemed to have solutions for how to achieve economic success. This is why I became an economist: to find these solutions—solutions to what then seemed to be the most important problems facing my immediate society—my parents, relatives, and close friends.*

*In 1971, when I began college and chose to study economics, half the world lived under communism, and world leaders freely debated the merits of capitalist versus communist systems. In the United States, people were divided over whether the government or the private sector should be the exclusive provider of services, from mail delivery to phone service to train travel.

Twenty-five years later, while giving a speech in the Midwest, I realized that I was in the wrong profession, given the original reason I had chosen to become an economist.

It was Saturday, September 7, 1996, at the RCA Dome in Indianapolis. I was getting ready to go onstage as the keynote speaker before 45,000 people to discuss my latest book, *God Wants You to Be Rich*. My speaking fee had just been handed to me in a sealed envelope—more money for a 45-minute speech than I used to make in a full year when I graduated from Wharton and started working at Citibank.

I should have been elated. But instead I felt guilty. As I watched the audience file into the stadium and began my speech, I felt as if I were about to rip them off.

Like much of America, half of the audience was unhealthy and overweight, a direct consequence of diet and lifestyle evidenced by the fatigued look on their faces and the size of their waistlines. Nothing I was about to say about economics was going to improve the quality of their lives until they first learned how to take care of their bodies.

A strange urge seized me—to scrap my prepared speech and tell my audience that good health was more important than any riches they might acquire—but I chickened out. I didn't want to offend my hosts. And truthfully, I didn't know back then what actions would allow most people to take control of their health.

On the flight home early the next morning I began to wrestle with this question: Why would intelligent people spend time and money to improve their lives in every area *except* the one in which they most obviously needed improvement? And, more significant, what should a person who is unhealthy and overweight do to begin taking control of his or her life?

Why We Need a Revolution: Two Nations Divided by Great Want*

I arrived in Los Angeles around 10 A.M. that Sunday morning and rushed to Pacific Palisades to meet the contractor who was renovating our family beach house. As we stood outside discussing the construction, neighbors jogged or biked by on their way to the beach. I was struck by how fit and healthy everyone appeared. Compared to

*In 1845, Benjamin Disraeli, the future prime minister of England, warned of the danger of his country disintegrating into two nations, as though they were dwellers in different zones or inhabitants of different planets.

some of the people I had just seen in Indianapolis, these neighbors seemed to be inhabitants of a different planet.

That week, as I began the research that led to this book, I became excited about why an economist needed to write about health and weight.

I quickly discovered that the major reason so many people are unhealthy and obese has more to do with economics than with biology.

Incredibly powerful economic forces are preventing people from taking control of their health and are actually *encouraging* them to gain weight—forces so powerful that nothing short of a revolution will be able to stop them.

For many individuals, it may be impossible to take control of their health until they first understand the \$1.3 trillion food and \$2.0 trillion medical industries that represent a quarter of our national economy.

I discovered that the effects of obesity and poor health go far beyond a person's mere appearance. In our new millennium we have replaced racial and gender discrimination with a new kind of discrimination, based on a person's weight and appearance. Whereas in the past poverty was associated with thinness and obesity with wealth, most people who are overweight today occupy the lower rungs of the economic ladder.

***Rich fat man* has become an oxymoron, and *poor and fat* have become synonymous.**

Incredibly, despite the fact that we are enjoying the greatest economic prosperity ever known to humankind, 65 percent of the U.S. population is overweight, and a staggering 30 percent are clinically obese. These figures increased 7–10 percent in just five years since I wrote the first edition of this book (2002 to 2007).⁵

Weight and appearance now define social and economic opportunities, just as family name and birth did in the nineteenth century.

When a person is fat—not just 15 pounds overweight, but clinically obese—it is hard to find a job, a relationship, or the energy to stay on top of the everyday demands of even a simple life.

Even most people of normal weight are unhealthy, although they often don't know it. Modern medicine tells them to accept headaches, stomach distress, body pain, fatigue, arthritis, and thousands of other common ailments as inevitable symptoms that afflict an aging population. Yet these ailments, like being overweight and obese, are the direct result of a terrible diet.

How Economics Perpetuates Obesity and Malnutrition

Economics is largely to blame for this state of affairs. A powerful trillion dollar food industry bombards us with messages calculated to make us eat more and more of the worst possible food.

Understanding how the food industry works today is critically important for entrepreneurs wanting to lead and/or participate in the wellness revolution.

Packaged food companies, such as General Foods and Procter & Gamble, employ some of the best and brightest minds to study consumer psychology and demographics. In trying to decide what sorts of foods to sell us, they invariably apply one of the great unwritten laws of marketing: it is easier to sell more product to an existing customer than to sell that same product to a new customer. In other words, it is easier to influence a regular customer to eat four additional bags of potato chips per month than it is to persuade a new customer, who may never have tasted potato chips, to buy even one bag of this exotic new substance.

Most processed food sales, products such as Hostess Twinkies, Oreo cookies, and McDonald's Happy Meals,⁶ are governed by what those in the business call a "potato chip marketing equation." According to this law, more than 90 percent of product sales are made to less than 10 percent of their customers. In the case of processed foods, that coveted 10 percent consists largely of people weighing more than 200 pounds and earning less than \$35,000 per year. The targeting of overweight customers is especially lucrative since these unfortunate individuals typically consume twice the amount per serving as a person of normal weight.

Each company studies its 10 percent, known as the *target market*, like rats in a laboratory. Customer surveys reveal their likes, dislikes, hopes, dreams, heroes, and desires. High-consumption customers

are recruited to take part in focus groups, where they are asked to sample new products, view advertising, and offer opinions.

No expense is spared to hit every psychological button that matters to the target market. If people in that market like a particular actor or singer, that very celebrity will soon appear on radio or television, praising the product. If a certain look, feel, or lifestyle appeals to people in that market, legions of stylists and designers will descend on the studio to simulate it. Like a deer caught in the scope of a hunter at close range, the target never has a chance.

At times, the ruthlessness of the process troubles the consciences of the \$200,000-per-year marketing executives in charge of it. Some actually refuse to attend their own focus groups. Rather than confront their future victims in person, they prefer to review transcripts in the safety of their offices. Imagine the table talk in the homes of such executives. "Today, I met ten 200-pound women who barely had the energy to participate in the group," they might report to their families over dinner. "If my team can get each of them up to 210 pounds by April by increasing their consumption of our potato chips, we'll make our first-quarter sales numbers and I'll get the bonus we need to take that vacation in Barbados."

This executive is probably eating a healthy meal, even as he speaks these words.

One of the great scandals of the junk-food culture is the extent to which its most enthusiastic promoters personally avoid the very products they are pushing.

Moreover, many of the emotional and medical challenges some people face today, from controlling one's temper to depression to cancer, are as much products of these junk-food companies as are frozen pizza and low-fat cookies.

These food companies do something even worse than targeting lower-income, unhealthy, overweight consumers for their products. Once the target actually tries the product and becomes a customer, company chemists ensure they will never be satisfied with eating just a healthy amount of it.

Say, for example, I give you an apple, a banana, a stalk of asparagus, or almost any food in its natural state. After eating two or three apples or bananas, your body begins craving a different type of food, as the pleasure you feel in your taste buds lessens with each bite. But if I give you a chocolate bar, a McDonald's french fry, a can of cola, or almost any other item of processed food, you almost always crave

more and more of the same item, because the chemical flavorings have been altered to ensure that “nobody can eat just one” of them. This chemical alteration causes great overconsumption, promoting obesity and destroying the natural tendency of our taste buds to seek variety in what we eat.*

The human body requires a daily intake of 13 essential vitamins,** most of which the body cannot manufacture on its own. These vitamins, along with certain minerals, are necessary to sustain the millions of chemical reactions our bodies perform each day. Eating a variety of fresh fruits and vegetables throughout the day gives us all of what we need, and our bodies are naturally programmed to seek out the different types of natural foods we require. But the majority of Americans are not getting the minimum amount of these vitamins and minerals that their bodies require because of the chemical alteration of the processed and fast foods they consume.***

Over the short term, these vitamin and mineral deficiencies manifest themselves as mood swings, lack of energy, joint pain, failing eyesight, hearing loss, and thousands of other ailments that medical science tells us to accept with advancing age. Over the long term, these deficiencies cause major illnesses like cancer and heart disease.

In the twentieth century, U.S. tobacco companies altered the chemical composition of their products to increase consumption—creating lifelong customers by getting children addicted to specific brands of processed tobacco. Recent legislation has forced Big Tobacco to curb some of these activities when it comes to promoting cigarettes, but they are not letting their acquired expertise go to waste—they have been purchasing the major brands of addictive processed foods. Philip Morris, the world’s largest tobacco company,

*In family still photos, our four young children often have a vegetable or fruit in their hands. In reality they have a different fruit or vegetable in their hands, as their taste buds (and attention) tire of whatever natural food they have just been eating.

**The term *vitamin* was coined in 1912 by biochemist Casimir Funk. Funk discovered that these substances were vital for life, and he originally thought that they were all ammonia-based products—hence the term *vital amine* or *vitamin*. Later, as scientists identified the critical 13 vitamins required for human life, they discovered that they were not all ammonia-based substances.

***Another reason for these deficiencies is that the more we process foods from their natural state—mostly to differentiate them as distinct brands and to retard spoilage—the less efficacious their vitamins become. In addition, some vitamins should be taken with certain foods in order to be digested properly.

now owns some of the most popular children's processed-food brands, including Oreo cookies, Ritz crackers, and Life Savers candies.⁷ This makes Philip Morris, which produces everything from Oscar Mayer bacon to Post cereals to Philadelphia cream cheese, the world's second largest food company after Nestlé, Inc.⁸ In 2003, Philip Morris changed its name to Altria to keep more consumers from finding out that Kraft Foods and its other children's food brands are from the same company that is bringing their children Marlboros and Virginia Slims.

How Economics Perpetuates Sickness

As my research led me to the medical industry, I encountered large multinational companies whose nefarious practices made those of the food companies pale by comparison. It quickly became apparent to me why an economist needed to write about obtaining good medical care along with how to obtain food for a healthy lifestyle.

Understanding how the medical (i.e., sickness) industry works today is critically important for entrepreneurs wanting to lead and/or participate in the wellness revolution.

When patients go to see a physician, they believe they are receiving a prescription for the best drug or treatment available for their specific ailment. Not likely.

Just as obese consumers are the target market of the food companies, physicians are the target market of the medical and pharmaceutical companies. Patients receive the drug or treatment that is most profitable for the supplier of the treatment, the health insurance company, and, in some cases, even the individual physician. This may or may not represent the best medical treatment available. In the United States, doctors typically prescribe completely different treatments for the same ailment, depending on which drug company has the dominant market share in their region.

Medical technology and pharmaceuticals change so fast today that what physicians learn in medical school is often obsolete by the time they graduate. In practice, doctors learn about new drugs and treatments from a special type of salesperson, called a *detail person* in the medical industry. Detail person is actually a euphemism for "a very attractive, highly paid young person of the opposite sex." Detail people lavishly hand out free samples and handsomely reward physicians and their staff in proportion to the amount of prescriptions they

write for their company's product. Physicians and their families receive expensive dinners, cruises, and tax-free trips to resorts, where they "learn" more about such products at taxpayers' expense.

Although the ethical (prescription) pharmaceutical companies around the world justify the very high prices of their drugs by citing the high cost of research and development, drug companies actually spend much more money marketing drugs than they do on research and development. Moreover, a considerable amount of the research and development that leads to the creation of new drugs is funded by the federal government through grants to nonprofit entities such as research labs at universities, medical schools, and the National Institutes of Health.

When your wellness customers pay staggering prices for prescription drugs, they are also paying for the marketing campaign that successfully induced the doctor to check the box on the prescription form that reads "DAW"—*dispense as written*, meaning the prescription will be the more expensive name brand rather than the cheaper generic that is available for about 90 percent of all prescriptions. Drug company profits often come from outdated name brand drugs taken on an ongoing basis by patients prescribed years before when they first developed the condition. Prescription drug companies limit informing customers and physicians of improved products in cases where they could lose existing customers to competitive brands when patients visit their doctors for revised prescriptions. Generic drugs are sometimes safer or better than the brand-name products they replace because they have been prescribed more recently and thus contain improved formulas.

There are enormous business opportunities in educating consumers about the prescription drugs they are already taking: how to obtain alternative prescription drugs that are more effective, less expensive, have fewer side effects, or all three. See Chapter 7 for how to save 10 to 75 percent on prescription drugs, and see Appendix B for how to save 100 percent—by getting off prescription pharmaceuticals entirely.

In recent years the pharmaceutical companies have hired the same advertising firms as the food companies and have begun direct image-based advertising to consumers. In these advertisements for prescription-only items that may be legally dispensed only on the written recommendation of a doctor, the patient is *directly* urged to demand

the product and told to “ask your doctor” for a DAW prescription—with the knowledge that if the doctor refuses to write the prescription, the presold patient will simply find another doctor who will.

Sadly, most physicians have become technology dispensers for the products and services of the large multinational medical companies—companies that always seem to tip the scale between profits and patients in favor of profits.

These practices have pushed the price for U.S. drugs so high that patients cannot afford to fill approximately 22 percent of the prescriptions written each year. Prescription drugs now represent the single largest monthly expense for most over-65 U.S. citizens—approximately \$300 per month—and millions of people are forced to make the terrible choice of purchasing food or medicine. Medicare pays for doctor visits but generally does not pay for prescriptions.⁹

This and hundreds of other examples are symptoms of the two underlying problems with medical care in the developed world today—both of which are almost entirely economic rather than scientific.

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- 1. It is more profitable for medical suppliers to produce products consumers use for the rest of their lives than to make products that a consumer might use only once. Invariably, *this means spending research and development funds on products that treat the symptoms of diseases rather than the causes or the cures.***
 - 2. The third parties paying for most medical treatments—insurance companies and, ultimately, employers—do not have a long-term financial stake in the health of their employees. Most individuals bear little or no direct responsibility for their medical expenses, and almost all expenses to prevent illness (e.g., exercise, vitamins, nutritional supplements) are disallowed for reimbursement.**
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As I discuss in Chapter 6, the American health insurance system is really a disguised payment and discounting mechanism designed to extract the most out of those who can often afford the least.

No Solution in Sight

The more I pursued my research, the more distressed I became that there might not be a solution to this plague of obesity and ill health that afflicts the majority of our population.

Although there was obviously no direct conspiracy between the \$1.3 trillion food industry (which causes most of the problems) and the \$2.0 trillion medical industry (which treats just enough of the symptoms to get the target consumers back to work and consumption), the economic effect was the same as if these two industries were conspiring against the American consumer in the most sinister fashion.

The thousands of companies that comprise the \$1.3 trillion U.S. food industry and the \$2.0 trillion U.S. medical industry are governed by universal laws of economics that cause them to act in concert, as though they were part of a vast, nefarious conspiracy.

On a microeconomic level, each time consumers got real information that could help them take control of their health, the food and medical industries, acting in their own economic self-interest, manipulated this information against them.

For example, prior to 1990, consumers were told that eating too many calories was the primary cause of obesity. In the 1990s, when the public became aware that the amount of fat in their diets was a major cause of obesity, the food industry reacted with enticing low- and nonfat foods, advertising that consumers could now eat as much as they want without gaining weight. The food industry went so far as to repackage many products that *never* had fat in them, like sugar-coated candies and pretzels, to suggest that they had created new, healthy, nonfat versions of these products.

What their massive advertising didn't tell consumers was that these low- and nonfat products had extremely high levels of sugar and carbohydrates, which turn to fat once ingested into the body, not to mention more addictive chemicals that made them worse in the long run than the "fattening" products they replaced. Since the 1990s obesity, as well as the sales of low- and nonfat foods, have steadily increased.

On a macroeconomic level, it seemed as if there would be no escape.

When it comes to attempting to control our federal, state, and local governments, the food and medical companies follow their own Golden Rule: He with the gold makes the rules.

Lobbyists for the food industries have created mandatory school lunch and milk programs that hook children on addictive processed foods. Pharmaceutical companies have helped create government-sponsored programs that put millions of children on dangerous drugs to combat the effects of their terrible diets. In some cases, such as when Ritalin is used to control hyperactive children, parents are threatened with losing custody of their own children if they refuse to force them to take such drugs for alleged disorders.¹⁰

The U.S. Food and Drug Administration, originally designed to protect consumers from unhealthy products, now often protects the very companies it is supposed to regulate by keeping out competition and prolonging the economic life of the drug companies' government-sanctioned patents.

Typically the news media, acting in its own self-interest for publicity and ratings, leads society in exposing such heinous activities. But in this area the media are all too often ineffective. As consumers themselves, members of the media are subject to the same disinformation and thus are largely unaware of the problem. Moreover, a major funding source for the media—especially network television advertising revenue—comes from food and drug companies.

For example, the detrimental health effects of drinking cow milk have been widely known for years in the medical community but have rarely been covered by the media, which reaps fortunes each year by running ads for the American Dairy Association. Imagine the hypocrisy of celebrities who sport milk mustaches in paid advertisements but themselves drink only soy-based milk products.

The scandal of these celebrities goes even deeper than endorsing products that they would never consume themselves. Leading actors, singers, and models make literally millions of dollars each year on their looks. Most of them lean toward vegetarian diets lacking in processed and addictive fast foods. Yet these societal role models for fitness and beauty are cautioned by their managers not to let their elite dining habits become known to the press, lest they be boycotted by television producers in an industry where most of the revenue comes from advertisements for processed foods and fast-food restaurants.

Despite the fact that many young people admire them for more than just their professional talents, celebrities today have learned not to take positions on controversial issues that could affect their careers. As one Hollywood manager once told me, no one wants to become the “Jane Fonda of healthy eating”—referring to the talented

actress who was boycotted by some theatergoers in the 1970s because of her controversial left-wing political views.*

In a free enterprise system, when people want something that can't be provided by profit-seeking entities, they typically turn to government (the provider of last resort) for assistance. This worked well in the last few decades, when consumers demanded that government restrict the actions of businesses that were destroying the environment.

But in this case, government seems helpless. Like the media, our elected officials are consumers who are subject to the same disinformation and thus are unaware of the health issues.

Take a look at the waistlines and the diets of most politicians if you want to know what they think of food and health! Our politicians have been effectively controlled by the food and drug companies for so long that our government is now a large part of the problem, rather than being poised to be part of a solution.

It seems incredible to me that although we won the cold war and democratic ideals are more universally cherished than ever before in history, we also must admit that half of our people have become personally enslaved to a lifestyle that limits their daily lives, dreams, and happiness as much as would any autocratic government or dictatorship.

While I was conducting my original research into wellness, between 1996 and 2002, the percentage of the U.S. population that is overweight and obese increased by 10 percent, to 27 percent obese and 61 percent overweight. These figures rose from 2002–2007 to 30 percent obese and 65 percent overweight today.

Equally significant, the resultant medical (sickness) industry costs had reached \$1 trillion by 2000. The sickness industry's sales doubled to \$2 trillion in 2006, and now occupies almost one sixth of

*One notable exception is the talented Alicia Silverstone (born in 1976), star of *Clueless* (1995), *Batman & Robin* (1997), and 13 other major films. Although there are many famous vegetarian actors (Brad Pitt, Kim Basinger, Richard Gere, Alec Baldwin, Drew Barrymore, Paul Newman, Liv Tyler, William Shatner, David Duchovny, Daryl Hannah, Dustin Hoffman), Ms. Silverstone, to the detriment of her career, is one who consistently uses her celebrity status against the dairy and processed food lobbies in trying to teach healthy eating to her young fans.

our economy—and sickness medical expenses are the leading cause of bankruptcy among U.S. families.

It became depressing to me to think of these numbers in terms of human suffering—90 million Americans clinically obese and 195 million overweight and unhealthy because they lacked the resources, information, and motivation to safeguard their most precious asset: their wellness.

It seemed only a question of time before virtually everyone in the United States would be overweight, and more than half of the population would be obese and unhealthy. I decided to take a closer look at the healthy, nonoverweight 39 percent of the U.S. population to see how much time we had left.

When I began examining the 39 percent of our population that was not overweight, I stumbled across the seeds of the revolution about to take place.

An Economic Solution to an Economic Problem

When I looked closer at the nonoverweight 39 percent of the population, I found a growing group of millions of Americans who are eating and living healthier than ever before in history. This wellness-based group includes most of the movers and shakers in our society as well as celebrities who literally make their living on how they look. This group has quietly embraced a revolutionary new approach—to diet, to exercise, to vitamins, to nutritional supplements, to medical care, and, most important, to the aging process itself.

In ancient Greece, physical strength, health, and beauty were just as central to one's *arete*, or excellence, as were creative talents, intellect, industriousness, or moral character. Indeed, outward beauty was believed to reflect the beauty within. For obvious reasons, the people today most dedicated to *arete* are the professionally beautiful, those people who economically depend on maintaining their health and appearance. Movie stars, talk show hosts, entertainment professionals, and many leading business executives inhabit a secretive world in which the physical fundamentals of life (food, exercise, vitamins, nutritional supplements, medical care, and aging) are seen from a perspective radically different from that of most human beings.

To the wellness elite, each act of apparent pain or denial, from sessions with their personal trainers to navigating through menus at exclusive restaurants, is a positive, almost religious experience.

These people focus on how they will feel hours later *because* of each laborious exercise, or they focus on how much stronger they will feel that evening *because* of what they are not eating for lunch or dinner. Thus, what may seem painful to others becomes to them a euphoric experience with its own almost immediate rewards.

At first I thought that this revolutionary way of forward thinking about the impact of food on your health might be only a Hollywood or West Los Angeles phenomenon. But further research quickly showed this to be a worldwide movement with revolutionaries around the globe.

The reason is simple. Everyone, no matter how healthy or fit, wants to be even healthier and more fit. Everyone wants to look and feel more youthful. However, until recently, there was very little anyone could do to obtain efficacious wellness services and products. Until now, the few wellness products and services available were affordable only by the very rich. Now that they are becoming widely available and affordable, entrepreneurs are rushing in to provide wellness products and services to a delighted public—creating an economic solution to what is essentially an economic problem.

When I was growing up, mealtime conversation seemed to center around personal economic issues. Today, mealtime conversation is becoming more and more centered around wellness issues—which foods to eat, which supplements to take, how to exercise, and how to avoid getting sick and to limit the effects of age. This is only the beginning of a huge new wave of wellness.

The First \$200 Billion (2002)

When I began the research that led to this book, I had two objectives in mind: (1) exposing the nefarious practices of the food and medical industries and (2) teaching people the correct choices to make in order to be healthy and obtain good medical care. Explaining a new business opportunity that would allow people to make money was not one of my objectives.

The more my research progressed into obesity and sickness, the more upset I became with the status quo. The more upset I became, the more I felt that nothing short of a revolution was needed in the way we think about health, eating, and the practice of medicine. I could see that this revolution might eventually take place, but the most surprising part of my initial research was how far the revolution had already progressed.

The nascent wellness industry today encompasses some of the following businesses:

Vitamins

Nutritional supplements

Skin care products and services

Cosmetic plastic surgery

Voluntary eye surgery (LASIK, radial keratotomy)

Cosmetic dermatology

Genetic engineering (sex selection and fertility enhancement)

Cosmetic and reconstructive dentistry (caps, implants)

Preventative medicine

Health Savings Accounts

High-deductible (wellness) health insurance

Fitness clubs (including trainers)

Fitness and athletic equipment

Voluntary pharmacy: Viagra (for impotence), Rogaine (for hair growth)

Health food products

Health food restaurants

Weight loss products

Although most of these businesses did not exist at an economically significant level just two or three decades ago, by 2002 they already totaled approximately \$200 billion in annual sales, about half the amount then spent to purchase new U.S. automobiles.¹¹

When I saw that wellness had already achieved sales of this magnitude, I knew that the wellness industry had already jumped far beyond being products for only the wealthy or the professionally beautiful. I began to focus on which segments of our society were consuming most of this \$200 billion and on the potential demand for future consumption.

It became apparent that wellness would reach sales of \$1 trillion or more over the next 10 years and that wellness would be the industry in which the greatest fortunes of the new century would be created—fortunes eclipsing even those of the Internet billionaires of the late 1990s.

However, before we examine why this is so (in the next chapter), and where the wellness industry is headed, it is important to understand where the wellness industry has been and why the concept of wellness has come so late to our food and medical industries. The wellness industry really began when entrepreneurs were legally allowed to explain the benefits of their products and services in the late 1970s.

Our wellness industry today exists in large part thanks to a historic battle won in the 1970s by the greatest wellness revolutionary of our time: the late J. I. Rodale, founder of *Prevention* magazine and Rodale Press (*Men's Health*, *Runners World*).

How Rodale Paved the Way for the Wellness Revolution

In 1954, entrepreneur and author J. I. Rodale had a lot to lose. His company, Rodale Press, was just getting his fledgling *Prevention* magazine off the ground. *Prevention* was dedicated to teaching readers how to prevent disease versus just treating the symptoms of disease.

Rodale had concluded that eating large quantities of red meat and dairy products dramatically increased the risk of heart disease and that physical activity actually decreased the risk of having a heart attack. This was at a time when the U.S. government was spending millions encouraging Americans to eat more red meat and dairy products at every meal, three meals a day. Doctors were telling patients with heart disease to reduce or eliminate physical activity entirely. No wonder heart disease was the leading cause of death in the United States!

Rodale wrote about his new findings in two books: *How to Eat for a Healthy Heart* and *This Pace Is Not Killing Us*. He was convinced

that this information could save millions of lives. But, like many writers in the 1950s, he was not on an approved list drawn up by Senator Joseph McCarthy's House Un-American Activities Committee, so his publisher refused to publish his new books.

This situation forced Rodale to print the books himself and try to sell them through bookstores along with his other Rodale publications. But many booksellers refused to distribute his new books. Undaunted, and convinced that the public needed this information as soon as possible, Rodale took out full-page advertisements in national publications and offered his new books via mail order at a special price.

The Federal Trade Commission ordered Rodale to stop advertising and selling the books, claiming that the medical advice given in his books was unsubstantiated. The FTC had successfully taken similar action against other publishers who had promulgated then unconventional medical advice.¹²

Rodale was furious! He felt that the FTC action was a blatant violation of the First Amendment guarantees of freedom of the press.

The FTC scheduled hearings in 1955, at which Rodale was ordered to present proof that people who purchased the books and followed their advice would, indeed, reduce their risk of heart disease. Rodale refused to attend, claiming that the First Amendment gave him the right to publish any information he wanted, regardless of its efficacy.*

At these hearings, the nation's most respected medical professionals testified that (1) there was no correlation between heart disease and eating large quantities of red meat and dairy products, and (2) following Rodale's advice on increasing physical activity to avoid heart disease could be injurious, if not fatal. The FTC ordered Rodale to cease and desist from claiming, directly or indirectly, that readers of any of his publications would improve their health.**

Rodale appealed the case, mainly on the grounds that the First Amendment prohibited the FTC from regulating information-based products. His legal battles with the federal government dragged on for almost two decades, at times putting his entire personal net worth

*At the original hearing on this case before the FTC, dissenting FTC commissioner Philip Elman foreshadowed the path that the FTC was about to take when he wrote: "Congress did not create this Commission to act as a censor of unorthodox ideas and theories in books, whether they deal with politics or health. We should not forget that, in both fields, today's heresy may become tomorrow's dogma."¹³

**FTC commissioner Elman wrote in his dissenting opinion: "It is the glory of a free society that a man can write a book contending that the earth is flat, or that the moon is made of green cheese, or that God is dead, without having to 'substantiate' or 'prove' his claims to the satisfaction of some public official or agency. It is arrogance to presume that in any field of knowledge, whether dealing with health or otherwise, all the answers are now in."¹⁴

at risk. Over the years, the FTC, fearing that they would lose their case on constitutional grounds, attempted to settle with Rodale. But despite financial hardship, Rodale refused to back down unless the FTC agreed to acknowledge that the First Amendment prohibited them from regulating books and printed material.

In the later years of the case, Rodale's lawyers introduced new testimony from some of the same leading medical experts that the government originally used at the initial FTC hearings almost 20 years earlier. One by one, these experts refuted their original testimony, claiming they "didn't know back then," and admitted that many of Rodale's original claims had since become established medical facts. Rodale felt that there could never be a better example of what our Founding Fathers had in mind when they made freedom of the press the very first item in the Bill of Rights.

Then, in 1971, while describing his legal problems with the federal government on national television, J. I. Rodale dropped dead. Until he actually stopped breathing and turned blue, everyone watching the taping of *The Dick Cavett Show* thought Rodale was facetiously faking a heart attack in order to make a point about his troubles with the FTC.

The case never reached the Supreme Court.

Soon after wellness pioneer J. I. Rodale passed away, the U.S. government reversed its position, stating that the FTC would no longer require advertisers of information-based products to establish the efficacy of their claims. This policy change opened the door for the free flow of wellness information, allowing the vitamin, nutritional supplement, fitness, and alternative medicine industries to grow to their current level, laying the foundation for the wellness revolution.

Today *Prevention* magazine has 12 million readers, and Rodale Press is the largest health-oriented publisher in the world, publishing over 100 new wellness titles each year that sell a combined 20 million copies per annum.

One of the greatest challenges facing Rodale, and facing many entrepreneurs like you today who base their businesses on a new technology, is human rejection of the new or unknown, especially when the new technology forces people to rethink established beliefs.

Why We Often Reject New Ideas

Understanding the cause of this phenomenon, and how to surmount it, is crucial for the entrepreneur seeking success.

The human quest for knowledge, in both religion and science, is really the quest for order in our lives. Once people believe they have found such order, they will often risk heaven and hell to preserve their beliefs, even in the face of irrefutable evidence to the contrary. For example, until roughly the fourth century B.C., it was commonly believed that the mysterious lights in the sky were gods wandering about the heavens. In fact, the word *planet* comes from the Greek word for “wanderer.” This is how most people explained the disorder in their daily lives. The gods (planets) wandered about the heavens, and their wanderings caused the crops to grow, the rain to fall, and the tragedies and joys of a disorderly human existence.

The Greek philosopher Aristotle refuted this belief. Aristotle believed that there was an order to things that people could understand and use to bring order to their lives—particularly in the area of understanding the seasons and their effect on agricultural production. In 340 B.C., Aristotle theorized that the planets and every other object in the heavens were not gods, but were simply spheres that revolved in fixed paths on a schedule around a stationary earth.

The Aristotelian geocentric view of the world, although wrong in its fundamental assumption that the earth, rather than the sun, was at the center of our solar system, became the bedrock of civilization for the next 1,800 years. Looking back, we can see that its endurance was hardly surprising, as it agreed with the evidence of one’s senses. After all, from our vantage point on earth, it certainly looks as if everything revolves around us.

But the Aristotelian-Ptolemaic calendar was not accurate, because it incorrectly placed the earth at the center of the universe. Every 100 years or so it would snow in Rome in July, and the pope would have to set the calendar back about six months. This led to a great quest among astronomers to discover a working model of the universe that could more accurately track the months and predict the beginning of the seasons—the use of which could greatly increase agricultural and economic output.

It wasn’t until the early sixteenth century that the Polish astronomer Nicolaus Copernicus succeeded in this quest. By manipulating mathematical equations, Copernicus determined that the sun was at the center of the solar system and that the heavenly bodies—including the earth—revolved around it. Fortunately for Coperni-

cus, his *De Revolutionibus Orbium Coelestium* was not published until he was on his deathbed in 1543, and his heliocentric view of the universe did not become known for over half a century.

In 1609 the Italian mathematician and physicist Galileo Galilei began observing the heavens through his new invention, the telescope. He was able to see that the sun rather than the earth was at the center of our universe, and he wrote a treatise about Copernicus's theory in colloquial Italian, which could be read by the masses, rather than in the traditional Latin of academia. This treatise soon attracted widespread support for the heliocentric model of the universe.

The bulk of that support, however, came from outside the establishment. The reaction from inside was quite different. Galileo was bitterly attacked by both scholars and theologians, and in 1616 the Church commanded him, under penalty of death, never again to "hold, teach, or defend the Copernican system in any way whatsoever."

Nine years later, in 1623, Galileo's childhood friend Maffeo Barberini became Pope Urban VIII. Emboldened by his friendship with the pope, Galileo again began to write about the heliocentric theory. The reaction from the Church was swift. Galileo was forced to kneel in front of the Inquisition and recant his belief in the Copernican system. While his friendship with the pope probably saved him from being burned at the stake, Galileo was condemned to life in prison for having disobeyed the 1616 order. His works were placed on the pope's *Index of Prohibited Books*, and only in 1992 did the Roman Catholic Church formally reexamine the case and admit its mistake.

Looking back, it seems difficult to understand why the pope thought it was his duty, as God's emissary on earth, to so vigorously defend the geocentric model of the universe. After all, what does believing in Jesus Christ have to do with whether God put the earth or the sun at the center of our universe? Yet surprisingly, and perhaps on a different scale, most people today behave similarly in clinging to their established beliefs.

As children, people are typically taught beliefs about religion by their parents, then spend their adult lives looking for reinforcement of those beliefs—including outright rejection and avoidance of anything that might challenge them. When was the last time you visited a different church, synagogue, or mosque than the one you were brought up to believe in, to see what they had to offer? When was the last time you read a book by someone you knew held political opinions opposite from yours?

The reason we do not embrace opposing views is that our human mind fears disorder—and automatically avoids or rejects new ideas that challenge the existing order.

A lawyer friend of mine who tries death row cases believes that some trials are decided the very instant that the jury first sees the accused. Individual jurors, particularly in high-profile capital crime cases, are anxious to solve their own personal “disorder” problem of guilt or innocence as soon as possible. To do so, they sometimes make up their minds on first seeing the accused enter the courtroom. Then, throughout the trial, they nod and listen attentively to evidence that supports their prejudicial decision, rolling their eyes when a conflicting view is being presented.

When presenting a new hypothesis that might challenge the status quo, it is important to be able to explain the history behind an established belief and to be able to explain where our society may have gone wrong when such a belief was first established.

Here’s how most people developed incorrect views of many wellness treatments.

How Traditional Western Medicine Rejected Wellness

Throughout history, people, especially the very rich, have sought wellness. In every civilization from ancient Egypt to medieval Europe, alchemists believed that gold dissolved in *aqua regia* was the elixir of life, and they consumed fortunes trying to discover the correct formula.* In the sixteenth through the nineteenth centuries, monarchs backed expeditions like those of Ponce de León to find the mythical Fountain of Youth.** While some of these quests proved

*While the alchemists failed in their quest to make gold and discover the elixir of life, many laid the foundation for modern science (pharmacy, medicine, metallurgy, physics, chemistry, etc.), which today has accomplished exactly what the alchemists hoped to achieve: pharmacy and medicine along with the potential for unlimited prosperity.

**Although Ponce de León failed in his quest to find the Fountain of Youth on the island of Bimini in the Bahamas, he more than paid for his expedition by accidentally discovering Florida in March 1513—much as the alchemists themselves ultimately succeeded by discovering not gold, but chemistry.

fruitful in other areas (like the alchemists' discovery of chemistry or Ponce de León's discovery of Florida), they all failed miserably in their quest for wellness, and wellness practitioners were often characterized as charlatans.

Then, in the twentieth century, scientific discoveries linked disease and aging to food and exercise. In 1908, Polish-born biochemist Casimir Funk discovered that there were four ammonia-based substances vital for life, which he called "vital amines," or *vitamins*.¹⁵ Studies of longshoremen and other labor-intensive occupations showed that physical exercise was beneficial to overall health and to the avoidance of chronic disease. But for the most part, these and other now-accepted wellness discoveries were rejected by the Western medical community.* Here's why.

Prior to the nineteenth century, doctors administered the few medicines that existed, and by trial and error observed which medicines cured which diseases. Medical knowledge was accumulated like this over centuries and was occasionally diffused between cultures.¹⁶

But when a medicine or treatment worked, doctors didn't know *why* it worked. The underlying theories that explain infections, and the inoculations and antibiotics that these theories produced, had to await the widespread use of the compound optical microscope (which was invented at the beginning of the seventeenth century but didn't become ubiquitous until the late nineteenth century). The microscope led to the discovery of cells and bacteria and allowed scientists to actually see how they worked.

In the late nineteenth and early twentieth centuries, scientists became international heroes as they eliminated, one after another, the major diseases that had been the scourge of humankind (e.g., smallpox, tuberculosis, typhus, polio).

Emboldened by this success, and partly to distinguish themselves from charlatans who were practicing magic more than medicine, Western medical science began arrogantly rejecting age-old treatments and cures whose function could not be scientifically explained by the then-current level of technology.

*This also explains why direct selling (person-to-person versus television-to-person or store-to-person) is often the best way to explain a new product or service that challenges an established belief. When most people are confronted with such a challenge, they simply change the channel or continue to walk down the aisle—something that politeness prevents when listening to a friend or acquaintance.

The basic unit in biology, the cell, is about 20 micrometers in diameter. It takes about 10,000 human cells to cover the head of a pin. For physical reasons, an optical microscope cannot resolve two points that are closer together than approximately one-half of the wavelength of the illuminating light—and an individual bacterial cell, for example, is approximately one-tenth the wavelength of visible light.¹⁷

Today we know that the critical biochemical functions performed by exercise, vitamins, minerals, and nutritional supplements take place on a molecular versus a cellular level. And because each cell is composed of trillions of molecules, these functions cannot even be detected with an optical microscope.

Until the relatively recent invention of the electron microscope, which is still not as widespread as the optical microscope was in the 1800s, scientists were unable to study the molecular structure of cells and how they function.

This led most Western medical school training to virtually ignore, to this day, the importance of nutrition and the effect of vitamins, minerals, and natural supplements.

Meanwhile, during the twentieth century, while Western medicine was ignoring the importance of diet and exercise in preventing disease and aging, the amount of exercise performed by individuals declined due to labor-saving devices in the home and to machines in the workplace. The quantity and variety of vitamins and minerals in our diets declined as food became more processed and less varied. And the percentage of fat in our diets increased by 75 percent—from about 20 percent of our calories in 1910 to about 35 percent of our calories today. These and other factors contributed to the epidemic in obesity and ill health we have today in the United States, sowing the seeds for the wellness revolution that is about to take place.

The Wellness Revolution Is about More than Just Making Money

In the rest of this book we will examine the increasing size of the wellness industry and the thousands of fortunes that will be created through wellness.

As you read ahead and start to think about your place in this emerging industry, keep in mind that there is something even more important than your personal economic reward—your impact on the world in which we live.

Economically, we live in halcyon days that have far surpassed the wildest dreams of our forebears, who fought so hard and lost so much to create what we have today. Yet due to our plague of obesity and ill health, we begin this millennium with more human unhappiness than at any time in our history.

Fully 65 percent of Americans are trapped within their own prison of being malnourished and overweight, and almost half of those, about 30 percent, are clinically obese—overweight to a point where they are hopeless and have no idea where to turn for help.

These Americans are malnourished to the point that they live with constant headaches, body pain, stomach distress, heartburn, fatigue, arthritis, and hundreds of other ailments—ailments that contemporary medicine wrongly tells them to accept as symptoms of advancing age. Medical companies sell consumers billions of dollars worth of products (e.g., aspirin, laxatives) that treat only their symptoms while ignoring their cause. A similar situation exists in Western Europe, Taiwan, and most other developed nations, and it is emerging in China as chronic fatigue syndrome.

However, this is about to change, thanks to the wellness revolution. Never before in history has a business opportunity had the potential to have such an incredibly positive impact on the lives of its customers.

Before Proceeding to the Next Chapter

Action Plan for Entrepreneurs and Wellness/Health Professionals

1. Make a list of 10 potential wellness businesses that interest you.
2. Assess how you could participate in each of these areas:
 - a. Entrepreneur
 - b. Investor
 - c. Distributor
3. Analyze each business area with respect to the five characteristics of pervasive industries (outlined in the introduction).
4. Choose the three best areas for you to pursue, based on your prior skills and experiences.
5. Analyze why each of these three areas of wellness business opportunity does or does not yet exist. For those that do exist, analyze your potential competition and the opportunity for growth in each area.
6. Rethink your choices of your three best areas of wellness business opportunity, and perhaps choose a different three based on your analysis thus far.

Now read chapters 2 through 9, and at the end of each chapter, think about dropping and replacing any or all three of your chosen areas of wellness business opportunity.