Kenneth Brailsford - Founder

Mr. Brailsford is well known as a pioneer in the network marketing industry, as well as the "Father of Herbal Encapsulation" being first to introduce herbs commercially in capsules in the 1970s. He has over 35 years in the nutritional supplement and network marketing industries. He was former Co-Founder, CEO and President of Nature's Sunshine; Founder, CEO and President of Enrich International; Founder of Botanicals, Inc.; Publisher of "The Herbalist" Magazine. He was named Utah's 1994 Entrepreneur of the Year, and listed in Who's Who in 1995. He served as Consultant to Unicity prior to his venture with Zija International.

Founded and funded by Mr. Ken Brailsford, co-founder of Nature's Sunshine and Enrich International, icon of business success and wealth, Entrepreneur of the Year, father of herbal encapsulation, philanthropist.

Mr. Ken Brailsford assembled an outstanding team of business executives, nutritional researchers and product formulators. Zija International boasts superb Customer and Distributor support.

1985: Nature's Labs, Inc. is incorporated in Utah.
1987: Company name is changed to The Enrich Corporation.
1991: Company starts operations in Brunei and Malaysia.
1994: Company reorganized as Enrich International, Inc.
1995: Business begins in Russia and Kazakhstan, as well as in Trinidad.
1996: Enrich UK Holdings, Inc. is incorporated; company begins doing business in Latvia and Australia.
1998: Enrich Japan, Inc. is incorporated.

Ken Brailsford was born in Niagara Falls, New York, grew up in Utah, earned an undergraduate degree from Brigham Young University in 1969, and served two years in the military before helping start Nature's Sunshine. He served as its president until 1979 and ran Herbalist Magazine until he sold it in 1981.

Those experiences prepared Brailsford to later found Enrich International. For a few years in the early 1980s Brailsford worked as a stockbroker, but then he decided to reenter the herbal industry after his noncompeting agreement with Nature's Sunshine had expired. On December 27, 1985 Kenneth E. Brailsford, his wife Linda Brailsford, and David T. Lisonbee incorporated Nature's Labs, Inc. under the laws of Utah and became its founding directors. The firm's original address was 1030 West 500 North, Lindon, Utah. On March 12, 1987 the name was changed to The Enrich Corporation, according to records at the Utah Division of Corporations.
To support Enrich, Nature's Sunshine Products, and other herbal corporations in Utah County, the R.P. Scherer Company in the 1980s began a plant in the Springville Industrial Park to produce gelatin capsules. Scherer's general manager claimed in the Daily Herald of Provo, Utah that his firm had 'the world's largest plant that only produces capsules' and that it ran '365 days per year and 24 hours per day' to make some two billion capsules annually.

**Growth in the 1990s**

By November 1992 The Enrich Corporation was shipping between five and ten million capsules every month. Soon the firm moved to a much larger facility in Orem, Utah, formerly occupied by an educational software company called Wicat.

One popular Enrich product in the early 1990s was PerForm capsules. In 1992 the company sold $100,000 worth of PerForm, and in 1993 it planned to sell about twice that amount. Although PerForm was made with several herbs said to increase sexual drive, such as sarsaparilla root, Brazilian ginseng, and saw palmetto, Enrich marketed it as a nutritional supplement, not a love pill.


The following month, on June 30, 1994, a corporate reorganization resulted in four other companies becoming wholly owned Enrich International subsidiaries. The four were 1) Pharmatech Laboratories, Inc., a Utah corporation and manufacturing facility owned by Ken and Linda Brailsford, 2) Enrich International Industries, Ltd., a Canadian federal corporation, 3) Nature's Labs S.A. de C.V., a Mexican corporation, and 4) Enrich International S.A. de C.V., another Mexican corporation.

The vitamin and nutritional supplement industry received a major boost in 1994 when Congress passed the Dietary Supplement Health Education Act (DSHEA). Utah Senator Orrin Hatch sponsored that act in part because of Utah's leadership in the supplement industry. In addition to Enrich International, the following firms were headquartered in or had major facilities in Utah: Nu Skin Enterprises, Weider Nutrition International, Nature's Sunshine Products, Murdock Madaus Schwabe, E'ola, Solar Ray, New Ways, Cornerstone Nutritional Labs, Twinlab Corporation, Shaperite Concepts, T.J. Clark and Company, Morinda Inc., and Nutraceutical Corporation. The Utah Natural Products Alliance represented some of those firms when it lobbied for passage of the DSHEA.

That law helped improve the public image of the supplement business. 'I think the industry is halfway out of quackery,' said Luke Bucci, a biochemist and Weider Nutrition vice-president, in the October 12, 1997 Deseret News. 'Many companies are conducting serious research now; many are hiring credible scientists who have doctorate degrees from major universities. And the industry is using pharmaceutical companies as models for how they conduct research and present that information to the public ... The public's attitude has changed since 1994. Instead of automatically assuming something is bogus, people are asking questions and asking if there are any studies to back up the claims. It is a much more positive environment than in the past when the industry was treated as a cult or simply ignored.'

Four scientists led Enrich International's research and development in the late 1990s. Calvin W. McCausland, Ph.D., the firm's chief scientific officer, helped create more than 350 nutritional products and was 'the first American to receive membership in the Russian Federation Academy of Medical Technical Science,' according to a 1999 Enrich pamphlet. He also founded Trysan
Research, which was acquired by Enrich in 1994. The three other scientists were Craig Stutz, Ph.D.; Lincoln F. Berrio, Ph.D.; and Emma A. Oganova-Wilkinson, Ph.D., M.D.

By the late 1990s Enrich offered six categories of nutritional and personal care products. First, it sold more than 60 traditional herbal products, including single herbs, such as alfalfa, St. John's Wort, black walnut, and Norwegian kelp, and also various combined formulations like Enrich Packs for joint relief, female renewal, and cold and flu. Second, its Cleanse, Burn, Build line of weight management products featured such items as Enrich LifAloe, a drink with five forms of aloe; LiFiber supplements based on psyllium; and Bee Pollen capsules, Digestive Enzymes, and EnJuvenate supplements designed to help the body maintain an adequate level of human growth hormone. Enrich's Targeted Nutritionals included CardioHealth, Glucosamine AJF, and Enrich Ginkgo Complex. The company's Acorn Collection of four products, such as LifePath Chewies, was sold for children. Fifth, Enrich Home Basics included Australian Tea Tree Oil, Cold Plus, PMS Aid, and Cough-Eze, all made with natural products designed to replace over-the-counter medications made with chemicals and synthetic components. Finally, the firm's E International line of skin and hair products provided consumers with different kinds of shampoos, hair sprays, deodorants, conditioners, and cleansers.

Enrich purchased raw herbal materials from four continents, and then processed and manufactured its products in its own Pharmatech plant with six encapsulation machines. It was honored several times in the 1990s by being listed in Inc. magazine's annual listings of the fastest growing North American firms.

**Independent Distributors and Multilevel Marketing in the 1990s**

Independent distributors made Enrich successful. A good example was Seattle’s Jimmy Kossert, who worked as a commercial fisherman, real estate agent, and network marketer for other firms before joining Enrich in 1991. Within three years Kossert built a sales organization of 50,000 Enrich associates and earned more than $140,000 every month.

Another Enrich distributor highlighted in the December 1996 issue of Success, a magazine that often wrote about multilevel marketing (MLM), was Marti Settle. In about 1990 she sold her small business and got a day job so she could work at night to build her new Enrich business. In December 1991 she began working full-time as an Enrich distributor. Within a year Settle received monthly checks for as much as $20,000. After joining Enrich, she said, 'I found a new industry, a new company, and a new lease on life all at once--and I've never looked back.'

In the December 1999 Network Marketing Lifestyles, Eric Lum of Malaysia said, 'My electronics business was in such a terrible financial condition that I didn't know what to do.' Then in 1997 Lum became a distributor for Enrich International. By 1999 he had paid off his debts and become prosperous from building a downline of nearly 30,000 distributors in Malaysia and opening branch offices in Japan and Taiwan.

Ken Pontius of Provo, Utah by 1995 had built a downline of more than 100,000 distributors. 'When I started in network marketing 18 years ago, most of the distributors were working people. We didn't even try to approach professionals,' said Pontius in the December 1995 Success. But times changed, so he recruited almost all professionals. 'You don't have to baby-sit them. They're self-motivated,' said Pontius.

Of course, relatively few distributors for Enrich or other MLM firms made as much money as the four distributors described here. Nonetheless, such success stories motivated others who were looking for alternatives to routine employment or other businesses.
Utah included numerous MLM firms such as Enrich. Bill Beadle, director of Utah's Better Business Bureau, said in the August 4, 1991 Deseret News, 'It's either the first or second organized religion in the state.' He felt that network marketers experienced almost a kind of religious conversion and then went out proselytizing their products and business opportunities.

'Network marketing is buzzing in the Beehive state [Utah] because it is a close-knit society,' said writer Dennis Romboy in 1991. 'Products are easily promoted by word of mouth through Utah's web of church, family and neighborhood connections.'

New Managers and Owners in the Late 1990s

In the late 1990s Enrich International experienced several significant management and ownership changes. In December 1998 Enrich gained a new but very experienced leader when Richard Bizzaro became its president and chief executive officer. Bizzaro began his business career in New York City, where he worked for Kayser Roth and then teamed with his wife Wendy Gray to start and run their own clothing manufacturer, Wendy Gray Sports Editions. Then Bizarro began a 15-year stint at Weider Health & Fitness, including eight years as the president/CEO of its subsidiary Weider Nutrition International. He led a 650 percent expansion of Weider Nutrition and its transition from a private business to a public corporation.

David Mastroianni also moved from Weider Nutrition to Enrich International, where he became its executive vice-president and chief operating officer. He had worked with Richard Bizzaro to build Weider Nutrition and brought several years of experience in the vitamin, herbal, sports nutrition, and weight management industries with him to Enrich.

On November 4, 1999 Enrich International announced its intent to be acquired by Royal Numico N.V., a leading developer, manufacturer, and seller of food items and nutritional supplements. Founded in 1896, Royal Numico (www.numico.com) was based in Zoetermeer, The Netherlands and sold its products in 95 nations. Earlier in 1999 Royal Numico purchased General Nutrition Companies (GNC), so it had already become a major player in the worldwide herbal and supplement industry before acquiring Enrich. After Royal Numico's acquisition was completed in early 2000, Enrich International retained its senior manager team.

'Joining the Royal Numico family of specialized nutrition companies,' said Enrich International Chairman/CEO Richard Bizzaro in a press release November 4, 1999, 'provides Enrich with financial strength, manufacturing capabilities, and research and development resources unmatched in the network marketing industry. We will leverage these resources to accelerate our expansion into new international markets while maximizing our growth in the United States, Canada, Japan, Malaysia, and our other established markets.'

In 1999 Enrich officers announced plans to expand in 2000 into five new markets: Brazil, Venezuela, Singapore, Hong Kong, and Taiwan. Also significant were plans to expand the firm's efforts in the booming electronic commerce field. Thus on November 30, 1999 the firm announced that Richard C. Despain had joined the company as its vice-president of communications. His main responsibility was to help the corporation and its associates build their businesses using the World Wide Web. One of his tasks was to improve his firm's Web site, which in early 2000 had some inconsistent or inaccurate historical dates. A member of the Direct Selling Association's Internet Council, Despain came to Enrich from USANA, Inc., where he built and administered a 3,000-page Web site.

Many other multilevel marketing firms also enthusiastically embraced such new technology. NuSkin in Provo, Utah spent $37 million to buy the Internet company Big Planet. Amway, the largest MLM firm, opened its Web site under the separate company name of Quixtar. Smaller MLM firms
also used e-commerce, such as AllAdvantage, which in 1999 used the Internet to recruit 2.8 million individuals in just 180 days.

Writer Duncan Maxwell Anderson in 2000 described the potential of combining electronic commerce via the Internet with network marketing: ‘In a sense, the Internet will return us to pioneer days. Then, if you had dirt, water, and a gun, you could settle almost anywhere. In the Internet age, all you need is a phone line. The Internet will be part of the re-civilizing of America’s heartland. Network marketers will grow their gardens, support their local Boy Scouts and county symphony, and swap stories at the general store ... while building empires of residual income.’ That was the promise and the possibility, but exactly how well Enrich International fared in this new Information Age economy remained to be seen at the start of the new millennium.