

The Nutrilite Story by Sam Rehnberg is a most remarkable 423 page book. This is the incredible and authentic history of Carl Rehnberg's lifelong struggle and sacrifice to follow his dreams and finally establish the business opportunity we have available today.

Carl's dream started in China. The China market has now grown to be the biggest Altacor market.

A Book Report on
The Incredible Life of Carl F. Rehnberg
June 15, 1887 to January 26, 1973
by John C. Vaughan, Ph.D.

Reference: The Nutrilite Story by Sam Rehnberg, Ph.D. 423 pages

The Ups and Downs on the way to be the World's biggest and best Nutrition business.

- ❖ 1 Page 27 – 35. He was 27 years old and had nothing much to show for his life but a series of dead ends. He had already run through more jobs than many people see in a lifetime. Go west, young man. He was now drawn to Seattle with a dream of joining the Alaska gold rush, but it was too late. Seattle, however, opened the door to a new adventure. China was the new Yukon. So, at age 28, in the fall of 1915, Carl Rehnberg embarked for China, starting out as an accountant for Standard Oil, before starting his own successful business in China.

- ❖ 2 Page 101. By age 40 he had lost it all: family, house, car, servants, office, and corporation. The most profound loss was his wife's belief in him. He was adrift, broke, and alone. On June 24, 1927, he borrowed money to return to the States in a third-class cabin. Although he was broke, discouraged, and disenchanting, he left China with an idea better than gold. It would take a while for the idea to flourish into reality. It wouldn't be easy. It would be a struggle. But when you have a dream, a vision, and determination.... Anything is possible. And my father had all three.

- ❖ 3 Page 109 – 118. By age 44, in September 1931, my father had lost both his parents. But he and his new 30-year-old bride got some good news; they were expecting their first child. And he had a job at a time of deepening economic depression with American Potash in Trona, California's bare and pitiless Mojave Desert.
On February 28, 1932, his wife miscarried, got an infection and died. He never fully recovered from this loss. He finally emerged into "the peace of nothingness." No matter how tough the going got, my father never lost touch with the power of her presence and a spirit of hope.
He was now ready at age 45 to give his heart and soul to that passion that had so long been growing in him: finding a way to supplement the diet with all the vitamins, minerals, and other associated food factors necessary for optimal health. Now, more than ever, it seemed a way to honor the power of life. "That which does not kill us makes us stronger."
Evie Berg, a friend of his family back East, heard Carl was in mourning, and showed up on his doorstep to marry him. She was 25. By 1935, he had quit his job

in the middle of the Great Depression. Carl, with Evie's help, was manufacturing and selling his first product, a pure alfalfa juice concentrate. He registered his company Vitamin Products Company and registered VITAMIN as the company's cable address.

By 1936 he gave one of his customers, Alma Stewart, a 35 percent discount to sell. She became a more successful distributor than Carl! He had six distributors when his son Sam was born February 5, 1936. They moved to Balboa Island California. He worked 12 to 17 hour days at his shop in a boat shed making his supplements.

By 1938 he had 40 distributors, a sales plan with four levels and a 5 percent override on people they recruited. They had the first full-spectrum vitamin and mineral product. Sales were word of mouth, and it was still in the worst of the Depression.

- ❖ 4 Page 140. By December 1938, at age 51, Carl had run out of money again. His wife of 6 years, Evie, took son Sam and moved back East. Everyone was calling in his lines of credit. He buried himself deeper in his work. He moved out of his apartment and into the boat shed. He lived like a monk, no frills, only a cot. Manufacturing wasn't the problem, marketing was.

Page 150. By May 1939 he had a new name for his products, Nutrilite. He found it buried in a 1928 issue of *Science* magazine, coined by Roger Williams at University of Oregon who let him use the name. Carl continued to improve his product, adding other plant concentrates. The secretary and treasurer of his new company was a gal named Cal.

At an introductory meeting of a Dale Carnegie sales and public speaking course, Carl met Dr. William Casselberry, a young Stanford-trained psychologist trying to make an income during the depression.

At the start of World War II in 1942, Carl at age 54 gained custody of son Sam, age 6, and Carl married Cal. By Christmas 1944 they were divorced. Now it was 57 year old Carl working with 8 year old Sam in the shop. Carl told Sam how they would help improve the health of people all over the world. Sam believed him.

Page 169. Dr. Casselberry became a distributor and befriended Lee Mytinger, a classic salesman. Together they worked as M & C and perfected what they called "The Plan." It was different than sales. It was a system bound by personal links and limited only by one's ability to forge them. And The Plan added a massive upside. It worked for couples who wanted to work together. It took Carl's basic 35 percent discount and added a range of performance discounts up to a total of 25 percent more - - offering a huge incentive for the most industrious to expand as quickly as possible. M & C became the exclusive marketing division of Nutrilite.

By 1946 things were starting to grow and sales hit \$750,000. Carl plowed all the money back into the company. They moved Nutrilite to Buena Park, a small farm town. Carl also found a new partner, Edith Bruck, who would be with him for the rest of his life. Carl was 59 years old; Edith was 44, and Sam was 10. Instead of buying a home, they moved into a 48 x 20 ft. Quonset hut, a war-surplus,

galvanized steel building. The three lived in 200 square feet and the rest was a manufacturing area for supplements. They later built a nice redwood home 20 feet from the Quonset hut. They had farming operations and expanding manufacturing facilities.

Page 184. By 1947 sales were over \$2 million, and when Carl reached his 60th birthday he finally had money. "But it was never really about money for my father." If he lost it all he could live on little or nothing again. It was the continuing adventures of nutrition that sustained him.

In 1948 distributors Basil and Lena Fuller moved from Southern California to Chicago. They sponsored his brother Warren, who sponsored Neil Maaskant in Michigan, who started a cousin, Mrs. Van Andel, on the product. The Fuller brothers also started the idea of an annual convention for their distributors.

Page 203. Their main product sold for \$19.50 for a one-month supply. Since the cost was close to \$20 the product became known as Nutrilite XX - - meaning 20 in Roman numerals.

- ❖ 5 Page 204. In August and September of 1948 more products were sold than in all of 1947. Then the shoe dropped. The federal Food and Drug Administration became wary. The FDA soon began seizing interstate shipments of the product. If it were not for a 36-year-old attorney Charlie Rhyne, the friend of a Nutrilite employee, the FDA might have ended the business. Charlie practiced constitutional law, was the personal attorney for New York Mayor La Guardia and was General Counsel for the National Institute of Municipal Law Officers, representing thousands of city attorneys around the country.

Nutrilite sued the federal government. Charlie argued their case to the Supreme Court and back to the District Court in Los Angeles where Nutrilite and the FDA hammered out a consent decree on April 5, 1951. It was the first official policy on what claims a company could make for dietary supplements. The decree listed 54 claims that could be made about vitamins and minerals.

The FDA admitted that they had received no complaints about the product. Then why go full force against Nutrilite? The FDA and the American Medical Association (AMA) felt there was no need for supplements and that people might stop going to see a doctor. FDA and AMA also felt that supplements were like drugs. It was not until 2002, 60 years after Carl Rehnborg started his business, that the Journal of the AMA recommended that all adults should take a multivitamin every day.

Jay Van Andel and Rich DeVos were sponsored by Neil Maaskant and formed JA-RI Corporation in 1949. Things were growing. Distributors used the 54 allowed claims to help sell the product.

In 1953 Carl, at age 66, finally took a vacation. He and Edith traveled around the world. The 200 IQ genius, college dropout, who read a book a day and journaled his life, appeared to have accomplished his obsession that started in China.

Page 231. After his world tour, Carl returned home with two great

inspirations. Eliminate poverty and help the world work better together to make this a better place to live. He started the Boy's Club of Buena Park. He helped fund research on the Dead Sea Scrolls. He started profit-sharing at Nutrilite. He started environmental projects to preserve old-growth forests. In 1954 he purchased the large Lakeview farm in Southern California and 500 acres in Hawaii to grow acerola for vitamin C.

Attorney Charlie Rhyne landed on the cover of Time Magazine in 1957 and was elected President of the American Bar Association. At age 70, Carl hosted the dinner before the inaugural session of the Bar. Almost all members of the Supreme Court were there. Madame Chiang Kai-shek attended and after a long conversation with Carl using his perfect Mandarin, she told Charlie that Carl was the most fantastic person she had ever encountered.

- ❖ 6 Page 253. Carl's Shangri-La didn't last long. At age 72, Carl faced one more major downer. M & C was Nutrilite's exclusive marketing company, and there were problems. M & C were not even talking to each other. 1959 sales were half the \$28 million peak of 1956. M & C could no longer work with Nutrilite. The distributors selected Jay Van Andel to try to settle the disagreements. Since M & C disagreed with each other, everyone's hands were tied. JA-RI was one of the largest Nutrilite distributor organizations in the country. Jay and Rich then formed "the American Way Association" and started manufacturing and selling a unique environmental-friendly cleaning product, LOC.

Carl had been concentrating on his global philanthropic projects and had turned too much of the managerial operations over to others, who proved inept.

Page 226. Nutrilite had to buy out M & C in 1963 after a 20-year association. Nutrilite survived, battered, but intact. Nutrilite 1963 sales had slumped to \$5 million, before it started to grow again. By 1965 Dr. Sam had his Ph.D. and joined the Nutrilite staff and became deeply involved with food supplement development.

Page 286. In December 1969 Nutrilite got a well-deserved boost when the Nixon Administration conducted the first White House Conference on Food, Nutrition, and Health. The Conference lasted almost a year and concluded by saying essentially what Carl Rehnborg had been saying, writing, and living for more than 30 years!

Nutrilite's supplement sales hit over \$11 million in 1971. Carl was 84 years old and had been retired for 2 years. He spent his life developing the best food supplements based on extracts and concentrates of plant and fruit materials.

Page 305. From 1959 when they started what became Amway, until 1972, Jay and Rich continued buying and using Nutrilite supplements and selling it to their group, and earning a monthly bonus check from Nutrilite. By now Amway was the leader in multilevel marketing, four times larger than Nutrilite, but had no health products of its own to sell. Jay & Rich couldn't find or duplicate any natural concentrates like Nutrilite,

they could only buy crystalline (or man-made) vitamins. Instead, they bought controlling interest in Nutrilite on August 31, 1972. This brought everything back together again. Dr. Sam realized that Jay and Rich had the money, organization, and marketing skills to help take his dad's products around the world.

Page 310. On January 26, 1973, Carl Rehnborg quietly passed. All was in place for his supplement dream to be realized.

Double X and the other Nutrilite supplements now in 2024 have billions of dollars in sales each year, operating worldwide in 55 countries with over one million independent business owners. Nutrilite is sold in Carl's beloved China. Carl was inspired to wonder 20 years before his death how the world could work better together. Today the kitchen table friendships and first name, no boss, international connections are helping to accomplish that starry eyed vision.

The world's largest seller of vitamins, minerals and dietary supplements has major world-class farms in California, Washington, Mexico and Brazil. They are developing production facilities worldwide since 80% of their sales are international. Carl's son, Dr. Sam Rehnborg, Ph.D., is president on Nutrilite Health Institute. As Carl would say, this is "an adventure in the highest degree." As Dr Sam said this year, "in many ways, the adventure is just beginning".



John Vaughan, Francesca Rehnborg, Pat Vaughan and Sam Rehnborg