

# White House Conference on Aging

December 21, 2005

## ROGER BARNETT ADDRESSES WHITE HOUSE CONFERENCE ON AGING IN WASHINGTON, D.C. AND PROPOSES NEW BUSINESS MODELS TO HELP AGING POPULATION REMAIN PRODUCTIVE



Thank you very much, Mary, for a very kind introduction, and also for being an inspiration for me to be here this evening.

Greetings, everyone! I really would like to thank you. It is a privilege for me to be here tonight. I want to thank and acknowledge the governor, senator, congressman, and I also want to thank and acknowledge the Honorable Dorcas Hardy for chairing this incredible event, and Bob Abrams for putting together a wonderful exhibit that I think was illustrative. Most importantly, I want to thank you, the delegates to the White House Conference on Aging.

And the reason is because you all have dedicated your time and your effort to the most significant and important issue that will help to define this country over the next 50 years. That issue is how we choose to care for those who cared for us.

I think it will define us from both a moral perspective and, equally important, it will define us from the perspective of whether or not we continue to be the economic super power that we are today, over the next 50 years.

I believe that the aging of our population in this country calls for celebration. I think there are many things to celebrate—increased longevity, a better and well-lived life, and the experience that comes with age.

There are some people who look at the aging of our population purely from an economic standpoint and with alarm. But I want to share with you this evening something that I am passionate about, and a 50-year old model of success and hope for our aging society. Perhaps it is a small model from some perspectives; it involves 750,000 people over the last 50 years.

But this model shows how people can be successful, engaged, financially independent, healthy, and active as they age over a long period of time.

Just to give you a little bit of personal background, I spent the last 20 years of my life following my passion of trying to combine economic incentives and harness them for the greater social good. In other words, I was trying to use economic tools to make the world a better place.

And one of my inspirations is sitting here tonight, my mother, who spent 40 years of her career at the Legal Aid Society in New York working with homeless families and the lowest income families in the city of New York.

And after 40 years, she said to the family, “I’m going to retire.” I think my mother is an example, not just for helping to instill in me a desire to help other people, but also a model of what happens as one ages over time.

After she told me that she was going to retire, I said, ‘Mom, after 40 years of helping all these people, congratulations, I think you deserve some time off.’ And she said, “That is not exactly the retirement that I had in mind.” She said, “I’m now going to move to Washington because I have accepted the position to be the head of the Legal Services Corporation of America so I can provide equal access to the justice system for all Americans.

I have in some respects followed my mother's footsteps. I actually graduated from law school twice. The first time I was inside my mother—she was six months pregnant with me—and the second time I did it myself.

I would like to let you know it is a lot easier if you go to law school with someone else doing all the work for you.

Now, back to why I feel that aging is a cause for celebration.

I want to share this story with you tonight. But, before I do that, here is a picture of the economic doomsayers who spread all the negativity about what happens with aging. These are the people who look at the statistics and report that the ratio of contributing workers to retired beneficiaries will drop almost in half over the next 50 years.

They say that our retirement cost as a percentage of GDP will double, and therefore, our great country will no longer be economically competitive. And they say that aging is a drain on our economy and on our population. I want to show you this next slide because I think there is another way of looking at aging. And I think we should turn the logic on its head because I would like to propose to you that there is a model for not making the aging of our population a drain, but actually using it to develop a competitive advantage for the United States vis-à-vis all the economies in the rest of the world.

The 50-year experiment was started by a gentleman at the age of 61 years old named Dr. Forrest C. Shaklee. He came up with a concept of trying to provide an opportunity for anyone—regardless of race, education, or economic background—to provide a way to live a healthy life and be a contributor. Over the last year and a half, I have spent time with these people.

The idea that Dr. Shaklee started when he was 61 years old in 1956, now involves 750,000 people. The average age of these 750,000 people is in excess of 60 years old. Their average hours worked is 20 hours per week. Their average household income is in excess of \$66,000. And their average health care cost is the lowest of any similar cohort in any other population in the world.

In the last 30 days, I was in 17 states of this great country and traveled to four different countries. I spent time with some of these people and I want to share their stories with you.

This is Rocky Pratt and Mollie Pratt, and they live in Florida. You may have seen Mollie in the Shaklee exhibition area. Mollie is age 64, and Rocky is 65. Rocky was an airline pilot, and he has been using Shaklee products for 29 years.

This is Margarita Gerritsen; age 66 and a remarkable woman. I was with her eight days ago. She came to this country not speaking a word of English and not having many skills or a formal education. Today, she makes close to \$400,000 a year. She is working with her other family members and she is actively engaged in life. She is someone who consults and teaches, and she is a model for other people.

These are pictures of what I think is healthy aging.

This is Dean Smith from Illinois. He lives right outside of Chicago, and he is 79 years old. He recently won the gold medal at the worldwide rowing championships in the United Kingdom.

Cy Perkins is 96 years old, lives in Oregon, and started selling Shaklee products when he was 64 years old. He is a sprightly man and he is charismatic. He sat in the front row of a meeting in Portland, Oregon. He said, “My driver's license expires in 2010 and I plan to work until then.” Cy has incredible vision, and the newspaper wrote a story about him.

This is Al and Carol Hegerman. After Al retired from the police force, he started engaging in this 50-year-old business model. Now at the age of 77, Al called me up the other day and said, “Roger, I'm so excited about what I want to do.

I'm going to spend two weeks of the year living in San Diego and two weeks a year traveling around the country talking to people about this concept.” This past year, the Hegermans made \$1.2 million.

This is Naomi Cranney. Naomi turned 100 this year. She lives in the great state of Massachusetts. I flew out for her birthday in June, and Governor Romney declared it Naomi Cranney Day in the state of Massachusetts. This is a photograph taken of her this past year in Hawaii. This lady is 100 years old, and she flew all the way from Massachusetts to Hawaii. Why? Because she earned a free trip—thanks to her efforts in building her particular business. She makes \$338,000 a year on her own.

We had a meeting in Hawaii, and Naomi's room was in the far corner of the hotel. It took her at least 25 minutes to get down to the meeting area. I saw her there and I gave her a big hug and a kiss. And I said, 'Naomi, bless you, thank you for coming.' Naomi said, "Roger, you know, they told me I didn't have to come, but if there was going to be something new announced I wanted to hear it first." That is her attitude.

Beyond these examples are hundreds of thousands of other people who are aging in a different capacity. They are aging healthfully. They are aging in an engaged way. They are not only funding for themselves, but they are contributing to the tax base of the country. I would like to suggest to you, that after 50 years, there is something here.

And I just want to present it to you because I think somewhere in here are the seeds of a scalable model that can help turn the aging issue on its head.

This country was founded 230 years ago with three founding principles. It is right there in the Declaration of Independence—life, liberty, and the pursuit of happiness. And it didn't say in the Declaration of Independence that it was only available to a certain group of people. It did not say that people who are older are not entitled to life, liberty, and the pursuit of happiness as well.

I would like to say that, in order to be successful, you need to engage in all three elements.

The success of the people that you have seen, whether they are 65 years old, 75, 85, or even a hundred—living this incredible life—is because all of those components are fulfilled.

I like to interpret life, liberty, and the pursuit of happiness in modern terms. Life today is no longer just about breathing oxygen and being alive.

It is a certain quality of life. And my mission in life—and what I have dedicated the rest of my business career to doing—is to try to add 10 years of productive life to the general population.

You can call it healthy aging, you can call it successful aging, you can call it whatever nomenclature that exists. But I have seen examples of the people who add 10 years, and that is my personal goal.

Now, how do we accomplish that?

Thankfully, there are tremendous advances in health care and medical science; all these are terrific to preserve longevity. We happen to focus on prevention. We think that prevention is important; to try to give people time now before they get sick.

I bumped into three people who came up to me here. One is a woman whose husband has been taking our products for 40 years. Now, it is not just our supplements, it could be anyone's products. The concept is to help people add to their regimen and to care for themselves. Nutritional supplementation can help prevent so many issues, and we think that prevention is important.

Now, about liberty. In today's world, you are not truly free unless you have economic freedom as well. I think we have a moral and social obligation to care for those who care for us. And we are going to have to get clever as a group to figure how to fund that care on a long-term basis so that we can continue to meet those obligations. And we think liberty and financial freedom is an important component to it.

So, these folks that have the lowest health care costs as a percentage of their spending relative to any other cohort also have liberty and financial freedom that they generated.

And it is not something that has any prerequisites, except wanting to have a better tomorrow than they have today.

And, finally, we have the pursuit of happiness. And you can see here, if you take a look at these images—there is a woman on the left and a woman on the right—and they are basically the same person except one woman is living an isolated life, alone, somewhere else. The other woman is engaged and active.

There was a study at the Yale School of Public Health which suggested that people who have positive feelings about their aging can live more than seven and a half years longer than a cohort who does not. Now, this is where we can have a

competitive advantage. If you could package and bottle seven and a half years of incremental life to someone, it is priceless.

How much is that worth to people?

What we have—if you allow people as they age to have life, liberty and the pursuit of happiness and economic freedom—can turn from becoming what some economists consider a drain into a force of contribution to the economy. And that contribution in my opinion can be a worldwide competitive advantage.

Why? Because people who are living the preventive health mode tend to spend less on health care costs. Therefore, if they are engaged in life, they can also trade some of that engagement and longevity that they will gain for additional income.

I think there are many models for successful aging over time which are designed for the middle and upper class. But what I am talking about here is not that. One of my most exciting meetings here in the exhibition center was with people who are working with low income seniors. I think the challenge is how our country will address issues that provide this opportunity for life, liberty, and the pursuit of happiness for everyone.

I quoted some large numbers to show what some of the people I met are earning. The point I was trying to make was that these earnings came from people who would be considered, when they started, low income people.

Perhaps they were low income people without the ability to speak English, or low income people without the advantage of a formal education. Now I've been privileged myself to go to some very fine institutions but, when I got out of school, I was trained for nothing. I would suggest to you that partnering the opportunity for people to live their true potential is a way to celebrate what we are trying to do. And the question is, 'Can we do it?'

I did not discover this business model; that is why I am passionate about sharing it with you. I want to share it with you because I hope some seed of it will inspire you, whether you are a public services corporation and you provide public benefit, or you are a CEO at the conference.

I have met probably a hundred thousand people over the age of 60 who are among the most dynamic, engaged, and productive people I have ever met in my life. And if you want a testimonial about how they can help you in your business and why you should try to retain them, please e-mail me, call me, or write to me.

The question is, 'Can we do this?' It is not easy, but I think this model is scalable.

Now, take the example of Roger Bannister. Until 1954, no one broke the four-minute mile. Not one person. They said it is physically impossible to do. This one man, Roger Bannister, came along and refused to accept the impossible as impossible. And he went out and did it.

Now, many others have broken the four-minute mile barrier, including high school students. This picture of a jet is a physical manifestation of what happens when you break the sound barrier. And most people said it was impossible—the physics will not allow you to break the sound barrier. The plane that did it, by the way, is located here in a museum in Washington, D.C. It is a physical manifestation of how the impossible can become possible.

The Statue of Liberty has a plaque on it, and most people do not read all the words of this poem. It says, “Give me your tired, your poor, your huddled masses,” and that is where most people stop. But I think the other part is critically important, “yearning to breathe free.” And my belief is that there are a lot of people who are poor, who are tired; who are yearning to live a different kind of life.

I think that there is an obligation on our part to try to provide an opportunity for them. And the proven success model over 50 years says that if you provide an opportunity for these people who yearn to breathe free, they will do so. They will take advantage of it and they will provide a tremendous contribution to our society.

I want to thank you because this experience has broadened my own horizons. I do believe the principle of life, liberty, and the pursuit of happiness is the central issue. This is my vision of what American competitiveness will look like 20, 30, 40, 50 years from now. I want to take this aging population, celebrate it, and turn it into a competitive advantage as we go forward in the market.

I salute you for the work you are doing, and I thank you very much for the privilege of addressing you.

God bless you.