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## A conversation with Tom Aarts, President of Nutrition Business International, Executive Editor of Nutrition Business Journal

Tom Aarts, 40, runs Nutrition Business International (**NBI**), a job that has him living in both San Diego and Rhode Island (you thought your commute was a pain!). **NBI** publishes Nutrition Business Journal (**NBJ**), an executive newsletter for CEOs + senior level executives of nutrition related companies that focuses on strategic information and market analysis in the nutrition and nutraceuticals industries. A subscription to NBJ costs \$795/year.

NBJ conducts research and gathers original data on companies and industry activities. For example, they are now doing a "benchmark" survey of CEOs: nutrition issues from a CEO's perspective, major concerns of CEOs, market share of specific products, strategic planning issues, etc. Because NBJ is a primary source of nutrition marketing data, it is frequently quoted E by major newsmedia for nutrition market statistics.

We met Tom for dinner (what else?) in Cambridge, MA. After plying him with ice water, beer, and slice after slice of pizza, we managed to lower Tom's defenses and get him to reveal some of his most personal secrets. Here are the juicy tidbits:

**Background.** Tom was first introduced to nutrition in college. One of his friends was like the "food police," always nagging him about eating better and telling Tom he would die because of the way he ate. Although Tom, then 24 and a 6'4" athlete thought he was invincible and liked his potato chips and chocolate bars (probably not organic!), he decided to try it out. He avoided refined sugar and meat and instead started eating lots of vegetables, fruits, and supplements. Soon, he began to feel better and realized that what he ate affected how he felt. He even noticed that he had more energy and could exercise longer. He started reading about nutrition. [Tom says that one of the best things about his current job is that he learns more about nutrition every day!]

Tom got his undergraduate degree in economics, with a minor in math, at Colgate University. His major interest was general systems theory applied to human organization and business, which led him to a social systems sciences program at Wharton Business School for his graduate studies and a MBA. This field, which became a mindset for all of Tom's work, seeks to understand the purpose of an item within its whole structure + environment. The systems approach evaluates the behavior of parts in the context of the whole system. For example, in addition to breaking down the nutrition industry and making sense of its parts, NBJ explains the nutrition and natural products industry in terms of its relationship to and impact on other industries, like food, pharmaceuticals, medicine, and cosmetics.

Tom graduated with a degree in entrepreneurial management and marketing in 1989. He interviewed with some big companies for marketing and consulting jobs, but says "I decided I wouldn't be fulfilled from selling "X" dollars of soap." Instead, he sought to apply his interests to an industry that would make a difference in life + society (money was a secondary objective, "only a means to an end"). So he wrote a business plan on tire recycling, and (surprisingly enough) got funded. The company he formed shredded tires into chips for fuel. Unfortunately, it was ahead of its time and didn't have enough capital, so it didn't work.

Next, Tom worked for Mercer management consulting and for Browing Ferris Industries (one of the largest solid waste companies in the world). He worked on strategic planning for the CFO and the CEO (William Ruckelshaus, previously head of the EPA).

In 1994, Tom joined Environmental Business International, publisher of Environmental Business Journal, as a consultant. Although he enjoyed the work immensely, he wanted to form his own company. In 1996, he told his boss, Grant Ferrier, that he wanted to be his partner instead of his employee. Together, they formed NBJ, which merged Tom's passion of nutrition with his passion of owning his own business. Now, most of Tom's time is spent dealing with people on transactions (mergers, acquisitions), consulting, interviewing, traveling, and speaking.

He has taken on an investor & partner, Health Business Partners. HBP is fast becoming one of the preeminent boutique investment banking firm in the nutrition/ natural products industry. HBP has 9 professionals and is based out of Warwick, RI (hence the commute).

**Tidbits.** Tom plays classical and jazz on the trumpet (he was first chair in his college orchestra). He is athletic; his favorite sports are skiing, golf, and squash. Luckily for womankind, he is still single, a romantic who hopes to find love and forge peace in the world. But he also knows how to make the tough decisions that help a business succeed.

Tom's favorite foods include fried clams, pea soup, brussel sprouts, and broccolli rabe. He has to think a long time about foods he hates (apparently he never met a food he didn't like)... but finally imparts that he never eats dessert and rarely consumes sugar. He tries to eat what he thinks are healthy foods. A typical day starts with a flax seed laced shake (soy protein powder, one banana, 4 frozen strawberries, mango chunks, and phosphatidyl choline). He

has a midmorning snack of one dry piece of toast. He eats lunch at his desk, usually a bowl of soup and sometimes a sandwich (always tuna fish) if he's really ravenous. Before his almost daily 1 1/2 hour squash game (4 x/week), he has a power/protein bar for calories and protein. Dinner is his big meal, and varies: usually vegetables and fish, sometimes chicken or a veggie burger. He never eats red meat or pork. He also takes an assortment of ~ 15 supplements/day, from a multivitamin and antioxidant to shark liver oil, tuna fish oil, Coenzyme Q, and bilberry. [ENF does not comment on other's diets. We neither approve nor disapprove.]

**Nutrition Trends.** Tom sees the nutrition industry as the lever that will influence and move many other industries in the next 10 years. As more people satisfy their basic needs and live longer, they become more concerned with their well being, good health, and longevity. According to Tom,

1. People will want to get "extra nutrition" in their food. They will look for nutrition in convenient, easy to eat foods, such as prepackaged food bars.
2. People will try to identify their specific needs (preventing cancer, enhancing stamina for sports, etc.) and eat foods that address those issues. Food companies will respond by producing more customized foods and nutraceuticals.
3. People will demand foods that taste good.

**The future.** Tom plans to build on the platform of the NBJ to bring nutrition information to people. To speak about nutrition, and maybe pursue a higher degree in nutrition. To become more active in various nutrition-related companies: be on their boards, advise, consult, invest, help them grow. (Comments by ALM and ENS.)