

Nikken

Nikken is one of the largest network marketing/direct sales companies in the world. Nikken's industry positioning is **dramatic** based on performance benchmarks provided by company spokespersons, including:

- \$1.75 to \$2 billion in global sales projected for 2000
- Solid sales growth in the United States—from \$3 million in 1989 to over \$600 million in the United States and Canada in 1999
- 300,000 distributors in the United States and Canada and several hundred thousand more worldwide
- A customer base in Japan that includes one in eight Japanese homes, making it one of the top providers of health care products in Japan
- More than 30 million customers worldwide
- A wide selection of therapeutic products, ranging from bedding and clothing to nutritional and skin care supplies
- Sufficient capital to sustain future growth

In 1973, Nikken **founder Isamu Masuda** visualized a company that would help people achieve total wellness. Two years later, he formed Nikken in Fukuoka, Japan. Nikken—the company, the products, and the business opportunity—is built on a corporate philosophy centered on Masuda’s concept of total wellness. This concept extends well beyond the scope of physical health, to encompass five key areas of life to be brought into a state of balance. These five areas are known in Nikken as **“The Five Pillars of Health”**:

- 1. Healthy body**
- 2. Healthy mind**
- 3. Healthy family**
- 4. Healthy society**
- 5. Healthy finances**

The company prides itself on being an innovator that applies **cutting-edge technologies** to help people enjoy freedom from discomfort, more restful sleep, enhanced athletic performance, more complete nutrition, and healthier-looking skin. Nikken’s cutting-edge technologies include the following:

- Advanced Sleep Technology
- Ten Steps to a Great Night’s Sleep
- Far-Infrared Technology
- Comfort Technology
- Flexible Kenko Technology
- Magnetic Water Technology
- Breakthrough Bioavailable Nutrition
- Swiss Botanical Skin Care
- Kenko Pet Technology

Today, the company has a global presence in full operation in nineteen countries, including Japan, Hong Kong, Taiwan, the United States, Portugal, Thailand, Spain, France, Canada, Mexico, England, Sweden, Holland, and Germany. The company reports that Nikken Europe has been experiencing substantial growth in 1999. Finland opened its doors in March of that year, and with the opening of Ireland in late October 1999, Nikken has now increased its European market unit to ten countries. In addition, by adding Taiwan to the list of Nikken countries in October 1999, Nikken distributors now have six market units to choose from—in addition to Japan—when expanding their business internationally’:

**Nikken—the
company, products,
and business
opportunity—is built
on “The Five Pillars
of Health.”**

- 1. North America (United States, Canada, Puerto Rico, Dominican Republic)**
- 2. Europe (United Kingdom, Sweden, Netherlands, Germany, Portugal, Spain, Italy, France, Finland, Ireland)**
- 3. Mexico**
- 4. Philippines**
- 5. Hong Kong**
- 6. Taiwan**

Currently, Nikken’s North American operations are supported by its U.S. headquarters in Irvine, California, and by two distribution facilities in Toronto and Vancouver, Canada.

All of Nikken's offices and factories are linked to the head office via a sophisticated communications network. As mentioned in the last chapter, its eNikken Internet initiative has put many sales and business-building functions on-line.

We call this company the "silent giant" of network marketing. It doesn't make a lot of marketing noise in the United States—it just makes money! In a marketplace, particularly in Japan and Asia, that has grown somewhat skeptical of upstarts, Nikken's long track record, good reputation and focus on a healthy, holistic lifestyle position it well as populations of Japan and the West age.