

The Prophet of the Coming Aging Boom

Where others see dire problems, Ken Dychtwald sees untapped opportunities.

BY SUSAN ADAMS



For three decades Ken Dychtwald has been proclaiming that a demographic tidal wave is approaching America. He calls it the Age Wave, which is also the name of his Emeryville, Calif. consultancy and a book he co-wrote back in 1989. Learn to ride it, he tells businesses, or you will be crushed and drowned. Now that the wave is beginning to hit full force, more and more businesses are listening.

Dychtwald's message: Baby boomers, the 78 million Americans born between

1946 and 1964, present a vast market for a potential explosion of products and services, from new dating websites to longevity insurance to new kinds of food. "Eighty percent of the growth in the American population is taking place in people over 50," he says.

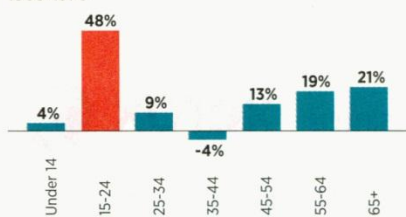
It's not news that the population is aging, but it's generally seen as a grim problem and a costly burden. Dychtwald, himself a boomer at 61, views it as a huge opportunity. The later years are becoming a time for reinvention, experimentation and consumption. In a poll

he did for financial services firm SunAmerica this year, 54% of people over 55 said they viewed retirement as a new chapter rather than a time to wind down. And they are staying healthier longer. Some commentators, like futurist Sonia Arrison, say humans will soon commonly last a century or more.

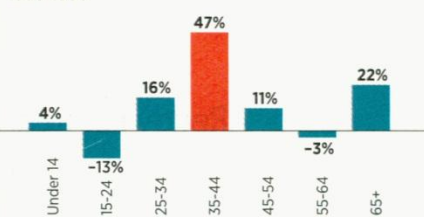
How will they live, what will they buy, and how should businesses serve them? Dychtwald, who swims, practices yoga and eschews caffeine and red meat but has nevertheless battled high cholesterol, high blood pressure and arthri-

THE AGE WAVE CRASHES THROUGH

OLDER AMERICANS NOW DOMINATE POPULATION GROWTH

CHANGE IN POPULATION GROWTH
1960-1970

1980-1990



2000-2020



SOURCE: U.S. CENSUS

tis, has some surprising ideas. One he calls "personal rocket fuel." Consumers will have a device inside their toilets that will test their waste for "biomarkers" to trigger customized delivery of a stash of 15 or so vitamins and nutrients in powder form. Other ideas: "vision quest" car windows, programmed to darken or brighten in glare or low light according to the needs of the individual driver; "smart pants" workout trousers with sensors that react to physical changes to chart exercise protocols, preventing falls and saving billions in medical costs; "Internet cemeteries" replacing grave sites and photo albums with a robust online archive business.

Two more: "third-age experience agents," all-in-one travel agents, career counselors, matchmakers and life coaches to serve boomers who have vast swaths of time on their hands, and a new generation of noninvasive laser technology to rejuvenate splotchy, wrinkled skin. "The size of that business is almost unimaginable," he says.

It might be easy to dismiss notions of Internet cemeteries and smart pants, except that Dychtwald has a long track record of successfully recommending product innovations. He refuses to disclose current consulting specifics because of confidentiality agreements, but two decades ago, he says, he advised Centrum to produce a vitamin for older people, Centrum Silver. He also persuaded the McNeil Consumer Healthcare division of Johnson & Johnson to produce Tylenol Arthritis Pain, with a container designed for arthritic hands to open. For Anheuser-

Busch he recommended Michelob Ultra, with fewer calories. "You probably didn't know its target demographic was 40 to 50-plus," he says.

He stumbled into gerontology by a very baby boomer route. The son of a clothing retailer in Newark, N.J., he took a psychology course at Lehigh University that motivated him to decamp for the Esalen Institute in Big Sur, Calif., where for three years he practiced yoga, meditated, studied massage and tried encounter groups. Then at 23 he joined a Berkeley, Calif. nonprofit called Sage (Senior Actualization & Growth Exploration) that tapped some of the techniques he had been using on himself to improve the well-being of the elderly. Not long after, he got a psychology Ph.D.

Following a decade during which he made lots of presentations to groups for the aging and health care companies, he saw a future in spreading his positive aging message to corporate clients. By the late 1990s he had started five ventures, including a media company that produced a free newspaper for seniors and an outfit that put out frozen meals for people with medical problems. He says his timing was bad: "When we went out to get more funding, people said, 'If it doesn't have dot-com at the end of it, it's not what we're looking for.'" By 2000 the companies had all run aground, and Dychtwald had lost most of the \$25 million he had amassed.

"I learned that I may be more of a thought leader than a business manager," he says. For the last decade he has focused on speaking, consulting and

churning out books that spread his message of senior buying power and rebirth. He employs eight people and charges \$50,000 to \$100,000 per speech. In the two weeks after Labor Day he took eight flights; met with executives at PepsiCo, General Mills and three financial services firms; and delivered keynote addresses to two audiences of 750-plus, including a health insurance trade group.

While his big message is about opportunity and reinvention post-50, he says he's also acutely aware of aging's dark side and is increasingly interested in addressing its challenges. He ticks off big problems: a dearth of doctors who specialize in geriatrics, meager funding for prevention of diseases like Alzheimer's, and fragmented long-term care services. He says, "I'm troubled by the absence of leadership, by the fact that we're so shortsighted."

But he quickly adds that there is a huge upside waiting for any business that makes headway in meeting the needs of the elderly. To illustrate he tells a personal story. His 91-year-old father, Seymour, suffers from macular degeneration. Every month he gets two \$3,000 injections to slow the process. If there were a procedure to restore his father's sight, Dychtwald says, Seymour would pay "everything he has." But instead of bemoaning the situation, Dychtwald sees big potential for invention, healing and dramatic profits. "I see breakthroughs that not only could change the world and improve people's lives," he says, "but they can also create enormous shareholder value and make serious money." 