

Controlling Obesity Delights Earth

Weight, Nutrition & Exercise – All Combined for Business

Interviewer: Hiroshi OKABE



Senri Tanida, President, Tanita Corp.

Input your personal information such as body height and gender, and step on the scale, then you obtain numerical data on your body fat, body water, muscle mass, etc. A specialized manufacturer of precision electronic scales and body composition monitors, Tanita Corp. marks the 50th anniversary of the launch of its bathroom scale sales in Japan. Senri Tanida became president of the company in May 2008, succeeding his father. With his strong power of imagination, the 36-year-old president is seeking to overcome the severe business climate surrounding his company. In an interview with *Japan SPOTLIGHT*, Tanida discusses how he is trying to find business opportunities in rapidly aging Japan.



A Century for Tackling Obesity

Q: You list the eradication of obesity as your company's philosophy. Tell us your enthusiasm and views about achieving that goal – and the impact on society of preventing and controlling obesity.

Tanida: Tanita is now well-recognized as a manufacturer of body fat scales. Previously we made toasters and other electrical equipment under OEM (original equipment manufacturing) arrangements for some time. With body fat scales, we have been able to win public trust as a maker of “health measuring instruments.” As a result, we have set forth prevention of obesity as one of our company's management principles. The 20th century was a century when the health hazards of smoking were recognized. We perceive the 21st century as a century for grappling with the obesity problem. Based on that corporate philosophy, we are redoubling efforts. Specifically, we have been promoting a project to eradicate obesity and starvation from the Earth. Worldwide, one billion people are said to be suffering from obesity and as many from starvation. Under such circumstances, we have launched a social action program, in which reduced weight is converted into money for contribution to the U.N. World Food Program.

Q: You are also running a campaign that links the eradication of obesity to one of the important social tasks.

Tanida: This year we are planning to call for the public to control body fat in a campaign titled “Controlling Obesity Delights the Global Environment.” If you reduce the amount of food eaten to adequate levels, the amount of energy that is necessary for making clothes is slashed as a consequence. This is considered environmentally friendly. The loss of weight leads to lower consumption of gasoline for cars. Our message is that the eradication of obesity directly helps prevent global warming.

Controlling Health via Use of the Net

Q: The message appears intended not only to try to put bath and body fat scales into wider public circulation but to grasp the significance of eradicating obesity more widely and deeply. How are you trying to have that message reflected in your business?

Tanida: I believe it important to consider what to do after measuring weight and body components – fat, muscle mass, bone weight, etc. Using our website, we have launched a “body medical record” business in which users input body data so that we can advise them on adequate nutrition and other matters. We are exploring new business areas through those activities. Cooking scales are among the products we have long been manufacturing. The kitchen scale is capable of not only measuring food weight but displaying a calorie count and other data. If you put an apple on the scale, for example, you can see its calories as well as its weight. Making good use of these functions, users can measure their calorie intake as well as changes in their weight and body composition. By using pedometers, users can also measure the amount of calories consumed through physical exercise. From the three viewpoints of the body, namely weight/composition, nutrition and exercise, we have restructured our business elements into those which help users control their health. The Japanese government, too, is actively implementing measures against metabolic syndrome. For its part, Tanita is providing a variety of services ranging from offering dietary advice through national registered dietitians and giving exercise tips to advising users to consult physicians if not in good health.

Slashing Medical Costs with Urine Sugar Meter

Q: You are playing a part in the healthcare industry. What other business areas are you planning to focus on?



Photo: Tanita Corp.



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Tanita's InnerScan body composition monitor "BC-305," which measures weight in 50g units, is the world's thinnest home-use model of the kind.

With a stylish glass body, "BC-528" automatically identifies you when stepping on it once your body data are registered beforehand, and displays a complete body composition profile.

Tanida: Japan has entered an aged society, and ever-increasing healthcare costs are causing social and fiscal problems. I think it important to link the question of how to curb medical costs to our business. In June last year, for instance, we launched a handheld digital urine glucose meter. A survey by the Ministry of Health, Labor and Welfare shows there are more than eight million diabetic patients in Japan. Moreover, more than 10 million people are estimated to be potential diabetics. Daily injections of insulin by these patients reportedly cost around ¥1 million a year per person. Previously you relied on blood tests and other means if you wanted to check whether you have early signs of diabetes. Tanita's newly developed digital urine glucose meter has enabled users to easily measure the level of urine sugar by dipping the biosensor mounted on the meter's nose in a urine sample, thus greatly contributing to the prevention of diabetes. Conventional stationary digital urine glucose meters were large, with users finding it cumbersome to operate their biosensors. Now that the portable meter has been developed, these worrisome problems have been resolved. Our product is priced around ¥16,000. Wider use of the product leads to lower healthcare spending. We are not allowed to publicize the monitor because it has been designated as a frontier medical device that requires sophisticated control. We are now planning to call on the government to ease the regulation since we would like to see the device used by as many people as possible, thereby helping reduce medical spending.

expectations for strong growth in sales of healthcare equipment. We expect not only bath scales and body composition monitors but also other healthcare devices such as digital urine glucose meters and blood-pressure meters to become widely popular there. Tanita has already set up bases in Shanghai, Beijing and other major cities. I myself confirmed recent developments in the Chinese market late last year. One troublesome problem there is a quick appearance of cheap imitation products in the market. But we firmly believe our sophisticated technology will win high acclaim from among those wealthy people who have benefited from China's strong economic growth. We expect health-conscious Chinese business people – both men and women – to become aware of the need to check up not only their weight but also body fat and other composition levels in a comprehensive way.

Hopes Pinned on Growing Chinese Market

Q: Tanita reportedly is seeking greater presence not only in Japan but in China and other overseas markets as well.

Q: How about other overseas markets? The global economy is now beleaguered with fallout from the financial crisis originating from the United States.

Tanida: We intend to secure greater presence particularly in the Asian region. In Europe, on the other hand, the market has been greatly affected by the current business downturn. We face a severe situation there partly because European consumers are not fully aware of the high performances and functions of our products. We also face difficulties in the US market, with sales at home centers there falling sharply.

Fully Publicizing Technological Strength

Q: The population has begun to decline in Japan. How do you foresee developments in the Japanese market?

Tanida: We are trying to expand our business particularly in the Chinese market. In China, highly functional devices such as body composition monitors have not yet been widely used. The healthcare market there is still in its early stage, with bath scales just beginning to spread. In fast-growing areas like Shanghai, however, the number of wealthy people is rising rapidly, spurring

Tanida: Little growth is expected in the body composition monitor market now that the device has become widespread. It is important to consider what strategy to develop amid weak growth.

Renewing our awareness of strength and fully conveying it to consumers will become the core of our business strategy. At one time, Tanita commanded the No. 1 position in the domestic market for body fat monitors. Of late, however, we have seen our market share eaten away by rivals. Upon assuming the presidency, I put together business data by myself. These materials indicate Tanita's strength in high technology that cannot be found in other companies. For example, we have a body composition monitor measuring only 15 mm in thickness. In addition, one of our body composition monitors is capable of measuring weight and muscle mass in units as small as 50 grams. The body composition monitor is a product that has been converted from medical technology. Our product boasts of high technology that makes it possible to precisely gauge composition levels by fully using eight electrodes. Users of body fat monitors often say the device shows different figures when they measure their body fat levels in the morning and at night. This is because water in the body exists equally in the morning but moves downward toward the legs after standing and walking. Tanita's product enables users to precisely measure body fat levels throughout the day as it takes into account the movement of body water. Body composition differs between athletes and ordinary people. Using numerous historical data owned by Tanita, an athlete mode of measurement has been created, making it possible for users to gauge their body fat levels in line with their body characters. We have also commercialized a transparent body composition monitor by equipping reinforced glass with transparent electrodes. This is the result of technologies Tanita has amassed during its 50-year history as a specialized seller and manufacturer of bath scales in Japan.

Q: How do you plan to link your company's strength of technology to the expansion of business?

Tanida: There appeared to be a widespread view within our company that our products would be chosen by consumers as long as we offered high-quality and high technology-based products to the marketplace. But consumers are not aware of our products unless we clearly inform them of the good nature of our products. As a specialized maker, Tanita has accumulated years of experience and boasts a variety of strengths. We need to fully publicize our strengths so that consumers will be well aware of those strengths. I am taking the initiative in publicizing it directly to consumers. The domestic market, too, is being adversely affected by the ongoing recession. The domestic market for bath scales, body fat scales and body composition monitors is running at 2.4 million to 2.5 million units in annual sales, and strong growth is unlikely in the years ahead in this market. Under such severe circumstances, consumers tend to choose Tanita products when they replace scales and monitors. Consumers have sharp eyes and are becoming increasingly aware of the high value of our products.

Q: Japan is described as an "advanced aging country." But it seems advisable to look at not only negative elements of population aging but also positive factors that provide us with good business opportunities. In particular, such opportunities can be expected from healthcare devices.

Tanida: Healthy and active elderly people are expected to increase. Steady growth is expected in the markets for products that support lifestyles ensuring healthy, long lives without costing much. **JS**

Hiroshi Okabe is a senior business news editor at Kyodo News.

Event for Women in China: Importance of Knowing Body Composition Appealed

Last December, Tanita Corp. held an event under the theme of "LOHAS-style weight reduction by checking body composition" in tandem with women's magazine *Oggi* at a hotel in Shanghai. By combining LOHAS (lifestyles of health and sustainability) with body composition checks, Tanita told the women gathered that watching not only their body weight but also their body composition is a short cut to healthy weight reduction.

In China, women are increasingly playing important roles in society thanks to the country's rapid economic growth. The December event was for women in their 20s and 30s with a monthly income of at least

6,000 yuan and who are members of *Oggi*'s readership club. Forty-five fashionable office workers from businesses in Shanghai participated in the event. In his talk, Senri Tanida, president of the firm, personally promoted the Tanita brand and appealed to the women for the importance of using body composition monitors to succeed in healthy weight control.

The audience listened to it very carefully since the term "body composition" is not yet known in China and the content of the event was completely new to them. The participants were also invited to experience body composition measurement. Nine Shanghai media firms dealing with fashion

Photo: Tanita Corp.



In an event co-sponsored by women's magazine "Oggi" at a Shanghai hotel, Tanita Corp. urges participants to watch not only their body weight but also their body composition, calling it a short cut to healthy weight control.

sent reporters to the event, attesting to the great interest in this theme among Chinese people.