

Noni - Who They Are and About Their History

Credentials

This company seems to be doing some good for their communities they operate in. In fact, TNI has paid out over \$20 million (US) to Tahitian farmers who provide the Noni fruit exclusively to TNI. If you take a look on their website, they reported over 25 different awards...US and International...(not all for community service) in the past five years. They are a previous Inc 500 award winner in 2001 ONLY (no hall of fame) and are showing on the BBB website as a NON member. The online BBB report shows that they are not a member, but their corporate office told me they were. Either way, they are showing a satisfactory report with the BBB in handling some minor complaints. They are a member of the Provo, Orem Utah Chamber of Commerce.

Their History

Tahitian Noni International (Also know for their listed name of Morinda Holdings, Inc....named after the scientific term for the Noni plant) is a privately owned company (plans for an IPO...initial public offering of stock shares...is planned in the next 1-2 years or sooner) and the developer and exclusive provider of the internationally acclaimed TAHITIAN NONI ® Juice. The company has been in business since July of 1996. They have conflicting info on first year sales (ON THEIR OWN CORPORATE WEBSITE!)one page states over \$6 million in sales and the very next page showed over \$33 million in sales. I spoke to 2 different reps at their corporate HQ in Utah and neither of them could verify the correct amount but both of them said it was probably the lesser of the two (6 mil)???? However, less than 10 years later in 2005 (again, according the THEIR corporate website) yearly sales exceed \$500 million. I could never get any info from their phone reps I spoke with to verify this either. They have approximately 1.3 million distributors in 70 countries, including 500,000 reps in the United States alone. They have a wide offering of Noni-based products (about 120 products to be exact), including healthy menu selections found at seven Tahitian Noni Cafés™ worldwide. Their headquarters are in Orem, Utah and located about 5 miles northwest of Provo and about 12 miles just southeast of Salt Lake City.

In 1955: While researching pineapple plants, Dr. Ralph Heinicke discovered the beneficial properties of the Noni plant (Morinda Citrifolia, or Noni, from the Indian Mulberry plant. His research led to the founding of a new industry.

In 1993: After coming across the research of Dr. Heinicke, food scientist John Wadsworth traveled to Tahiti and confirmed the existence of a commercially viable source of the Noni plant. He conducted interviews with natives and government officials, and searched libraries for historical documents. He supposedly discovered that the ancient claims were true—all the previous research indicated that Noni had astounding properties. Wadsworth then returned to the United States with a goal to take the healing properties of the Noni fruit to the rest of the world. So he teamed up with another food scientist, Stephen Story, and worked for nearly three years to perfect the formula for Tahitian Noni Juice.

In 1996: Tahitian Noni Juice was born.

In 1997: Tahitian Noni International posted \$33 million (INTERNATIONALLY) in sales during its first year in business.

In 2001: Tahitian Noni International was ranked #26 in Inc 500 Magazine. Griffin-Hill, an independent marketing research firm, also touted Tahitian Noni (TNI) as one of the fastest-growing private companies in America. The company's new 150,000-square foot world headquarters opened in Provo, Utah.

In 2004: The government of French Polynesia awarded TNI for its contributions to the nation's economic growth and overall positive impact. The company also received the 'Corporation with Social Responsibility' award from the U.N.-sanctioned International Council of Caring Communities (ICCC). The first Tahitian Noni Café™ opened in Tokyo, Japan.

Late June 2005, the fourth café opened after the first three opened in Japan over the past two years. Several more TNI cafes will open in Dallas; Atlanta, Ga.; Japan; Germany; Taiwan and Sao Paulo by year-end. That's part of the company's plan to add 24 cafes by the end of 2006. 100 cafes are expected to be opened by 2010. When asked (According to The Daily Herald July 2005) Mike Weingarten, the company's spokesman, maintained the cafes won't be used as a recruitment tool by its distributors. He went on to state, "We want our visitors to enjoy a relaxing atmosphere when they come to the cafe, and not be hounded by distributors." Makes you wonder what Mr. Weingarten thinks of the people (their distributors... the backbone of their marketing) that have helped TNI establish their company. Also makes you wonder how far in the future TNI will still need their distributors, if they become as common as a local Starbucks! Is there really security in being a long term (10-50 yrs) distributor?

In 2006: 6,000 distributors from around the globe showed up in Hollywood California to celebrate their 10th year anniversary. Hmmm....out of 1.3 MILLION reps worldwide....ONLY 6,000 showed up??? Melaleuca had about 8,000 (US and International) Marketing Executives AND potential customers at our last 2005 convention!

Investment for Customers and Business Partners

There is an investment for customers and it's not a lot....\$35. However, if they agree to the monthly minimum of \$120 on AUTO SHIP, then they are waived the initial membership. So, it encourages people to buy more than they might need to waive the membership fee. It also encourages people to join for the money and not just for the products because if you're on auto ship, that qualifies you to be a business builder. With Melaleuca, EVERY customer pays the same to get a membership and we ALL agree to a MINIMUM of NECESSITY products that we are already buying....not more than we need.

Guarantee

They have a guarantee but it's vague. By that, I mean I asked both a top performing business builder AND corporate office this question and they BOTH said, "I know we have a money back guarantee on the juice, but I'm not sure about any other products." THEY DIDN'T EVEN KNOW WHAT THEIR GUARANTEE WAS!!!! I didn't push the issue. I just understood they could guarantee the juice for 60 days to an empty bottle. The membership fee is guaranteed for 30 days (according to the business builder I spoke with).

Product Line

Even though they have a proprietary product line because of their patents on their product's formulations, they only have about 120 products. The problem is that I can't find that many on their website unless I add the "gifts" and "accessories" to the product line! So I don't know where the other products are they are counting toward that 120. They seem to have some great products but they are EXTREMELY overpriced AT THE WHOLESALE price...that doesn't take in to consideration mark ups from reps that are "retailing" the products. In short, they have a VERY, VERY limited product line.

Annual Income Statistics

You can't get these as either a customer or a rep for Noni. In fact, I called the company directly to ask for this information and they said (verbatim), "I'm sorry. That is privileged information and we never share that with any of our customers or business partners." When I asked why, they said "It's just not information we think is necessary for our customers to partners to know". I also asked for the annual sales and they wouldn't give that to me either. Again, they said "that's not information we give to the public".

Competition

Their competition is every other juice company out there. Yes, they have a proprietary line, but so do other juice companies. All these juice companies have been making claims about their products...Noni is no exception. So, the question is "what sets them apart from every other juice company in the public's eye"? I have only found that the Noni plant is what does that. The prices for every juice company out there similar and some are higher than others. As a retail opportunity, you really never know what the ABSOLUTE price should be. So, you could be paying too much or less than your neighbor. In any case, competition for "secret" juices is fierce right now, but Noni is ahead of the game with more products to offer and a longer history with more credentials than the other companies.

Current Financial Status

They company is currently a privately owned International company. However, after talking with 5 different people (corporate and business builders), I have been told that they are SOON to go public (offer shares of stock to the public for investing purposes). Here's what you need to know about that...

There are only 2 reasons for a private company to go public:

1. To make more money for the owners of the company
2. To make money to cover liabilities of a company
3. To pay for more growth the company can't currently finance

Let me explain....

If you are a private company and have a good thing going that some of the public is buying and you have developed some name recognition without the public knowing what your financials are....you can offer shares of stock to the public and make money from those shares. The investors become a quarterly liability because you are offering the opportunity to make "dividends" from the continued growth (more profits) of the company. You can't PROMISE a good return...just the possibility of it. If you and your top managers decide to take YOUR NEW PERSONAL stock shares (top management get stock shares as incentives without having to pay for them) and cash in, you make out with a LOT of cash and can leave the company behind. So, one reason is for management to make money off the deal and , SOMETIMES, leave investors hanging....hence the "DOT COM" era.

The second reason is to finance current liabilities. Instead of going bankrupt or struggling (or both), you can offer shares of stock to investors to make money to pay for bills that are due or past due (or WILL be due).

The third reason is for a company to want to grow faster (greed) but not have the current income to pay for the expansion. This is called GOING INTO MORE DEBT. Most companies that grow too fast end up crashing and burning and owing a lot of people a lot of money.

The main problem with a private company going public is that you never know WHY. Whatever reason they do it for, it's all about the money. For every reason I just named above....the company doesn't have enough money. I would NEVER partner with a company that doesn't have enough money. I want to make sure the growth is not too fast, the liabilities are not too much for current sales to handle and that the top managers are not running the company from a greed standpoint.