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## **Confidence in one's own strength and faith in a very special elixir**

*Bio-Strath AG has been successfully marketing the same product, unchanged, for almost 50 years*

With a staff of 15, the family firm, Bio-Strath, supplies half the world with its natural food supplement, managing to hold its own against the pharmaceutical giants.

*wbt.* David Pestalozzi and Alfred Habegger have divided up the world between them: the boss looks after the west while his technical director is responsible for the east. Along with three sales representatives and a staff of four manning the office on Mühlebachstrasse in Zurich, they sell a product in 50 countries worldwide that has been on the market for almost half a century without having undergone any changes: the food supplement "Strath" or – outside Europe – "Bio-Strath". And they do it with success. Last year South Africa was the first foreign country to overtake Switzerland in terms of sales, says David Pestalozzi proudly. Just six years ago, 1,250 packs were exported to South Africa; today, the total is 470,000. Bio-Strath AG achieves an annual turnover of 7 to 8 million Swiss francs. David Pestalozzi is keen to stress that the small family firm has no recourse whatever to bank financing, something he has no intention of changing.

### **Yeast cells "fed" with herbs**

It was Fred Pestalozzi, David's father, who set up the company. Now aged 85, he is still to be found in the office every day. As a young man, he suffered from a serious balance disorder. Whistling in his ears made it impossible for him to hear and he could no longer walk. Then he heard of an entirely natural food supplement based on herbal yeast, developed by a German chemist, Walter Strathmeyer, in 1948. He got hold of the product and his condition soon improved. He later visited Strathmeyer, who let him have the recipe. In 1961, he started to produce and market the product himself from premises on Langstrasse in Zurich.

Since 1964, the production plant for "Strath" has been based above Herrliberg. A staff of six looks after the manufacturing process today. The company's product range includes herbal remedies and animal feed supplements as well as "Strath". The key section of the plant, some of which is underground, is the fermentation chamber with its four chromium-plated steel vats, each holding 12,000 litres. The food supplement makes use of the ability of yeast cells to "digest" the extracts of some 50 herbs added to them and to make the essence of these herbs accessible to the human body. But the herbal yeast cells obtained in this way still have to undergo a fermentation process that causes them to "burst" and liquefy. The production

process lasts for two months and all that is added at the end is malt extract, honey and a little orange juice.

The end product is totally stable and can be stored for five years, even after the bottle has been opened: "A natural whole containing 61 vital substances, from which each body takes what it needs," says David Pestalozzi. It was already clear to his father that providing proof of the effects of the product would be key to achieving sales success. Thirty-five studies of varying influence have been carried out to date. They demonstrate that taking "Strath" regularly can, for example, increase concentration, improve memory in the elderly, boost health after surgery or chemotherapy, or improve performance in children with attention deficit disorders. "Quite simply, it restores the functions of the body to normal and you just can't go wrong with it," enthuses David Pestalozzi.

### **Jo Siffert, the face of Bio-Strath**

The advantages of the product are a drawback at the same time: before any sales can be made, it has to be explained to customers and front-line sales staff. Some 1,000 visitors take the guided tour of the production plant in Herrliberg every year. David Pestalozzi recalls one occasion when he had to deal with a group of no fewer than 230 Japanese saleswomen. Only specialist shops can meet the requisite need for advice. In Switzerland, "Strath" is sold in chemists, pharmacies and health shops, while in other countries it is available from health food stores or pharmacies, depending on the statutory regulations. In Japan and Malaysia there are also promotional campaigns along the lines of Tupperware parties.

The packaging, which got a bit of a face-lift in 2001, is the same all over the world. However, at the time it was the European Union that threw a spanner in the works regarding the continuity of the brand image because it introduced a regulation stipulating deletion of the prefix "Bio" from the product name, since this was to be reserved solely for organic agricultural products. And this after Bio-Strath AG had been one of the pioneers in this context in the 1960s. It was also the first Swiss firm, together with the watch manufacturer, Heuer, to make a major play of advertising using athletes. The racing driver, Jo Siffert, was probably the most famous face. But Clay Regazzoni, Ferdi Kübler, and the English football stars, Sir Stanley Matthews and Sir Bobby Charlton, have also been among those who praised the "strength-giving elixir". David Pestalozzi says ruefully that he can no longer afford to do this, but the photo albums in the family conference room in Herrliberg continue to bear witness to the fact that many of the celebrities became friends of the company.