Local spirulina distributor OKs merger

By ROBIN MUSITELLI Sentinel staff writer

SANTA CRUZ — The enigmatic philosopher who went into business to feed the world has merged Lightforce, his local spirulina distribution company, with a Dallas-based nutritional supplement and personal body-care business.



Hills

All 25 of the Santa Cruz employees will be laid off when operations move to Dallas this summer to merge with Royal BodyCare, according to a Lightforce officer. The multi-level marketing company was founded in 1979 by Christopher Hills, a native of England who reportedly made a fortune importing spice in Jamaica and retired when he was 30 to become

a research physicist and writer of philosophical works.

In 1973, he founded University of the Trees in Boulder Creek, where he wrote and gave lectures on consciousness, philosophy and religion.

The eccentric philosopher spun numerous business enterprises from University of the Trees, including Lightforce, which eventually absorbed more of Hills' interest. The school was dissolved and Hills pursued his interest in spirulina, a fresh water algae used as a nutritional supplement.

In 1984, Hills described himself to a Sentinel reporter as a philosopher and someone who studied wisdom who was only in business to feed the world.

Spirulina was Hills's idea to feed the world. The spirulina is used in 40 Lightforce products, including tablets, energy bars, stress packets and artichoke microclusters, a skin care supplement.

Last year, Lightforce had sales of \$5 million and about 20,000 distributors and members. Members pay \$10 to buy the products at a discount. Distributors both buy products, and they receive a bonus for sales made to people they sign up, like the Amway sales system.

Clinton Howard, founder and principal stockholder of Royal BodyCare, said the merger will give Hills time to develop other products, rather than run the company.

Hills, 70, said he wants to devote his time to establish a worldwide association for growing spirulina in various countries, particularly South America.

He also is recovering from a strained spine and compound fracture. His wife, Norah, died

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in December. Several employees said Hills has cancer, but he denied that was true.

Hills said Lightforce has not been sold, and described the transaction as a merger. "We're not doing anything but joining the two companies together."

Howard said "Royal Body Care is acquiring Lightforce and merging it with the company."

Howard declined to disclose the acquisition price.

According to Hills, a lack of "marketing pizazz" led to a decline

in Lightforce's profits while expenses have climbed. "It's still profitable but not like it was," he said. The company's sales stagnated for the past several years at about \$5 million, he said.

Lightforce president Ken Sabot quit in December and planned to stay as a consultant until April. He cut that short, and left in February after Hills decided he didn't need him.

Hills was trying to find a replacement when Howard contacted him.

Howard suggested the merger

with Royal BodyCare, which had sales of \$10 million last year.

"I was looking for the best CEO I could find and I found him," Hills said of Howard. "These are good marketing people."

Howard said he was impressed with the technology Hills pioneered to extract the pigments from two forms of spirulina.

"He's a world reknowned scientist and he has developed some outstanding products. We wanted to make them available and expand the market to other countries," said Howard.

The spirulina products will join Royal BodyCare's 200 products which are distributed from Dallas, Canada, Indonesia, Sweden and Japan

Hills said he will continue to live in Boulder Creek, and attend board meetings in Dallas.

He also will continue to own several other small overseas businesses and will continue to write, as well. Among the two dozen books he has written are "The Golden Egg," which explains his views on inflation, the economy and how to gain wealth; "Creative Conflict," his system for resolving differenc-

es of opinion; and his most recent book, "A Book of Vision."

Lightforce employees said the merger came as a surprise. "It was a big shock," controller Carol Avenmarg said. "No one knew it was being discussed."

Avenmarg, who has worked for Lightforce for 11 years, said employees have not been offered jobs in Dallas or a severance package.

Employees were told of the coming layoffs last week. A previously scheduled picnic, intended to boost morale, was held Friday. Howard said most of the employees will be laid off in June, and the final layoffs will be in July.