

PERSPECTIVES

Insights on Healthy Living & Aging

From Success to Significance:

Augie Nieto Shares Some Life Lessons



In March 2005, our dear friend, Augie Nieto was diagnosed with ALS, amyotrophic lateral sclerosis, more commonly known as Lou

Gehrig's disease. As you may know, Augie is one of the most successful and innovative pioneers in the U.S. fitness industry. In 1977, at the age of 19, Augie bought the marketing rights to the Lifecycle exercise bike. Then in 1980, he co-founded Lifecycle, Inc., and over the next 20 years, the company, now called Life Fitness, Inc., repeatedly multiplied in size under his leadership and grew to be the largest commercial manufacturer of fitness equipment in the world.

Augie joined North Castle as an Operating Advisor in 2001 and has provided unrivaled expertise in anticipating consumer needs, developing products and services to meet those needs, and building and managing brands within the health and fitness industry. Augie served on the

Board of Directors of EAS and GEI and is currently the Chairman of Octane Fitness.

At a recent CEO conference, Augie shared three stories about his life in a presentation he calls "From Success to Significance." As we head into the holiday season, we thought you might enjoy his inspirational message.

Connecting the Dots

I grew up overweight and at the age of 16, I started to exercise. I lost 80 pounds and knew that exercise was the magic pill. I was like a preacher and I wanted to convert the world. I wanted to help others who struggled with a weight problem. I had started my first health club my freshman year in college at the age of 19. Around that time, the original Lifecycle was shown to me and I was so excited about its possibilities that I sold my club and purchased the marketing rights.

My personal vision at the time was... Take the biggest risk you can before you have the responsibility of a family.

I spent the next 9 months in my motor home named "Slugo" and drove over 5,000 miles.

We sold a disappointing 11 Lifecycles! At the end of the launch, we owed over \$400k to our family and friends. I knew in my gut we were on to something big, but to get owners to write you a check was very difficult. So I had an idea. I thought if we gave the top 50 owners a Lifecycle and they saw the value in the product, we would be able to sell their clubs our product. It worked!

We built Life Fitness into a global brand. In 1984, I sold the company for the first time to Bally Manufacturing and had a 5 year earn out. At the end of my earn out in 1990, we were approached by the new owner of Bally and we bought back Life Fitness. We sold it again in 1997 for \$310 million. I had another 5 year earn out.

You can't connect the dots looking forward; you can only connect them looking backwards. You have to trust that the dots will somehow connect in your future. You have to trust in something - your gut, destiny, life, karma, whatever. This approach has never let me down, and it has made all the difference in my life.

It's time to turn hope into joy...It's time to cure ALS



Augie's Quest, in conjunction with the Muscular Dystrophy Association (MDA), is an aggressive, cure-driven effort singularly focused on treatments and cures for ALS. We are a unique force comprised of leading international advocates and professionals from the fields of fitness, nutrition, medicine, and R & D, as well as the Muscular Dystrophy Association.

The MDA and Augie's Quest are working with the Translational Genomics Research Institute (TGEN) to try to understand the underlying cause of sporadic ALS. Over the next 6 months, TGEN will test up to a thousand people with ALS to identify, for the first time, the genetic factors that predispose a person to this devastating disease. Discovery of such factors, which have eluded investigators so far, will lead to developing meaningful treatments for ALS.

To find out more about ALS or to support Augie's Quest please visit: <http://www.augiesquest.org>.



The original Life Fitness management team. Augie on far left.

Transition from Success to Significance

My second story begins when I was on the top of the world. I was successful beyond my wildest expectations. I was married to an incredible person and had four kids...each doing well in their lives. This is where an entrepreneur can get into trouble. When everything is going well, you tend to push the envelope.

I was on a sales trip in Finland, north of the Arctic Circle with my European sales team. We were on snowmobiles for 7 hours a day. I was bored and started off on my own. I hit a tree going 35 miles per hour. I shattered my knee cap and had to be pulled behind a snowmobile for two hours to the nearest road. I was in a local hospital and was told I

needed to have my knee cap removed. I called home and told my wife Lynne the news. She was not happy. She said I didn't have the right to risk my life when I have 5 people (our family) on the back of that snowmobile. I flew home with my tail between my legs.

Once I got home I had the best surgeon in the country fix my knee. I had escaped this event in my life with little damage.... I thought. I did not listen to the doctors and started to walk before I should have. I broke my knee cap again and needed to go back under the knife. My wife begged the surgeon to put me in a cast. He didn't. I broke it again. The surgeon put the cast on this time. I was laid up for over a year. This was the first time in my life I felt limited. Lynne was a saint during all of this.

It was now her turn for a medical crisis. Lynne's finger looked like a sausage. She was first diagnosed with a nerve disease called RSD. We went through six months of

treatments, and no results. She was then diagnosed with rheumatoid arthritis (RA). At that point, we were living in Chicago and Lynne wanted to go home to California. I said OK. I went to Brunswick and said I needed to move to California and I had to leave my position at Life Fitness. We moved home and had a local doctor review Lynne's case. He said it was not RA, but a bacterial infection caused by our salt water aquarium in Chicago. So here we were. No job, no financial obligations. We made a decision to start a new chapter in our lives. Our personal vision became: "Transition from Success to Significance."

While traveling in Tibet, I learned a very important lesson. If you want to thrive in life, you must respect others' ways. The first time you share tea with a Tibetan, you are a stranger. The second time you share tea, you are an honored guest. The third time you share a cup of tea, you become family, and for their family, they are prepared to do anything, even die. You must take the time to share three cups of tea.

That day, I was taught the most important lesson I have ever learned in my life. We, Americans, think you have to accomplish everything quickly. We're the country of thirty-minute power lunches and two-minute football drills. Our leaders thought the "shock and awe" campaign could end the war in Iraq before it even started. The Tibetan people taught me to share three cups



Pushing the envelope.

of tea, to slow down and make building relationships as important as building projects.

I had the dream life. Our family traveled around the world. I became an active participant in our kid's lives. We were at the top of the world...again.

Live, Love and Laugh

My third story is about living! About 24 months ago, I started to notice the weights I was lifting were starting to decline. I said to myself, "Getting old stinks!" As the months went by, I started to notice that my right arm was twitching. I went to the Mayo Clinic to get a physical. I was asked back for two more days of evaluation. You don't ever want to get asked back. I was diagnosed with ALS on March 29, 2005.



The Nieto family taking time to share 3 cups of tea.

My doctor advised me to “go home and get my affairs in order.” This is doctor code for “prepare to die.” It means to try to tell your kids everything you thought you would have the next 10 years to tell them in just a few months. It means to make sure everything is buttoned up so that it will be as easy as possible for your family. It means to say your goodbyes. Not long after our diagnosis, Lynne gave me this book called “When Bad Things Happen to Good People.” It changed the way I looked at my situation. I want to live life, not wait to die.

- ▶ We renewed our wedding vows in July 2005.
- ▶ We started a foundation called “Augie’s Quest to cure ALS” in conjunction with the Muscular Dystrophy Association.
- ▶ Lynne and I became the Co-Chairmen of the ALS division of the Muscular Dystrophy Association.
- ▶ We held our first fundraiser in September 2005 and raised \$1.1 million.
- ▶ We held our 2nd event in March 2006 and raised \$2.8 million with the help of Lance Armstrong.
- ▶ Our goal is to raise \$12 million next year for ALS research.

When I was first diagnosed, I wanted to set up my own foundation to raise funds for ALS research. I met with a group of YPOers and they gave me great advice. They had advised Lynne and me to partner with the leader in funding ALS research. I applied my business skills and did my homework. I traveled the country visiting all the top ALS clinics. One organization had the long-term vision needed to match my desire to launch an aggressive assault to cure ALS and that organization is the Muscular Dystrophy Association. I decided to partner with the MDA and formed “Augie’s Quest.”

I went to the MDA with my idea that included five requirements:

1. 100% of the money we raised goes to research.
2. We approve the placement of all research dollars.

3. Any money we raise is incremental, not substitutive, to the annual MDA ALS research budget.
4. “Augie’s Quest” pays no overhead burden — only direct expenses.

5. Any relationship we bring to the MDA funds “Augie’s Quest” in perpetuity.

“Augie’s Quest” is an aggressive cure driven initiative dedicated to finding the answers to these four questions.

1. What causes it?
2. How to slow it down?
3. How to stop it?
4. How to reverse the damage it causes?

The cruelest side of having this disease is that it robs your ability to be normal. I remember watching a TV show where a supermodel dressed in homeless clothes went to her old hangouts. She was mortified by how insensitive people were. Lynne and I have experienced similar reactions. We went to one of our favorite restaurants for Lynne’s birthday with a close friend of ours. We had arrived late, but had called to let them know. As we walked in, the waiter had an attitude. Once we were seated, we ordered some wonderful wine. The same waiter came up to our table and saw a straw in my wine glass. He made a comment to me and asked if I had a different color for all occasions. Lynne made a joke by saying she has a whole purse full of colored straws.

When our main course came, the waiter took the straw from my glass and threw it into the bottle of wine saying “If you are going to drink wine with a straw, let’s just put it in the bottle.” Lynne responded with “If he could hold the glass, don’t you think he would!” Then she left the table crying. The waiter came back to the table to try to apologize and my friend said “Augie, doesn’t this ALS stink!” I thought the waiter would have to go clean his underwear! As Lynne came walking back, she saw my friend and I laughing. She knew immediately why we were laughing; we thought we might get a free bottle of wine! She was right.

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Facing Adversity with Humor: Augie Nieto’s Top Ten List

Augie faces ALS with dignity, courage and humor. He tries to laugh and celebrate what he can do rather than mourn what he cannot. Augie’s “Top Ten Reasons Why It Is Good To Have ALS” reflects how he lives his life.

- ▶ 10 The fatter you are, the longer you live.
- ▶ 9 You can give advice to your kids and they might even listen.
- ▶ 8 It’s true, you can ask woman to pull down your zipper.
- ▶ 7 You never have to reach for your wallet because you can’t.
- ▶ 6 You get to drink wine through a straw.
- ▶ 5 Multiple people feed you at once — food orgy.
- ▶ 4 When you hug women, there is no risk of “wandering hands.”
- ▶ 3 Your wife showers with you on a daily basis.
- ▶ 2 You can ask for favors, and no one will turn you down.
- ▶ 1 You get to experience the love and generosity of your family and friends everyday.



Augie and Lynne renew their wedding vows.



Sometimes life hits you in the head with a brick. Don't lose faith. I'm convinced that the only thing that kept me going is that I loved what I did. You've got to find what you love. It is as true for your work as it is for your spouse. Your work fills a large part of your life, and the only way to be truly satisfied is to do what you believe is great work. The only way to do great work is to love what you do. Don't settle. As with all matters of the heart, you'll know when you find it. Like any great relationship, it just gets better and better as the years roll on.

Success has four pillars: Passion, Inspiration, Balance, and Pace. Success is never final and failure is never fatal. The only thing that mat-

ters is passion. Passion to do the right thing. As a leader, you must inspire people by your actions, not by your words. Believe in balance in your life. About giving back to the community and creating an opportunity to make a difference in the world. Life without setting finish lines is like an EKG that is flat lined. You need to oscillate!

No one wants to die. Even people who want to go to heaven don't want to die to get there. Yet death is the destination we all share. No one has ever escaped it. Your time is limited, so don't waste it living someone else's life. Don't be trapped by dogma, which is living with the results of other people's thinking. Don't let the noise of others' opinions drown out your own inner voice, and most importantly, have the courage to follow your heart and intuition.

Lynne and I try to laugh everyday – some days are easier than others. We were at a small fundraiser in Orange County where we raised \$250,000 in about one hour. The room was filled with the “who's-who” of Orange County. At the end of the program, I needed to go to the bathroom-badly! I walked to the bathroom, shut the door and proceeded to fumble with my fly. At this point, I was running out of time. I called to Lynne across the room. Unfortunately, she thought that I was just calling her to go home. She continued her conversation until she noticed that I had a panicked look on my face, then she came. She

ducked into the men's room with me and helped me with my zipper. I was never so relieved in my life. She knelt down to help zip me back up when the door opened and she looked up and just started laughing. We both knew what he was thinking. I walked out and “high-fived” him. Lynne walked out and said “Next.” Sometimes you just have to laugh!

I'd like to leave you with some of the thoughts that I have lived my life by:

- ▶ You learn when you fail, not when you succeed. Don't be afraid to take a risk.
- ▶ My success was the result of knowing what not to do versus knowing what to do.
- ▶ Insecurity is a good thing. It makes you try harder.
- ▶ Give versus take: once they owe you, you are in control.
- ▶ In the theatre of life you only have so many seats. There is only one front row. Pick carefully who you allow in.
- ▶ I redefine normal everyday. You can either mourn what you can't do or celebrate what you can do.
- ▶ If you live everyday like it was your last, you would wake up with a hangover everyday.
- ▶ Life is not measured by the number of breaths you take, but by the times your breath is taken away.

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Telephone: 203-862-3200 • Web: www.northcastlepartners.com