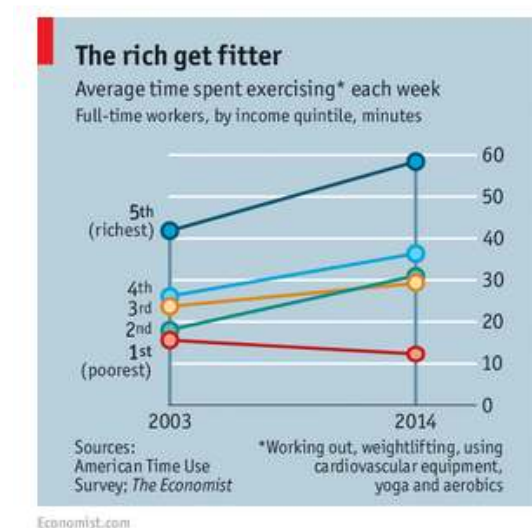


Rio Fit for Wealth Campaign

23.9.15

Another example of our identification of Upturn in a market.

RIO commenced its fit for wealth campaign many years ago and it seems got it right as the graph below indicates.



Source: *Economist* (Aug 2015).

It is a fact that people who are wealthy have begun to embrace becoming fit. "What is the point in being wealthy if you are not fit to enjoy it" being the ethos perhaps? This trend was spotted by the RIO Club long before it was noticed in the mainstream media.

The Club's focus on its membership is such that we identified this trend in its membership with over 68% of members exercising 3 to 4 times a week and immediately launched the Fit-for-wealth campaign to actively support and encourage this get fit behaviour.

Below is an excerpt from the article that was taken from the *Economist*.

The recession of 2008 damaged many industries. One which emerged remarkably unscathed was exercise. According to figures from the International Health, Racquet and Sports club Association, an industry group, gym members now number 54m, up from 45m in 2009. Twice as many Americans subscribe to gyms as in the mid-1990s.

Yet America's population has not got visibly healthier. According to the Centres for Disease Control, a government agency, in 2013 a quarter of adults engaged in no leisure-time physical activity at all beyond the bedroom. Between 2001 and 2012, the age-adjusted proportion of the population who are obese or extremely obese

grew from 36% to 41%. That increase has slowed of late, but it has not yet reversed.

The explanation of this paradox lies in who is doing the exercising (see chart). Where once “prosperous” was a synonym for overweight, being fit (and thin with it) is now a marker of status.

At Cross Fit, which describes itself as a “word and a phenomenon”, though it mostly involves weightlifting, customers are described as “athletes”. Exercise is not quite yet a luxury good, but it may be getting that way.