

# Big Pharma and Shark Investors vs Humanity

My journey trying to save millions from disease in the face of capitalist greed

By: Jay Newman, 10/23/18 (Reprinted from Medium: <https://medium.com/@jaynewman/big-pharma-and-shark-investors-vs-humanity-dd4960ea2de4>)



“**T**here’s nothing you can do about it,” he said to me.

“I’m going to find a way,” I replied. “Watch me!”

I was talking with Steven Jobs. The year was 1989. We both had the same attorney and accountant, and the primary initial investors in his two startups were looking into funding my new tech startup. Steve and I were debating the virtues of educating the public about how much is really known about natural health and healing—in spite of the conflict of interest of Big Pharma and of the entire medical industrial complex.

I'm writing this article as a man who knows at some level that he is going to die soon. How soon I can't say, but soon enough that I'm becoming increasingly aware that I won't live forever.

Not that I really fully get it that I'm going to die. I believe if I did get that fully, I'd be an enlightened being who knows to enjoy every moment, focus on what feels good, let go of the past, have genuine compassion for other living beings, honor life itself with pure wondering awe, and probably have creation flowing through me unhindered.

What does that have to do with the title of this article? Maybe nothing. Maybe everything. If there's hope for mankind and for a bright future for civilization, it has to entail a more evolved approach to how we work together, to the way our economy functions, to how much we emphasize empathy versus greed. It has to entail us evolving as people.

There is a lot to be said for survival of the fittest, I'm sure, but in today's technological world and our world of fiat currency, where those with money have more leverage to have more and more, and where "the fittest" is no longer about biology and intelligence but about factors that are far removed from life itself, well, we're on a trajectory to where either we evolve quickly to working together or it's all over.

I don't like to use words like capitalism too loosely, since every individual conjures up their own version of what a word means. Whatever we call it, there has to be a better way for us to work together.

And we do have to work together better. The current model is destined to destroy mankind! We can do better! We can evolve! So let's do so!

## **Questioning Capitalism Early**

In high school, I was a year ahead in math with almost a consistent 100 average, and I wasn't very interested in other classes. One day, I went to talk with the school psychologist. I was perplexed at why everyone was telling me to go to school and invest the best years of my youth in it. I'd ask why and they'd say for good grades, for a good college, for a good job, to make good money. I said that didn't seem as worthwhile to me as learning about the mysteries of the human being, of being alive, of consciousness, and of nurturing our loved ones rather than hurting them.

I said it seemed to me it made more sense to learn about that, and about how to appreciate more what I have as opposed to just gathering more and more things.

He agreed that that made perfect sense. That was my last day of high-school.

I went to college for only a few months, until I told the science teacher I disagreed with something he had just told the class ten minutes prior. He asked me if I was sure enough to bet my grade for the year by doing an experiment in front of the class the next day. We did it and I was proven right, and he said I got an A for the year and didn't have to come back to class—and later that day he took me for a stroll on the school grounds.

I asked him why he did that.

“You had to know I was going to be right the second I questioned you,” I said.

He replied, “Of course I knew!”

I asked, “So, aren't you concerned you made the entire process of school look like a farce to all the other students?”

“Quite the contrary,” he said. “This wasn’t even about you. You could have aced this class in your sleep if you were interested. You gave me a chance to show the others it pays to think.”

He then told me school would hold me back, and to go pursue my interests and find my mentors in the real world.

That was my last day of college.

I lived in bookstores, libraries, and health food stores—soon discovering that we know how to heal most disease with simple, natural lifestyle and health practices. I lived these practices, practiced kung fu, developed the body of a god, helped to heal a handful of people who were considered incurable, and became determined to make money with which to teach this to many others.

And I realized all too well that it was the profit motives of the medical field that stood in the way of the public knowing about these things!

I went into high tech. I had no money, but soon I had the head of the entrepreneurial department at Harvard, Jeff Timmons, join my Board of Advisors. I presented to a venture capital firm in Boston, who then called me and said, “You’re smarter than the investors who are going to want to tell you how to do things. There’s one man in the country who will understand you, who you’ll get along with very well,” and they sent me to Don Valentine of Sequoia Capital in Silicon Valley.

I found an attorney in Silicon Valley who I resonated with so well we finished each other’s sentences. The same happened with an accountant. I had no money, but they took me as their client anyway.

I then read an interview Ross Perot had done in Inc. Magazine and fired off a one-page letter to him with nothing but the little section at the back of my one-inch business plan called “My Views on Leadership and Management.” I pointed out it was almost identical to his interview.

Two days later, I had the president of Perot Investments calling me. “Ross said to look into funding you.”

And over the next two weeks, I discovered that my new attorney and accountant were the same that Steve Jobs was using, that Don Valentine of Sequoia was the VC who took Jobs and Wozniak out of the garage to build Apple, and that Perot was the first primary investor in NeXT—Jobs’ new company that he formed when he was kicked out of Apple.

And then I discovered that Jobs and I shared the same passions about natural health and healing and, in fact, focused on the identical author.

Pretty remarkable series of coincidences, to say the least.

So, there I was, learning the game of entrepreneurship and venture capital. At one point, I expressed to the attorney my dismay over the fact that the venture capitalists were only interested in the money and not at all in the relationship, or me, or the purpose behind the work. He said that’s just how it is. “If you’re making them money, they’re your best friend,” he said. “If you’re not, they’ll cut your balls off.” Okay, well, I guess that’s the game. I’m not sure how dedicated I can be to them and to the process if those are the rules, but we’ll see how it plays out.

The more I learned and met with people in the field, the more I was dismayed, disappointed, and gradually even disgusted. It was archaic.

I remember going to a meeting of the Gold Coast Venture Capital Club. I was entirely green and was just starting to get my feet wet. I remember a banker speaking to the group, saying something along the lines of, “We told them if they can bring their receivables cost down by another two-and-a-half percent, we would agree to funding.” I knew nothing about the context whatsoever, yet I thought this was the most sterile, lifeless thing imaginable. Robots talking numbers with no hint of life, or human focus, or purpose, or vision.

## **Shifting to the Natural Health Field**

My relationship with the people surrounding Steve Jobs ended before I raised funding. I was talking with Steve about natural health. He agreed it had a world of benefit to offer mankind. (Note: I maintain his health issues were due to his being an emotional mess. He reportedly even told his friend Larry Ellison of Oracle that his cancer was due to his stress from running Pixar.) I told Steve I was in high tech in order to make money so I could use my own money to teach how much is known about natural health and healing that people don't hear about because of the lack of profit in it. He said there was nothing that could be done about it.

I told him I would find a way.

I said, "Watch me!"

And with that, I called Don Valentine, the VC, at home on a Sunday. I said, "You need to know who I am. You see a brilliant entrepreneur and you want to put millions into me. Well, you should know the reason I'm doing this. It isn't because I think the world needs more high tech. It's to be empowered to use my own wealth to educate the public that we know how to prevent and heal the vast majority of disease, and people don't hear about it because of the profit motives of Big Pharma." He asked to see some of the health information, and then told me he found it very interesting, similar to Pritikin he was trying to follow. However, now knowing my heart was not into high tech, funding was not happening.

Perot, on the other hand, talked about following one's passions.

By that time, I was spending virtually all my time attending conferences to meet holistic health leaders anyway, and I pursued my passion. Some people thought I was insane. I had no choice. I had to follow my heart. I was sure not feeling it with the VC types and the blind pursuit of money.

My first business plan for doing something in the natural health field was attempting to raise money to do an infomercial for a program teaching

about natural health and healing. In the front was a section I called Corporate Philosophy. It said, “We believe the free enterprise system is largely responsible for the public being in the dark regarding the truths about health and healing, but it’s that same free enterprise system that allows us, if we’re smart, principled and lucky, to help a lot of people, and that our success as a business is indeed how we can help a lot of people.”

It went on to say, “At no time will we do anything in the pursuit of profit at the expense of the wellbeing of the public.”

I was obviously wrestling with the interplay between public good and profit, and was still naïve.

## **Make Financial and Humanitarian History, Maybe**

Ten years and a million dollars of hard work later, I introduced an ionic silver complex that’s light-years beyond the common “colloidal silver.” It’s an [incredibly effective](#) natural antibacterial and antiviral. Two days after I did the press release, I got a phone call from Mary Meeker, head of technology investing for Morgan Stanley (who I later learned almost single-handedly funded the explosive early-stage growth of Microsoft, AOL, Dell, and Amazon).

She said, “I saw your press release, and I’ve been researching the medical potential of silver for two years. If you can go public, I’m going to put a fortune into you. With your technology, you have the potential to have a billion-dollar company and make history changing the world of antibiotics, both from a financial point of view and a humanitarian point of view.” I told her I was filling bottles by hand in the living room and there was no way I could go public. She said someday I may end up changing the world. Since she couldn’t invest, well, I was on my own.

Marketing the product in the retail natural products field in the United States was almost impossible. Just as I got into it, the field was quickly

hijacked by brilliant, ruthless conmen with entirely fraudulent marketing: false images supposedly taken under the microscope, a falsified letter on university letterhead, false representation of EPA safety guidelines, and so on. The money was rolling in for them and the marketplace drank it all in, never even suspecting such a massive con job was possible by people involved in the natural health field. (The con persists to this day, raking in many millions of dollars.)

Without spending any money on marketing, I sold hundreds of thousands of bottles of the product through word of mouth and repeat business, by placing the product in the largest distributor and thus a few hundred health food stores, and by hundreds of interviews by the media.

Customers saw it doing wonders for their family and even sometimes saving the lives of family members, and invested small sums, which were sometimes a substantial part of their life savings—with the primary goal in most cases of helping me get the product out to millions of others who were suffering and dying needlessly. The secondary goal for most of those customers-turned-investors was to make a profit at it.

We were entirely on the same page. There's nothing they wouldn't do to be supportive of me, and there's nothing I wouldn't do for them. We were and still are people with a shared vision and set of values.

But years went by with my still being unable to sell the product on a decent scale due to the competitors with their false marketing, even though they had antiquated chemistry known to be minimally bioactive.

Oh, the field was relatively easy to take over with substantial funding since their con job was so transparent and easy to expose, but it couldn't be done with a peashooter. One high-powered attorney in Washington, D.C., cautioned me that, at the least, I'd be vulnerable to an unfounded lawsuit and they'd just spend me into oblivion. "The man with the gold makes the rules," he said to me—and he was on my side.

I shared my frustration with a store owner who had become a small investor in my company and who was generally supportive of me and my efforts. When I showed him the extent of the competitor's fraud, his response to me was simply, "Are they making money?"

I just didn't get it. I wanted to make money, and to raise money to do so, but I was not willing to become a predator and get in bed with predators.

I just wasn't resonating with potential large investors I encountered. The focus on "More for me" with that being the only goal was unacceptable.

Then there were the Wall Street players who showed up.

One offered to take us public and make me rich, but when I asked where the investors would come from he said people with modest incomes. I asked if they'd make a profit and he said, "Probably not. Big Pharma will probably stop you before then. But you'll be rich." I just stood up, left the dinner meeting, told my partner to pay my bill, and walked out.

Another was going to raise us a few million and grow sales with the plan of selling the company for \$100 million in a couple years. I said, "We're not going to sell it to a pharmaceutical company who will take the product off the market or make it a high-priced prescription-only drug," and he said, "We'll sell it to anyone whose check clears." I told him that's not why my early investors invested and that we weren't a match.

## **Conflict Comes to a Head**

I just didn't get it, man. I was not able to get into that mindset. It ran contrary to my core. Yes, I wanted to make money. Damn, I wanted to be rich. I wanted to have a good life and a good love life, and I still do!

I wanted to have the power to help and influence others in a good way, and to practice the health and spiritual arts I practice while doing good.

But to make money just to count the numbers, without contributing to society in how I make that money, just never connected for me at all.

At one point, I presented to a roomful of leading medical VCs in Silicon Valley, which was a truly surreal experience. I felt like I was looking at a room full of zombies who happened to command a huge amount of potential investment money, well into the billions of dollars. These people had no clue what I was about. There I was, passionate about helping to save many millions of people from disease and death with the ionic silver I had worked so hard to create, and they were only thinking of dollars and metrics. I remember telling people, “These VCs would rather sell a motorized wheelchair to an elderly person than simply assist them with walking every day, or tai chi, or a healthier diet and lifestyle.”

Why would they teach them that? There’s no money in their being well!

The madness of the pursuit of profit with no regard for human impact came to a head for me when Andy Peck, the vice president of the Gold Coast Venture Capital Association, was brought to my office by a mutual contact. I told this contact not to bother because I’m not going to get along with a venture capitalist, but he insisted. Half-a-day into our meeting, the venture capital guy said to me, “You’re sitting on a potential goldmine. I can easily see this company sold for half-a-billion dollars in five years. I want to introduce some potential investors.”

To which my reply was, “First, you should know that I have three criteria for who I will allow as my investors. One, they care at least as much about the millions of people we’ll save from disease as they care about the money they can make—or we’re just not going to get along; we’re not going to be on the same page, and we’re going to have friction. Two, they genuinely respect natural healing and understand sometimes it’s more progressive than the pharmaceutical poisons. And three, it’s their nature for the investor-entrepreneur relationship to be a friendship, where we actually like each other, we trust each other, and we look after each other.”

He put on an exaggerated gesture of confusion and said, “I don’t know any investors like that. I’ve never even heard of any investors like that. They’re out for themselves. They’ll screw you if they can. But so what? That’s why you have lawyers.”

I was so disgusted. I felt like I was being spoken to by an idiot who controls my financial fate. I looked to the ceiling silently asking for help. And I said, “Listen, man. I have dozens of small investors, mostly who came from my customer base, who are exactly what I just described. Nobody’s gonna tell me I can’t find a few people just like that with much bigger bank accounts.”

He said, “But that’s like one percent. How are you going to find them?”

I said, “I know, and that’s my job—that’s my calling. And that’s what I’m going to do.”

Time and again, I’ve been approached by hedge fund managers, individual billionaires, and so on, wanting to invest money, yet they had no concept of benefiting the public as they make a profit. And time and again, I kept showing them the door, no matter how much I needed the funding. I knew in my heart there had to be a better way, and I’d find it.

People naturally tried to convince me about the virtues of considering these types of investors “a necessary evil” but, for me, the entire concept of making money just to count the numbers was so flawed at the very core that it was something I could not buy into and commit my blood, sweat and tears to no matter what.

It wasn’t even something I wrestled with. I couldn’t even begin to engage with such people—rich people wanting to get richer without a hint of caring about the lives we’re impacting, when on the other hand I had all these amazingly good human beings from my customer base being so incredibly supportive with their hard-earned money and with the tremendously supportive relationships we developed, who mainly wanted to help me help countless other people who they didn’t know.

I kept encountering these “more-for-me” investment types and thinking, “Who are these people?” And “What kind of society are we building and going to have with them having the dominant influence?” For years, I faced the reality that the entire economic system, and the entire culture around money, are enormously flawed.

At one point, I was introduced to a key person at New World Angels. We were talking the usual business lingo: metrics, market size, sales history, profit margin, financial projections, management, and of course the few most important things to them: how much are we likely to make, and how soon are we likely to be able to cash out?

And the altogether sophisticated financial question: “What’s the valuation?”

I was so physically upset in my gut with all the focus on dollars and “What’s in it for me?” that I said, “You do care that we’re going to be saving millions of people from disease, right?”

He said, “Um, uh, yeah, we care. Of course we care. Are you saying we don’t care? We care. Now, again, how much are you looking for, when do you expect to go public, and what’s the valuation?”

I got so fed up I said, “The valuation is the next ten million people we’re going to save from disease!”

That was the end of that conversation.

## **The Nonprofit Hybrid Approach**

The man who introduced me to that principle at New World Angels told me, “I can introduce other potential investors to you, but the more I look at your materials and talk with you, the more I realize you don’t want investors. Look at the Subject line of the email with your presentation. It says, ‘Philanthropic investing and entrepreneurship.’ You’re looking for people with money who want to do good in the world. That’s not called

investors, that's called philanthropists. And you can raise a lot of money from philanthropists. But you need to have a nonprofit so they can get their tax deduction."

That was the beginning of a journey in which I learned a lot about nonprofits and about the "hybrid" approach to doing both: 1) making money, which I still had to do to pay my debts and make whole the good people who had made modest investments in the for-profit manufacturing company I ran, not to mention to have a decent future for myself; and 2) honor the humanitarian focus by working with funds raised from philanthropists rather than deal with sharks.

I found an attorney in New York who had been advising people that the Skoll Foundation was funding. He was teaching them this concept. He wrote an article in the Stanford Review in 2011 called "A New Type of Hybrid." He wrote that by having a for-profit and a nonprofit remain separate and contractually do business, it's possible to accomplish both.

In it, he pointed out that the laws we have regulating for-profits and nonprofits were developed in the 1700s when "Puritans" ruled who believed profit was an evil thing but a necessary evil, and it was therefore entirely divorced from anything that had to do with doing humanitarian work and donating funds for the public good.

I consulted with leading attorneys in the nonprofit space and learned that it is, indeed, a real thing. In fact, it's entirely proper and even common.

I had finally found a way to potentially raise substantial money from people who care more about helping me do good in the world than just getting richer and richer when they don't even need any more money.

(Yes, I'm well aware of "impact" investing, the new—or newly reborn—catchphrase for investors looking to do good. And by all means some such entities are genuinely worthy and doing good. For the most part, though, the "profit" aspect is the priority, and all else comes after.

Perhaps one day soon I'll connect with such an entity, but for now I'm not thinking that way.)

So, I recently formed a nonprofit called [Champions for Humanity](#). It is using roughly half the money it raises to buy the ionic silver from the company I founded that makes it, and is charitably distributing the ionic silver to people in need—in the U.S. to low-income people for direct human use, and in third-world countries for both direct human use as well as for disinfection of drinking water. It is aligning with respected, well-established humanitarian organizations, faith-based groups and NGOs for the distribution, the training, and the reporting on the results.

With adequate funding, Champions for Humanity can save potentially tens if not hundreds of millions of people from infectious disease who are suffering and dying needlessly today.

The rest of the money it raises will be used to do good in other, similar ways. The plans include developing [The Dolphin Ring](#), which I regard as being “the opposite of Shark Tank.”

We are mortal human beings who are going to die. Does the knowledge that we are here for a short time mean there's no reason not to rape and pillage while we're here? Or does it bring about a sense of awe and respect for life itself and for all of life, and move us to compassion and empathy for others and to doing what we can just because it feels right?

---

**If you want to do something really cool, you can make a tax-deductible donation to [Champions for Humanity](#). If you want to talk, [email me](#).**