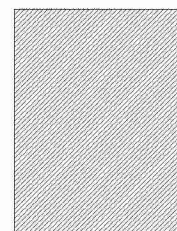


DIET PLANS:
WEIGHING
THE OPTIONS



Diet programs can cost as much as \$10,000 a year. In time for the annual New Year's weight-loss resolution, we go a little hungry to find the best deals.

BY ANGIE C. MAREK

PHOTOGRAPHS BY JEFF HARRIS FOR SMARTMONEY

FOR MICHELLE SPAETH, DIETING IN A ROCKY ECONOMY HAS COME DOWN TO THIS: BUYING FOOD ON EBAY. SHE DIDN'T PLAN IT THIS WAY, BUT WHEN SHE DECIDED TO JOIN THE NUTRISYSTEM WEIGHT-LOSS PROGRAM LAST SUMMER, THE 34-YEAR-OLD ENTREPRENEUR FROM YERINGTON, NEV., FOUND THAT FOOD COSTS WERE EATING A BIG HOLE IN HER BUDGET. SO SHE STARTED CUTTING CORNERS EVERY WAY

she could. She waited until the company advertised a sign-up promotion offering three free weeks' worth of chow, and to earn occasional food credits, she spends time wrangling new recruits. Now she's even bidding online for other members' cast-off food. Her most recent score: a three-week supply (including favorites like the fettucine alfredo lunch entree and white-cheddar soy chips) for only \$105, nearly 60 percent off the company price. It's a great deal, Spaeth says, as long as the packets come from a smoke-free home and haven't outlived their freshness dates.

As anyone who's struggled to lose those love handles or that double chin well knows, trying to drop more than a few pounds is rarely easy. But doing it in hard times can be even more of a challenge. With this year's resolution season upon us, many would-be dieters face a double whammy. Not only is there the stress of an uncertain economy and lousy job market, which invariably leads more people to seek solace in a bag of Doritos and a pint of cookie-dough ice cream. (Yes, it's official: "People gravitate toward food that is rich in calories during a recession," says Adam Drewnowski, director of the nutritional sciences program at the University of Washington.) But eating light isn't always easy on the wallet, whether signing up for a monthly load of freeze-dried food or opting for the weekly weigh-in and rap session.

Indeed, choosing one of the mass-market diet routes can set you back between \$5,000 and \$10,000 a year, depending on how much food you order, how much counseling you seek, and how many calorie counters and exercise gadgets the companies can upsell to you.

Still, 2010 could be the year for anyone looking to join the weight-loss movement. Battered by a flurry of price-conscious dieters fleeing their programs—several saw double-digit losses in membership in early 2009—most of the big diet firms have been rolling out a slew of discounts. Last fall, for example, Weight Watchers offered for the first time one free month of meetings and online support. NutriSystem began making its food available at discount chains like Wal-Mart and Costco—in some cases, for 15 percent off. And Jenny Craig has been offering new members a 20-pounds-for-\$20 promotion. Indeed, says Rosa Welton, portfolio manager at investment firm Mesirow Financial, which invests heavily in the industry, "Dieting firms have tried to combat consumer pullback with aggressive promotions."

The science on most of these plans is hardly conclusive, since most of the research has been paid for by the diet companies themselves. "Even journals considered to be rigorous have been criticized for publishing low-quality or potentially biased studies," says Lona Sandon, a nutrition professor at University of Texas Southwestern. And most experts say there's still the question of which diet methods work best for the long haul. Still, we decided to dig into six of the most popular weight-management programs to compare costs, poke at the science and talk to dieting consumers. Our goal: assess the latest and best ways to fight the battle of the bulge—and cut the fat from the ever-growing costs.

NutriSystem

Program fee*: \$349
 Out of pocket**: \$180

BEST VALUE

How it works: Fee covers home delivery of three freeze-dried meals a day, two snacks and unlimited phone counseling. Not covered: supplemental groceries.

Worth knowing: Its food is the cheapest of the bunch, unless you opt for the more gourmet frozen meals, which add \$70 monthly. (Women pay less.) Dieters can shave costs with "Buddy Bucks" and other food credits.



Weight Watchers

Program fee: \$69
 Out of pocket: \$647

BEST OVERALL

How it works: Program fee includes weekly group meetings and access to Weight Watchers' Web site. (\$30 Web initiation fee separate.) All food costs are out of pocket.

Worth knowing: Experts laud the plan's long-term sustainability, given its balanced emphasis on portion control, nutritional education, peer support and exercise. Plan partly covered by some health insurers.

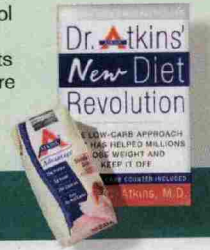


Atkins Diet

Program fee: \$0
 Out of pocket: \$948

How it works: Most people start with the official book; Web access is free. Price for food can be high because the diet includes pricey proteins like bluefish and skirt steak.

Worth knowing: While the company disagrees, many experts say this strict low-carb plan doesn't work long-term for everyone—especially those with cholesterol issues. Some fans keep costs down with more affordable meats and veggies.



*All program fees are for a typical month. **Estimated monthly food costs for each diet are calculated using one week of suggested menus on the programs' Web sites. Costs vary depending on which proteins consumers choose and which spices and condiments they have on hand. ***Price varies based on menu items selected.

TO COOK OR NOT TO COOK? That is the question. At least it's one of the biggest decisions dieters have to make when they first choose a weight-loss program. Three of the most popular names in the business—Jenny Craig, NutriSystem and Medifast—offer a turnkey proposition: perfectly portioned, prepackaged food delivered to your doorstep. Of course, the word *food* might be stretching it, since some of the grub comes in the form of powdered nutritional shakes and "meal bars"; but others are complete precooked entrees that arrive freeze-dried or frozen—and just as important, tiny. These scaled-down servings of "classico" chicken parmesan and Swedish meatballs, says Sandon, are valuable for teaching people real portion sizes, especially in a world where many people eat on platters instead of plates. A 2007 study on Jenny Craig, conducted by the University of California, San Diego (paid for by the company), found that customers lost 8 percent of their body weight in nine months, compared with roughly 1.5 percent for a dieting control group.

On the other end of the convenience spectrum are slim-down systems that require more, er, heavy lifting. Some, like Weight Watchers, encourage you to closely measure portions and record every "bite, lick or taste." Others, like low-carb proponents Atkins and South Beach, have you buying from strict lists of approved foods and practicing the lost art of self-deprivation—at least at the outset, when there's a strict ban on potatoes, pasta, sweets, fruit, bread and alcohol. (The programs diverge, however, on what foods are allowed; South Beach promotes lean proteins, fresh produce and whole grains, while Atkins allows fatty faves like butter, eggs and bacon.) By engaging dieters in cooking, shopping and the myriad daily

decisions that revolve around food, these programs aim to make consumers more mindful of their eating habits (note to the zaftig: Step away from chip bag) and more likely to make healthy food choices a long-term way of life.

But food, it turns out, is only part of the answer. Because losing weight is such a struggle for people, most companies give dieters guidance and support to succeed. Almost all the big outfits offer some kind of Web-based support, including detailed program instructions, recipe databases and troubleshooting advice—along with message boards teeming with tips. Several plans provide coaches, most of whom are inspirational veterans of the plan they pitch. Their role? To help dieters set goals, monitor progress and get over the rough patches. NutriSystem provides counseling over the phone, Jenny Craig and Medifast offer one-on-one coaching sessions, and South Beach offers "virtual" powwows online or by phone (price: \$32 per month). Evidence suggests the more support, the better. One recent study of Weight Watchers, conducted by Florida research outfit the Rippe Lifestyle Institute (also funded by the company), found that Weight Watchers members who regularly attended meetings and used online support tools lost 50 percent more weight than members who used only one method.

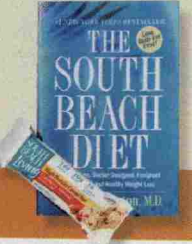
And as you might expect, this we've-got-your-back approach has won over millions of dieters over the years. Justine Flores, for one, describes her Weight Watchers coach as "charismatic" and "motivating." After the 24-year-old Detroit librarian hit a wall about halfway through her seven-month weight-loss journey, the coach met with her privately to review her food diary and suggest tweaks (more protein). The result? A 3-pound drop in one week—her biggest yet. And while she

South Beach Diet

Program fee: \$20
 Out of pocket: \$798

How it works: Fee gets you basic Web site membership with access to a nifty grocery-list wizard. For a few dollars more, you can get customized advice from a dietitian or trainer.

Worth knowing: Although “The Beach” is popular with nutritionists for its emphasis on low carbs and “good” fats, food costs add up since the recipes rely heavily on pricey proteins, fresh produce and exotic ingredients like edamame and Greek yogurt.



Medifast

Program fee: \$306
 Out of pocket: \$140

How it works: Fee covers five daily ultra-low-calorie freeze-dried meals, shakes and bars, plus coaching and online access. Dieters shell out extra for the program’s daily one-salad-with-protein requirement.

Worth knowing: Studies show that diets with fewer than 1,000 calories a day can be hard to sustain and pose health risks like potassium deficiency and gallstones. Medifast says its program is safe, if followed correctly.



Jenny Craig

Program fee: \$380-\$770***
 Out of pocket: \$110

PRICIEST

How it works: Program fee includes three daily frozen entrees, plus snacks and one-on-one counseling. It doesn’t include initiation fee of \$300-\$400, highest in our bunch.

Worth knowing: Counselors get commission on food and extras like company-branded fitness gear and celebrity DVDs. The company says they’re taught to “flex to a client’s individual needs.”



GROCERY FIGURE SOURCES: SAFEWAY, FRESHDIRECT, AMAZON.COM

hit her goal last August, dropping from a size 12 to a size 4 in seven months, she still attends meetings. “They really teach you lifelong skills that stick with you,” she says.

YET THE COSTS CAN STICK with you too. According to the Bureau of Labor Statistics, the average family of three spent \$6,443 on food in 2008. Compare that with the potential annual cost of being a Jenny Craig dieter—which, with its membership fee (\$300 to \$400), annual food costs (the most expensive options could add up to as much as \$9,100) and required groceries (like milk, yogurt and fresh produce), can easily hit \$10,000 for a single person. The company says its food costs rarely reach that amount, and some of its recommended soups and vitamin bars are optional. The price gets even steeper, though, if you pony up for extra merchandise like a special scale that measures body fat and water-weight percentages (\$89.95), a “3-in-1 sculpting bar” (\$44.95), or a few of the Valerie Bertinelli workout DVDs (\$15 a pop).

In many cases, additional expenditures don’t become apparent until after you delve into the diet itself. When Mayumi Yokomizo, a 32-year-old business-development specialist, signed up for NutriSystem last spring, the New York City resident figured she would save money by not buying groceries. But she didn’t factor in the supplemental oils, fresh veggies and dairy recommended by the program, which drove her monthly cost from \$300 to \$500. Sara Solomon, director of research and development for NutriSystem, says that despite any add-on costs, NutriSystem is still one of “the most affordable dieting programs available to consumers today.”

Experts warn dieters to beware the upsell, especially with

companies that compensate staffers in commissions tied to food and fitness-equipment sales. Medifast coaches, for example, account for roughly 60 percent of all the program’s core food sales. And coaches can pocket as much as 20 percent of what they sell. When Penny Robinson posted a question on the Medifast message boards last summer about private coaching, the 46-year-old Rensselaer, N. Y., resident said she “almost felt stalked” by some of the coaches who bombarded her with e-mails, hawkishly bidding for her business. One, she says, even berated her for thinking she was “better than others” for wanting to lose weight on her own. (Robinson went on to lose 14 dress sizes on Medifast, buying her food direct from the company.) Wayne Andersen, the company’s medical director, says Medifast severs ties with coaches who get too pushy. But he adds, “This isn’t *Cinderella* or *Camelot*. You can’t completely prevent such aggressive behavior from happening.”

Ultimately, advocates say, the savviest dieters may need to be savvy bargain hunters, too. Jo-Anne Cambridge, a 45-year-old office administrator, proved as successful at shaving the price as she was shaving the pounds, first by sidestepping the \$300 Jenny Craig enrollment fee with a six-weeks-for-\$36 promotion. When that ran out, she says she fended off a rep’s hard sell by saying her husband simply wouldn’t let her spend hundreds on a sign-up fee. She then snagged a one-use-only promotion inviting dieters to lose 20 pounds for \$20—three times. (Jenny Craig declined to comment on Cambridge’s experience.) She’s even considering shipping some of the food to her frugal sister, who can’t shell out for a membership. “I got a fridge full of Jenny food,” Cambridge says, laughing. “And it isn’t like I had to break out of Alcatraz to do it!”