



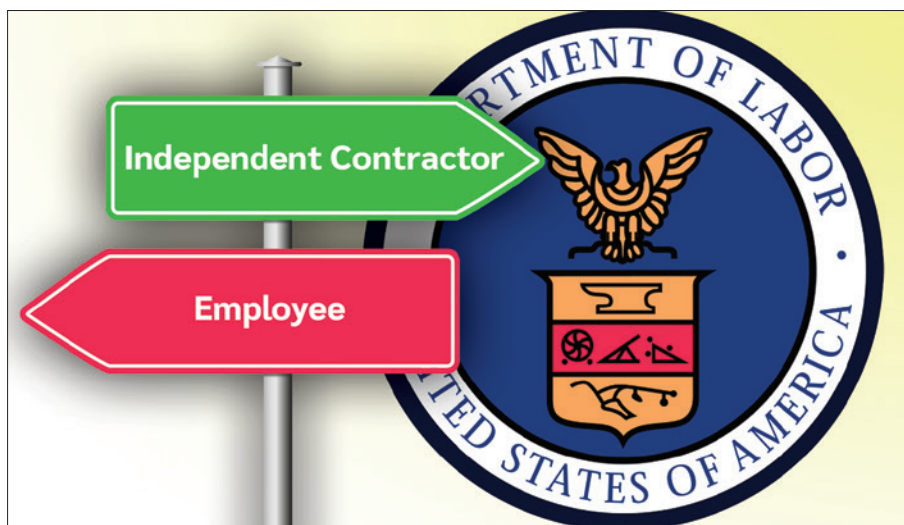
FTC Issues Revised Health Products Guidance

Compliance standards for supplements expanded to include all health products

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US Labor Department Proposes New Independent Contractor Rule

DSA, US Chamber and GOP lawmakers submit comments opposing new rule



President Biden’s Department of Labor (DOL) is continuing its push to implement a new independent contractor standard under the Fair Labor Standards Act (FLSA). Seeking to revise its guidance on establishing classification rules for independent contractors versus employees, the DOL closed the public comment docket for the Notice of Proposed Rulemaking (NPRM) titled “Employee or Independent Contractor Classification Under the Fair Labor Standards Act” on Dec. 13. This puts the DOL on schedule to finalize the rule in the second half of 2023.

Among the groups filing comments were the National Retail Federation, the National Association of Realtors and the Direct Selling Association. Congressional Republicans from both houses of Congress also submitted a joint comment.

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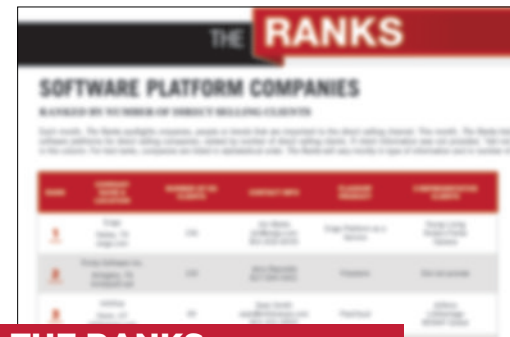


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The FTC's substantiation standard is a rigorous and a number of factors determine the appropriate amount and type of substantiation required, including:
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• Type of claim
• Benefits of a truthful claim, and the cost or feasibility of developing substantiation for

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PUBLISHER

David Bland

david@socialsellingnews.com

DIRECTOR OF ADVERTISING SALES

Joyce Inman

512-537-9807

joyce@socialsellingnews.com

CONTRIBUTORS

Travis Wilson

ART DIRECTOR

April Allman

CONTRIBUTING EDITORS

Jennifer Mills

Jenna Lang Warford

NEWS

We welcome all of your news. Please send press releases and all news to contact@socialsellingnews.com

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8127 Mesa Dr

Ste B206-295

Austin, TX 78759

www.socialsellingnews.com

325-261-3778

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— PUBLISHER'S NOTE ►►

Happy New Year from SSN

An invitation to the Direct Selling Leadership and Compliance Summit

Happy New Year!

I hope that everyone had a relaxing and rejuvenating holiday with your family and friends and stayed warm during that holiday arctic blast. Brrr! With the ups and downs of a volatile 2022 behind us, I know that direct sellers are eager to capitalize on the energy and positivity of a new year as companies prepare for success in 2023.

Speaking of energy and positivity, I am excited to tell you that *Social Selling News* will once again be the media sponsor for the upcoming Direct Selling Leadership and Compliance Summit that will take place in Salt Lake City on Feb. 22-24.

CEOs and executives of the direct selling channel will join attorneys, compliance experts, and industry thought leaders for three days of highly informative and engaging talks, demonstrations, and panel discussions about navigating the compliance and regulatory realities facing the channel.

Expert panelists will discuss topics of critical importance to the direct selling companies such as important legal updates, field engagement, the alignment of EU and U.S. regulators, influencers, live streaming, removing unauthorized sellers, and more.

I can tell you that the energy of this conference and its focus on the critical issues facing direct sellers is something you don't want

to miss. The last day to register is Feb. 3. I encourage each of your executive, compliance and legal teams to consider attending! You can view the event and purchase tickets at www.dslcsummit.org.

I want to thank each of you for reading *Social Selling News*. We look forward to bringing you the important news stories affecting the channel in the coming year with insights and inspiration from the leaders of direct selling.

With appreciation,



DAVID BLAND

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— COVER STORY ►►

US LABOR DEPARTMENT PROPOSES NEW RULE, CONTINUED FROM 1

More than 55,000 comments have been submitted since the NPRM was announced in October 2022.

A Contentious Regulatory History

With the DOL's most recent NPRM, the Department is seeking to reset the framework of classification in a way that it believes adheres to "long-standing judicial precedent on which employers have relied to classify workers as employees or independent contractors under the FLSA," according to DOL.gov.

This proposal is the latest move in a litigious two-year period initiated by the previous administration. Within days of leaving office in January 2021, the Trump administration's DOL announced a final rule, known as the 2021 Independent Contractor (IC) Rule, to define whether workers are employees or independent contractors. This rule was set to go into effect on March 8, 2021.

Shortly after his inauguration, the Biden administration's DOL promptly moved on Feb. 5 to push out the 2021 IC Rule's effective date until May 7, 2021, which was granted on March 4 as a Delay Rule.

On March 12, 2021, the DOL published a NPRM to withdraw the previous administration's 2021 IC Rule. After fielding public comments, the Department published on May 6, 2021, a final Withdrawal Rule that was effective upon its publication.

However, in March 2022, a district court in the Eastern District of Texas vacated both the DOL's Delay Rule and the Withdrawal Rule, ruling in a 41-page opinion that the Department had twice violated the Administrative Procedures Act (APA).

The court's ruling reinstated the 2021 IC Rule, stating that the Rule became effective on March 8, 2021, and remains in effect. The Direct Selling Association (DSA) was the Vice Chair of the primary plaintiff in the case, the Coalition for Workforce Innovation.

The Economic Reality Test

Previously left to interpretation by state laws and legal decisions, the 2021 IC Rule defines independent contractors for the first time under the FLSA using an "Economic Realities Test." This test, and the manner in which it is applied, lies at the heart of the current administration's second attempt to return to a classification model



that widens the scope of the Economic Realities Test—effectively making it easier for a worker to be classified as an employee and more difficult to be classified as an independent contractor.

The Economic Realities Test seeks to distinguish a worker who is dependent on the hiring party to earn a living (employee) versus the independent contractor, who is capable of self-reliance. The Test uses six factors to make this distinction:

1. The extent to which the work performed is integral to the employer's business.
2. The extent to which the worker's managerial skill affects his or her opportunity for profit or loss.
3. The extent to which the worker's relative investment compares to the employer's investment.
4. The extent to which the work performed requires special skill and initiative.
5. The extent to which the worker/employer relationship is permanent or indefinite.
6. The nature and degree of the employer's control.

The 2021 IC Rule prioritizes two factors (the effect of managerial skill on profit or loss and the degree of the employer's control) as "core factors" to be given more weight when considering worker classification.

In implementing the new NPRM, the current administration's DOL seeks to consider each factor of the Economic Realities Test equally, providing a more holistic view using the totality-of-the-circumstances analysis in making classification decisions. The current DOL has expressed its view that giving weight to core factors will skew and predetermine the test in favor of classifying workers as independent contractors.

The DSA Urges Recognition of Direct Sellers as Statutory Non-Employees

The DSA submitted its public comment on the NPRM to the DOL on Dec. 13, 2022. The 13-page letter, signed by DSA President Joseph Mariano, argues that the current NPRM would increase uncertainty and litigation for many businesses, including direct sellers—the opposite result that the DOL claims it is aiming to achieve by rescinding the 2021 IC Rule.

CONTINUED ON PAGE 8

US LABOR DEPARTMENT PROPOSES NEW RULE, CONTINUED FROM 7

“A totality of the circumstances analysis combined with additional factors proposed in the rule would create more confusion than clarity and create an unstable and controversial regulatory environment for years to come. The proposed rule does not adequately recognize modern businesses and obligations put in place by other government agencies,” the DSA letter states.

The DSA recommends in its comment that the DOL incorporate US Code 26 USC § 3508 into the final rule. This code specifically recognizes direct sellers and real estate agents as statutory non-employees.

“Specifically, incorporating 26 USC § 3508 into the final rule would provide much needed clarity where the rule might otherwise cause confusion. By defining direct sellers as statutory non-employees under the IRS Code in 1982, Congress recognized the need for this specific recognition. If the Department seeks to increase clarity, the agency should use this rule as an opportunity to do so. The legislative intent and interpretations of this statute have applied to a variety of direct sellers over the years. It would also be consistent with current bi-partisan support in Congress and recognition in state statutes,” Mariano explains in the letter.

The DSA reinforced its eagerness to see 26 USC § 3508 incorporated into the final rule by submitting a separate joint comment with the

National Association of Realtors, with both organizations strongly supporting a move to confirm their independent contractors as statutory non-employees.

The DSA’s comment letter provides an analysis of each of the six factors of the Economic Realities Test using case law as it applies to direct sellers to argue that the NPRM will create standards that are “confusing, ambiguous and inconsistent with modern business practices.”

U.S. Chamber Submits Comments Objecting to New Classification Rule

The U.S. Chamber of Commerce also submitted public comments to the DOL objecting to its proposed rule. Signed by Marc Freedman, vice president, employment policy, the 33-page public comment letter stressed the importance of independent contractors to the overall productivity and competitiveness of the economy, and especially the benefits they provide for small businesses.

“The independent contractor model is particularly vital to small businesses, which rely on independent contractors’ expertise to grow their businesses. Because contracting reduces the importance of economies of scale, it allows small businesses to compete with larger ones (foreign and domestic), thereby increasing competition and lowering prices for all consumers,” stated the U.S. Chamber in its letter.

The Chamber’s extensive comments cite case law to highlight two main objections to the new proposed rule: First, it states that the rule would hinder worker freedom and that it ignores economic benefits. Secondly, the Chamber argues that the proposed rescission of the 2021 IC Rule is arbitrary and capricious, and it accuses the DOL of failing to provide “good reasons” for rescinding the 2021 IC Rule.

Freedman’s letter cited DSA statistics emphasizing the high percentage of Americans that want flexible earning opportunities as independent contractors, with a particularly high percentage of Gen Z and millennials viewing gig opportunities favorably.

47 GOP Legislators Urge DOL to Rescind New Rule

Senator John Thune (R-S.D.) led a bicameral group of 46 Republican colleagues in a letter to the U.S. Secretary of Labor Martin Walsh, which was submitted as public comment for the NPRM. Joined by 25 Senate colleagues including direct selling ally Mike Lee (R-Utah), Mitt Romney (R-Utah) and James Inhofe (R-Okla-homa), along with 21 GOP Congressional representatives, Senator Thune expressed the group’s opposition to the proposed rule.

“The proposed rule,” Sen. Thune and the lawmakers wrote, “will jeopardize millions of individuals’ independent contractor status under the FLSA. Instead, DOL should maintain the 2021 rule, which was designed for the modern economy and brought clarity to workers and businesses.”

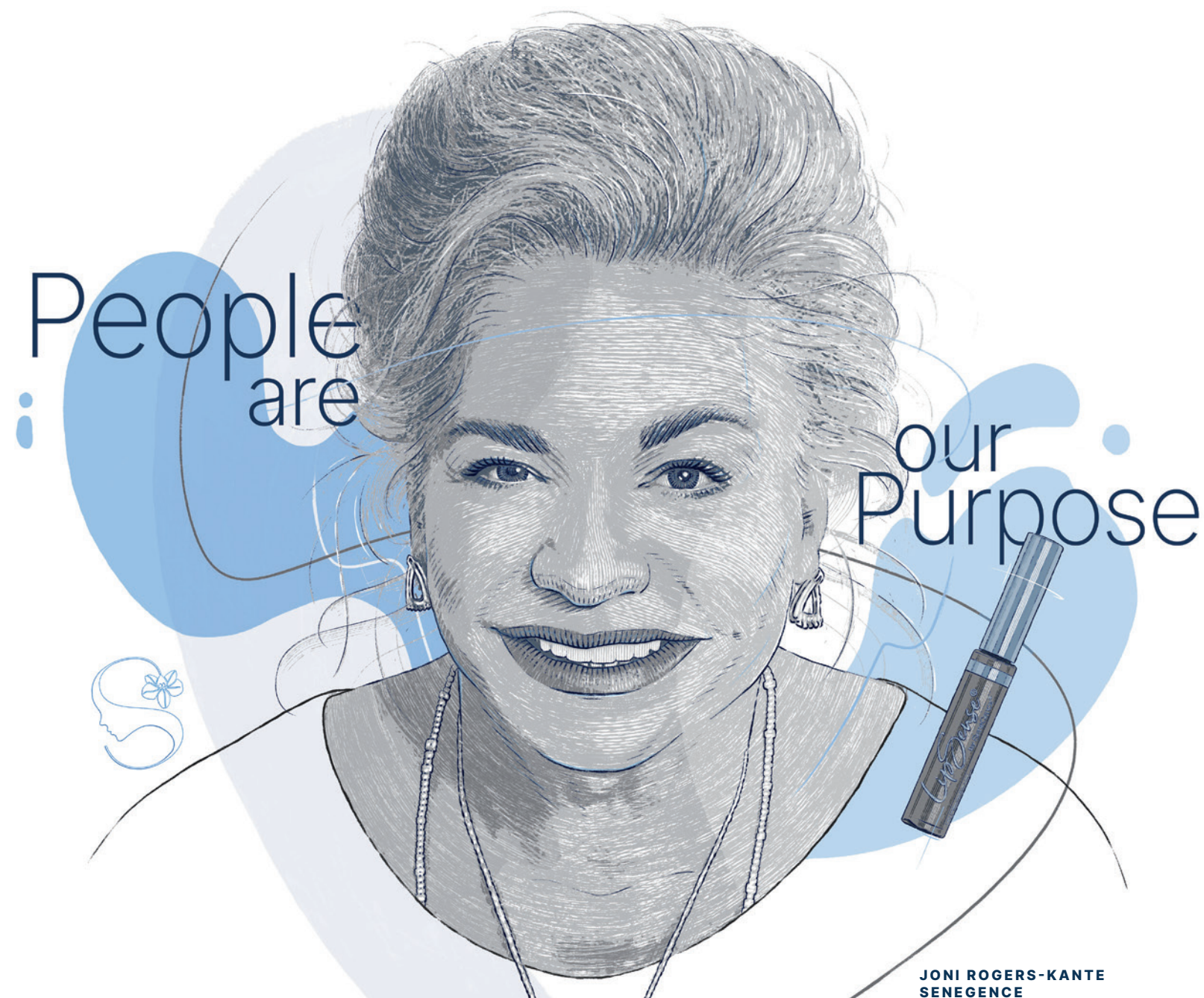
The letter cites multiple studies showing that the vast majority of independent contractors prefer their classification status, including the 2018 Bureau of Labor Statistics Contingent Worker Survey that reported “less than one out of every 10 independent contractors would prefer traditional employment status.”

The lawmakers list ride-share and delivery drivers, financial advisors, truckers and direct sellers as being at risk of livelihood disruption should the new rule be finalized.

SSN



David Bland is the publisher of *Social Selling News*.



JONI ROGERS-KANTE SENEENCE

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Joni Rogers-Kante credits her commitment to consistency, devotion to family, and abiding faith to achieving success as a business and family woman. Joni has paved a path toward a life of abundance, and she devotes her life to empower others to find theirs, too.

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in business and care for communities in need through its nonprofit. Not only has Joni built a rewarding global business, she is also changing lives closer to home. Joni passionately protects rights of independent entrepreneurs in the direct selling industry and works to improve the economic lifeblood in her homestate of Oklahoma.

Joni believes accomplishment is unique for everyone, and we are all here with our own important purpose. She says a fulfilling life

is made with the four E's: *Earn, Evaluate, Evolve, and Explore*. And when we value and respect each other, we will all move forward together.

We are proud to partner with Joni and those like her who consistently prove that hard work and courage are rewarded with limitless possibilities. **After all, people are our greatest strength.**

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FTC Issues Revised Compliance Guidance for Health Products

New publication expands and replaces 1998’s dietary supplement guidance to cover all health-related products

By SSN Staff

On Dec. 20, 2022, the Federal Trade Commission’s (FTC) Bureau of Consumer Protection released the first revision to its business guidance of health products in 25 years. The newly released *Health Products Compliance Guidance* is a significant update to the Commission staff’s 1998 guide, *Dietary Supplements: An Advertising Guide For Industry*.

As evidenced by the change in its title, one of the major changes to the guidance is that all health-related claims will now be covered—not just the marketing of dietary supplements. The agency has incorporated decisions from many of the law enforcement actions that were brought since the previous guidance was released in 1998.

Furthermore, the new publication includes other FTC guidance updates that have been made over the past few decades, such as guidelines on testimonials and endorsements as well as the policy statement on the marketing of homeopathic drugs.

The Commission stated in its FTC.gov business blog that another purpose of the revised guidance is to correct the “urban myths” that have been propagated by industry representatives who have misquoted or misinterpreted the previous publication.

The new guidance, as with all such FTC publications, is intended as business guidance only and is meant to assist company executives and marketers with the interpretation of the FTC Act and case law—derived policy statements.

The staff blog goes on to highlight four areas in particular where the guidance has been expanded.

- 1. The breadth of products discussed:** Unlike the 1998 publication on dietary supplements, the revised guidance includes examples of food products, over-the-counter drugs and medical devices.
- 2. The “clear and conspicuous” standard and qualified claims:** The new guidance provides great detail about the requirement for marketers to provide a “clear and conspicuous” disclosure when additional, qualifying information in an advertisement is needed to keep the ad from being deceptive.
- 3. The “competent and reliable scientific evidence” standard:** Claim substantiation is covered in significant detail in the revised guidance with emphasis on the FTC’s “rigorous substantiation standard of competent and reliable scientific evidence.”

4. Testing methodology: The revised guidance expands on the key elements of quality research that were touched on in the previous guidance.

Regulatory Framework in a Nutshell

The first section of the *Health Products Compliance Guidance* highlights the FTC’s authority over health product advertising as well as its coordination with the Food and Drug Administration (FDA). To comply with Sections 5 and 12 of the FTC Act, product advertising—including health-related products—must be truthful, not misleading and also provide substantiation for product claims made expressly or even by implication.

The guidance specifies the various types of advertising that it includes in its compliance requirements as “statements or depictions on packaging and labeling; in promotional materials such as brochures or booklets; on the internet and in other digital content; in social media and influencer marketing; in press releases, press interviews, or other media appearances; at trade shows, conferences, and seminars; and indirectly through healthcare practitioners or other intermediaries.”

The new publication also emphasizes that liability for deceptive claims will extend beyond the product marketers to distributors, retailers, and expert endorsers, among others.

Coordination with the FDA

The new guidance next reminds readers that the FTC and FDA work in a coordinated manner and share enforcement duties related to the marketing of health-related products.

In a Memorandum of Understanding—often called the “FDA-FTC Liaison Agreement”—the two agencies detail their division of responsibilities: The FDA has primary jurisdiction regarding product labeling claims, and the FTC has primary jurisdiction for claims in all forms of advertising.

The guidance advises marketers that the Agreement between the two agencies does not limit the FTC’s ability to take action against deceptive claims found on product labeling.

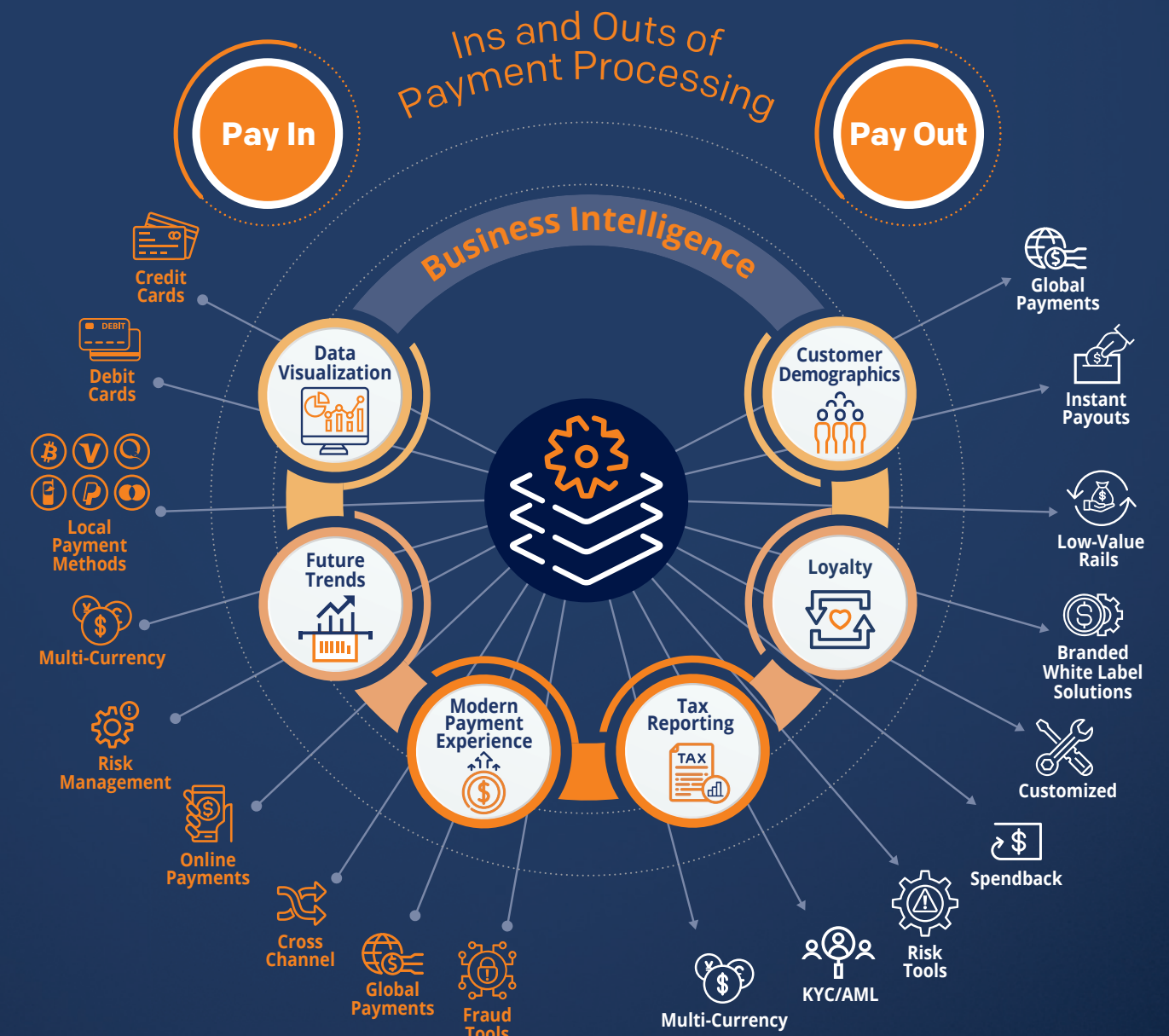
FTC and FDA Law – Key Differences

As it relates to the marketing of health-related products, the approach and legal framework

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FTC ISSUES GUIDANCE, CONTINUED FROM 10

of the FTC and FDA include three important differences that are highlighted in the revised guidance.

1. FTC advertising law applies to all products and claims. While the FDA distinguishes between various categories of product claims such as structure/function claims, health claims and drug claims, the FTC does not. The Commission uses the same protocol to regulate advertising for all health-related products, including food, supplements and drugs.

2. The FTC does not pre-approve health claims. Unlike the FDA, the FTC does not require prior approval for health claims made in the marketing of foods, supplements and health products. However, the FTC wants companies to be aware that it “gives great deference to a determination by the FDA of whether there is adequate support for a particular health claim in labeling.”

Furthermore, health claims that do not meet the FDA’s “significant scientific agreement” standard may be considered deceptive by the FTC unless the label clearly explains the uncertain aspects with qualifying language that is noticeable and understood by consumers.

3. The FTC does not require notification for “structure/function” claims. The way that a nutrient or dietary ingredient affects the normal structure or function of the body is the basis of a structure/function claim. The FDA’s Dietary Supplement Health and Education Act of 1994 (DSHEA) established special regulatory requirements



for these types of claims, among types of dietary supplement labeling claims.

While supplement marketers must notify the FDA of structure/function claims that appear in product labeling, this requirement is not mirrored by the FTC. However, the revised guidance emphasizes that both agencies require that marketers have prior substantiation that its claims are “truthful and not misleading.”

Applying FTC Law to Health-Products Marketing

The second section of the *Health Products Compliance Guidance* outlines the FTC’s two-step process of determining whether product marketing complies with FTC law: identifying and then substantiating claims.

When identifying product claims, the Commission looks at both express and implied claims. Because FTC law centers on the consumer’s understanding of claims and not the marketer’s intent, the “net impression” of a claim is the fundamental aspect considered when judging its legality.

Furthermore, the revised guidance reminds marketers that the Commission monitors claims from the standpoint of the intended audience. For example, if a product claims to treat a particular illness or condition, the Commission takes into account the susceptibility of someone with that illness to be swayed by the claim.

“An ad also can be deceptive because of what it fails to say,” states the guidance. An ad will violate Section 15 of the FTC Act if it fails to disclose information material to the claim. Examples include limitations on promoted health benefits or safety risks associated with the product.

The revised guidance also emphasizes the importance for qualifying information about a claim to be “easily noticeable” and easily understood by “ordinary customers.” In other words, the disclosure should stand out and should not be contradicted or inconsistent with any other part of the ad.

Claim Substantiation

Under FTC law, marketers must have a “reasonable basis” for their product claims. Furthermore, health claims are subject to especially rigorous substantiation

standards. The Commission’s revised guidance lists the factors that go into determining the appropriate amount and type of substantiation that is required, including the type of product, the type of claim, the benefits of a truthful claim, the feasibility of substantiating a claim, the consequences of a false claim, and the opinion of experts in the field regarding what is to be reasonably expected in a claim.

The guidance specifies several standards that it considers to be integral to meeting its substantiation standard of “competent and reliable scientific evidence.” At the forefront of this standard is the practice of randomized, controlled human clinical trials (RCTs).

The Commission considers RCTs to be the most reliable form of evidence and gives further credence to replicated studies conducted by independent researchers. However, the Commission notes that it values “quality over quantity” when it comes to scientific studies.

New Year, New Investigations

Commencing a year that saw the FTC dust off its full arsenal of regulatory weapons, including the Penalty Offense Authority as well as a reinvigorated push for rulemaking, the replacement of the 1998 guidance on supplements to cover all health-related products should not be overlooked by companies, including direct sellers, that wish to stay off the Commission’s target list.

The complete brochure can be viewed at:

https://www.ftc.gov/system/files/ftc_gov/pdf/Health-Guidance-508.pdf



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Direct Sellers Make International Moves

Companies optimistic about growth in European and Asian markets

By SSN Staff

While the volatile economy, inflation, and geopolitical conflict in Europe have proven to be significant challenges for many direct selling companies' top-line sales of late, the final months of 2022 have seen several direct sellers expand their markets, research hubs, and operations on an international scale.

Amway Expands Research and Development Operations

Amway announced recently plans to expand its research and development reach on an international scale. In a Dec. 8 release, the Ada, Michigan-based company revealed its plans to open a Business Innovation Hub in the Central Business District of Singapore.

Promoted as a springboard for its next stage of strategic growth in Asia, the new hub will allow Amway to accelerate and support product innovation in the country where it has provided health and wellness products and entrepreneurial opportunity for over 20 years. Amway cites the evolving wellness needs in the Asian as well as global markets



SINGAPORE



as its motivation to proceed with this strategic expansion.

The company also stated that it believes the COVID-19 pandemic accelerated consumers' focus on health and lifestyle changes, as well as their use of technology and digital tools to manage these changes. Amway is hoping to meet these new consumer needs by allowing scientists, technologists, marketers, supply chain and agriculture experts to work together, leveraging the new innovation hub, which will be in partnership with the Singapore Economic Development Board.

"The Singapore Business Innovation Hub was created, and

strategically placed, to accelerate innovative problem solving, drive our business forward, and tap into cross-functional expertise to deliver products that cater to both regional and global consumers' evolving wellness needs," said Asha Gupta, Amway's regional president, Asia and chief strategy and corporate development officer.

Mannatech Launches in Thailand

Flower Mound, Texas-based Mannatech announced in December that it will be entering the Thailand market in 2023. The move will bring the health and wellness company's global presence to 26 markets.

With a direct sales market of about \$3.1 billion in 2020, Thailand is regarded as a significant growth opportunity for the company.

"The expansion of Mannatech into Thailand will present an exciting opportunity for the company. As a global leader in the health and wellness industry, this expansion will help us continue to grow and reach more individuals around the world," said Al Bala, president and CEO of Mannatech.

Oriflame Enters German Market

Swedish beauty direct seller, Oriflame, announced on Nov. 30, 2022, that it was entering

the German market. Marking the first time in 20 years that it has entered a new European market, Oriflame hopes to take advantage of the growing beauty and cosmetic market in Germany.

Oriflame stated on its website that its new German distributors would have access to the company's success plan, recently launched business digital tools as well as Oriflame's new e-catalogue.

"In preparations for the launch of this market, we received a lot of positive feedback from Social Selling entrepreneurs in Germany and neighboring countries, who expressed their interest in joining Oriflame as Brand Partners and recommending our products to customers from day one. We welcome these founding members into our global Beauty community and wish them great success," said Lilian Facht, Oriflame's country representative in Germany.

Oriflame products are now available in more than 60 markets.

eXp Realty Expands to Poland, Dubai

Bellingham, Washington-based eXp Realty continues its fast growth with the November announcement that it is expanding into Poland and Dubai. According to news releases, Exp Realty now operates in 25 global markets with the support of more than 86,000 agents. Earlier in the year, the direct seller entered the Dominican Republic, Greece, New Zealand and Chile.

The company boasts an "immersive and collaborative virtual platform" enabling business to be conducted in the metaverse.

Dorota CHomuntowska, who will lead the company's brokerage operations in Poland, said "eXp Realty's innovative and agent-centric model will positively change the lives of so many in the Polish real estate market."



DUBAI

Michael Valdes, eXp Realty's chief growth officer, said the expansion is a smart strategic move for the company.

"Poland's rapid growth and continued resilience in the real estate market, along with its rich and multi-cultural history, speak to the attractiveness of its property sector for both foreign and domestic investments and strategically complements our existing European presence," Valdes said.

With eXp entering Dubai, it will be the company's second Middle East market. The move into the United Arab Emirates marks the sixth market to open in 2022.

Heading up operations in Dubai will be Dounia Fadi, who has more than 18 years of real estate experience in the ultra-modern city.

"Dubai is building for the future, and eXp Realty is the future of real estate, bringing powerful and unparalleled innovation to the real estate market," said Fadi. "I knew right away that I wanted to be the one to bring this disruptive model to Dubai and am thrilled to lead this expansion."



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COMPLIANCE CHECKLIST: FTC RELEASES NEW GUIDANCE DOCUMENT

Health and Wellness Companies Given Revised Marketing Criterion



The FTC defines a deceptive ad as one that contains a material misrepresentation or omission that is likely to mislead consumers acting reasonably.

In December, the FTC released a guidance document that updates and replaces the 1998 *Dietary Supplements: An Advertising Guide for Industry*.

The guidelines address labels, advertisement, and marketing material—requiring that these be truthful, not misleading, and substantiated. The guidelines are open to interpretation, as they deal with how consumers might reasonably interpret a company’s marketing, as well as requires that substantiation meet the accepted standard of relevant scientific communities without specifying to what extent.

Net Impact
Keep in mind, advertising conveys other claims beyond those expressly stated. Under FTC law, a marketer is equally responsible for direct claims and implication. FTC law focuses not on the marketer’s intent, but on the consumer’s understanding.

Substantiating Claims
The FTC’s substantiation standard is rigorous, and a number of factors determine the appropriate amount and type of substantiation required, including:

- Type of product
- Type of claim
- Benefits of a truthful claim and the cost or feasibility of developing substantiation for the claim
- Consequences of a false claim
- Amount of substantiation that experts in the field believe is reasonable

Relevance of the Evidence to the Specific Product and Claim
A common problem in the substantiation of advertising claims is that an advertiser has valid studies, but the studies don’t support the claim made in its ad.

Endorsements & Testimonials
Appropriate scientific evidence required for the implied claim will work for the buyers as it did for the endorser.

Target Audience Predisposition

- The FTC evaluates claims from the standpoint of the intended audience.
- Susceptible consumer groups, such as those with a particular health condition, may interpret text or images to imply a claim that is beneficial.

Amount and Type of Evidence
The quality of the research is more important than the quantity. Anecdotal evidence about the individual experiences of consumers, including surveys of consumer experiences, are never sufficient to substantiate claims about the effects of a health product.

“Traditional” Use
Under FTC law, claims for products based on traditional use are subject to the same requirement of substantiation in the form of competent and reliable scientific evidence as any other product.

Clearly Disclosing Qualifying Information

- If an ad is misleading without certain key qualifying information, that information must be disclosed clearly in all media—including print, audio and video.
- Font size, color contrast, volume and speed/cadence are all factors, depending on media. Disclosures must also be unavoidable; hyperlinks are avoidable.

Quality of Evidence
Claims must comply with these principles:

1. Control Group
2. Randomization
3. Double Blinding
4. Statistically Significant Results
5. Clinically Meaningful Results

Mischaracterizations of FDA Approval
Advertisers should be careful not to mischaracterize the extent to which a product or claim has been reviewed, authorized, or approved by the FDA.

Specific Level of Support
Health-related products must have at least the level of support that they claim to have, and any assertion about the amount, type, or strength of evidence must be accurate.

Totality of Evidence
Context of the scientific evidence is just as important as the internal validity of individual studies.

Third-Party Literature
Using newspaper articles, abstracts of scientific studies, or other third-party literature to promote a particular brand or product can have an impact on how consumers interpret an ad and on what claims the marketer will be responsible for substantiating.

2 Key Points

1. Consider what express AND implied messages consumers are likely to take from your ads.
2. Make sure that claim is scientifically sound and relevant to the specific product.

The document clarifies how the FTC and FDA share regulatory responsibilities and jurisdiction over the marketing of dietary supplements, foods, drugs, devices, and other health-related products.

The FTC’s Power

- Able to obtain an order to stop the deceptive claims
- Can require that future marketing be truthful and substantiated
- Can mandate disclosures
- Can require that a marketer engage in corrective advertising
- Can ask the court to ban a company or individual from engaging in certain marketing activities
- Can seek financial remedies such as consumer refunds or civil penalties

FTC vs FDA
The FDA - Regulates labeling, including the package, product inserts, and other promotional materials available at point of sale.

The FTC - Regulates all forms of advertising.

Identifying Express and Implied Claims: FTC’s 2-Step Process

1. Identify all claims that the advertising materials communicate to reasonable consumers.
2. Assess the scientific evidence upon which the company relies to determine whether there is adequate support for those claims.



Kristina Swift
Founder & CEO

At **Serendipity Executive Search** I know how important it is to build a high-performance team that not only aligns with company culture but enhances it.

With 25 years of experience as a Sales Executive in the U.S. and Canada, I have built an extensive, wide-reaching network of top talent internationally in sales, marketing/digital/e-commerce, product innovation, operations, finance, and legal from Managers to C-suite Executives. I operate with a high sense of urgency to ensure we fill your positions in a timely manner.

- What You Can Expect:**
- Customized approach to understanding your company, business stage, and talent/skill needs
 - An efficient interview and selection process to identify candidates that align with your company’s mission and vision
 - Detailed candidate profile of skills, experience, and results
 - Communication and scheduling of internal interview process
 - Reference Checks
 - Offer and contract negotiation

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https://www.ftc.gov/system/files/ftc_gov/pdf/Health-Guidance-508.pdf

How to Fight the Amazon Beast

Social selling companies struggle to protect their businesses from online marketplaces while keeping the field happy

By Travis Wilson, Guest Contributor

With the massive increase in participation from everyday people in online marketplaces such as Amazon and Walmart, direct sellers are scrambling to prevent the erosion of their brands, lowering of price expectations, and reputational risk that comes from the unauthorized sale of their products online.

“**Selling through Amazon is actually the opposite of selling through a networked direct selling workforce.**”

Indeed, the problem snowballs each year as more and more end-user customers search out direct sales companies' products at the best price. Experts estimate that companies are facing billions of dollars in losses as marketplaces continue to profit handsomely from the enablement of gray market sales.

Direct sales companies are feeling the pinch across all categories, and are scrambling to stop these sellers and remove listings. As the number of product listings and sellers become overwhelming, many direct sellers are spending a fortune in time and money to try to meet the challenge.

Unauthorized sellers battle with companies for consumer dollars, and customers look for the least expensive way to get the product they want on their doorstep with free two-day shipping. This severely impacts a direct seller's bottom line and, most importantly, hurts the field, as they often cannot compete with the cut-rate prices found online.

There Are So Many Solutions, but Few Solve the Problem

As a result of the shift in consumer behavior, service firms over the past five years have attempted to create solutions to try to contain the threat from online sellers. One early solution centered on legal remedies, including the identification of sellers, tracing product sales, and ultimately sending legal demands to sellers to discourage them from reselling the company's products.

Another solution threatened an unauthorized seller's bread and butter—their online store—by using Amazon's policies against them, including intellectual property and other brand protection mechanisms, while using an escalating series of threats to press them to drop the offending listings.

A more recent approach that has stopped these sales centers is an

attempt to “out-Amazon” Amazon itself. It's the “if-you-can't-beat-em-join-'em,” approach: Build an official corporate store, advertise it heavily, and get the official site ranked on Amazon so you capture most of the sales.

While this may work for smaller companies with relatively minor issues (low sales volume, few SKUs, few competing listings, etc.), direct sales companies with high volumes of unauthorized listings cannot solve the problem this way, *primarily because it competes with the field.*

The issue with this is, even if brands are able to establish their company as the first listing a customer sees, as long as the customer can see other listings with a lower price, brands are at risk of losing the customer.

It doesn't address the pricing issue, and most of all it doesn't

eliminate the competing low-priced listings that will inevitably crop up around the brand and compete with the field. Bottom line, every sale that happens on Amazon is one that is not happening through distributors.

Another way this solution falls short: If promotion of the company's official listing is successful, it still drives customers away from distributors. The whole point of the direct sales model is to build sales volume through a distributed workforce of independent representatives. Selling online is contrary to the model itself. Selling through Amazon is actually the opposite of selling through a networked direct selling workforce.

While all of the above can be helpful, the problem is these solutions cannot remove all listings that compete with the brand (in our experience, typically fewer than 75% of listings and sellers can be removed this way).

Sophisticated online sellers know the game and have plenty of resources, workarounds, and legal defenses to protect their golden geese. Just one under-priced listing will compete with your field; therefore all competitive listings must be completely removed from the marketplace.

CONTINUED ON PAGE 20



PLUG INTO THE

POWER OF CHOICE

- Take control of your payments strategy
- Orchestrate payouts to your distributors
- Optimize your transactions to grow your revenue
- Maintain flexibility in the ever-changing world of payments

Curate your custom direct sales payment strategy

Nexio was purpose-built to solve the payment problems direct sellers face. Our unified platform simplifies the complexity of the payments industry and helps you design forward-thinking strategies.

Simplifying, optimizing, and scaling our business and yours.

We're excited to announce we are consolidating brands with our parent company, Complete Merchant Solutions (CMS). Consolidating our services under the Nexio brand enables us to simplify processes and optimize the services we provide.

nex.io/power

HOW TO FIGHT, CONTINUED FROM 18

How Can a Company Stop Unauthorized Sellers?

While there are several good firms in the space seeking to corral this problem, our firm's philosophy is that the only way to stop the negative impact of unauthorized listings is to remove all of them. Period.

Since companies can't trust entities such as Amazon to remove unauthorized listings, self-advocacy is the most valuable tool. For starters, explore solutions that are tailored with the direct selling industry in mind and have a proven track record of eliminating all unauthorized sellers.

Companies can then explore legal avenues to augment technology initiatives. But pursuing a strictly legal or technological solution can be costly and ineffective. Companies desiring to be successful in cleaning up their unauthorized sales problems must take a proactive, multi-faceted approach.

1. There will always be a small segment of customers who will buy on Amazon—the goal should be to fulfill those sales without driving additional sales to Amazon.
2. Remove all unauthorized sellers from the platform.
3. Ensure all listings are at Minimum Advertised Price (MAP) or above (otherwise customers will buy at the lowest price).
4. Be transparent with your field about your efforts to reduce unauthorized sales and push sales back to them.
5. Engage experts with a proven track record of helping companies with these issues.

What If We Give the Money Made Online Back to the Field?

In an effort to assuage the frustration of distributors, companies that implement a solution that effectively competes with their field may elect to pay a portion of online sales to distributors through a bonus pool in their compensation plan. However, this negatively impacts the opportunity to build successful downlines. Companies hoping to grow are likely to experience the exact opposite when deciding to officially sell on Amazon and other third-party selling sites.

Companies should enable their field associates to grow their businesses by removing all unauthorized sellers and pushing sales back to distributors, where they belong. This will win the day with the field—showing distributors that the company didn't "give in" to Amazon, and instead fought with everything they had to protect their businesses.

In short, direct sales companies expend substantial resources to build brand awareness and develop quality products for distributors to sell. Unauthorized sellers can destroy a company's field success, perception of quality, and even its overall reputation.

So, What Exactly Are Unauthorized Sellers?

An unauthorized seller is any third party that is not associated with your company and resells your products without your permission. This could be an individual, a former distributor, a group of sellers, or even an entire business. And it's easy for them to maintain some level of anonymity, at least on the consumer-facing side of online marketplaces. The selling often takes place on Amazon, which does not discriminate between



The only foolproof method to remove all unauthorized sellers and eliminate the Amazon threat. Your field will love you for it.

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official and unofficial sellers of products. Its algorithm searches the entire database for the "best deal" to advertise to shoppers, often leading potential buyers directly into the arms of the unauthorized seller. Selling on Amazon in the U.S. does require users to meet some basic guidelines and provide information such as Tax ID and State Tax ID. However, Amazon does not generally prioritize filtering unauthorized sellers out of the equation. It's somewhat of a free-for-all, which is the perfect way for these sellers to make a payday off of your product.

Why Are Unauthorized Sellers Risky to Your Field?

There are two main ways in which these types of sellers can harm your business. Part of the reason these sellers are so prolific is because the asking price for the product is often marked lower than your company's

The only way to stop the negative impact of unauthorized listings is to remove all of them. Period.

MAP, which means that the "Buy Box"—the box denoting Amazon's highest-rated item in the search category—could go to the unauthorized listing.

Being that a high percentage of shoppers look for the "Buy Box" when deciding between two sellers, this is a big deal. Not only are they usurping customers from you, but they're also lowering the price of your product, which further deters potential buyers from your official listing, and at the same time hurts the sales

efforts of your entire field and thus your bottom line.

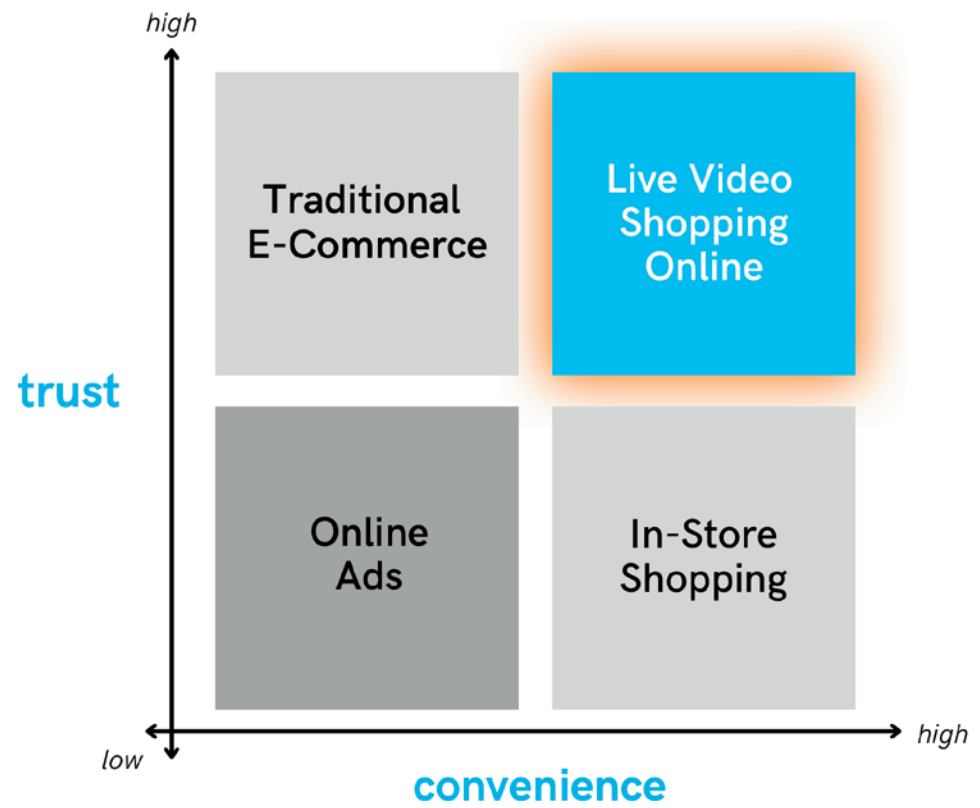
Secondly, the unauthorized sellers are the ones responsible for the quality of product they are reselling, which is often below quality standards put in place by your company. It is not proactive for your brand to sit back while someone else sells your products at a lower price point and a lower standard of quality. This can lead to negative reviews and a negative brand image that results in a drop in customer loyalty/support and consumer trust.

In the end, you could experience damage to your online reputation and pricing integrity, hurt your overall business, and negatively impact your field's ability to enroll and sell.



Travis Wilson is Director of Momentum Factor.

Consumer Shopping Perspectives



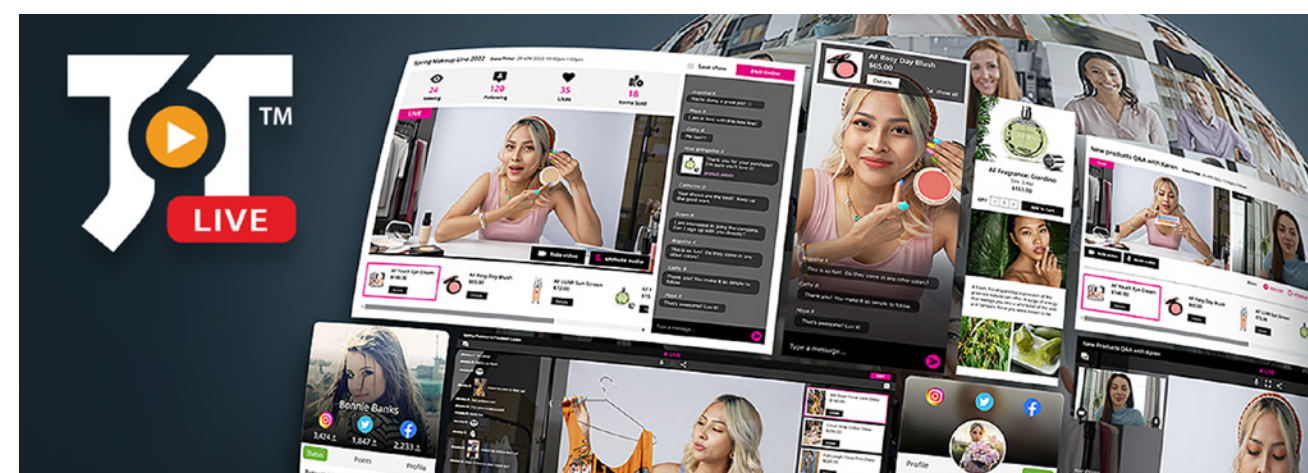
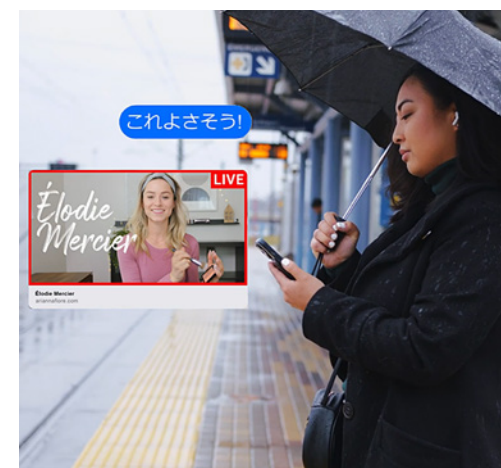
learn more at
blookanoo.com





Jenkon

Constant innovation and stability are the keys to Jenkon’s 5th decade of success in global direct selling. JoT™, for the ‘Jenkon of Things,’ is a modular suite of digital commerce and sales performance technologies for multinational direct selling. JoT delivers a state-of-the-art user experience to customers, affiliates, influencers and our independent representatives. Jenkon’s newest digital solution is JoTLive Shopping. This easy-to-use technology allows representatives, influencers, and even the company to live-sell their products through video streaming with just a couple clicks by a guest shopper. JoTLive is modular, designed to integrate with any enterprise, and is extremely cost effective.



What are the biggest changes you’ve seen in the last 5 years?

The mainstream online and consumer goods markets have begun to leverage relationship marketing. The other fundamental disruption, for all industries, is the incredible pace of change in digital commerce. Consequently, we see:

- mainstream consumers being given new opportunities to grow and evolve their relationship with product providers
- consumers’ ever-changing expectations of a fast, state-of-the-art, shopping experience

Amazon, EBay, Shopify, Walmart, Home Depot, EBay, Bestbuy, Dell and many other giants in retail and online marketplaces, are now offering affiliate programs. Their affiliate and partner programs are not simply

an ability to earn points for your next purchase.

They are paying cash commissions for your referral-based orders. Many of these mainstream market leaders are now offering a commission for recruiting other affiliates. Sound familiar?

While these programs create competitive offerings to direct selling, the bigger view is that the core values of our industry are being mainstreamed.

For direct sellers, the biggest challenge and opportunity is to position themselves to take advantage of these powerful shifts in consumer markets. The nuance for direct sellers is to maintain their direct selling assets, while presenting themselves in a new way to this new world of massive opportunity.

Can you share your “elevator speech” or what sets you apart?

Our innovations in digital commerce and affiliate relationships, not simply e-commerce, is what separates our customers from their competition. The world judges direct-selling companies by their online marketplace presence. Our newest innovations with consumer empowerment, Live Commerce and affiliate-influencer relationships are vaulting our clients into mainstream communities.

With Jenkon solutions, our customers can now thrive alongside the new mainstream marketplaces, while preserving their direct selling organization.

What products and services are you most proud of?

Modernization of enterprise technologies in direct selling is a very specialized skill. We are making

very large investments into digital commerce technology specific to direct selling. Just one example is in the arena of live commerce.

Jenkon’s newest digital solution is JoTLive Shopping. This easy-to-use technology allows representatives, influencers, and even the company to live-sell their products through video-streaming with just a couple clicks by a guest shopper.

JoTLive is modular — designed to integrate with any enterprise, and is extremely cost-effective. It’s an example of innovation and efficiency at the right time in history.

We’re very proud of our unmatched 4 decades of service stability in direct selling. In a time where technology vendors are selling their businesses under duress, making large layoffs, or being part of private-equity

‘quick-flip’ strategies, we remain constant with our innovation and stability in service.

Direct sellers need technology partners who not only withstand turbulent times, but elevate innovation. We have many clients who are in their 3rd decade of relying on Jenkon products and services.

What would people be surprised to learn about your company?

A common perception can be that Jenkon is only for “the big guys and gals.” With our latest release in 2021, called JoT, Jenkon is able to provide cost-effective, cloud-based solutions for companies in even their earliest stages.

While it’s true we have decades-long clients that have grown to billions in annual revenue, the majority of our clients are more ‘mid-range’, operating in a handful of countries.

We provide them with technologies for sales management, sales tools, digital commerce, compensation and recognition. However, our customers can choose the specific solutions of value to them, or they can consider an enterprise platform.

Please describe your company culture regarding training and advancement.

Much of the Jenkon team has been with us for more than 20 years. This is especially true of team members who interact and collaborate with our customers. We feel it is vital to partner with our clients by providing unmatched experience and industry domain.

People stay at Jenkon because we make our business about the team and the individual; the same holds true for our customers. Direct selling

empowers individuals and changes lives. Our mission is for Jenkon to be the same for our team members.

Although we value the experience of our team members, at the same time we aggressively recruit development professionals from many nationalities and ethnicities. We feel this approach speaks to the inherent values of direct sellers and creates a culture of awareness, sensitivity and growth in our business.

What should direct selling leadership be thinking about next year?

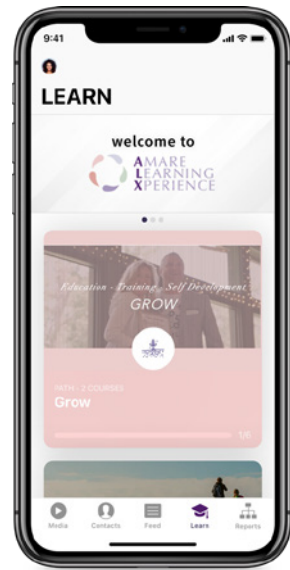
Digital commerce, affiliate-relationships and consumer shifts are part of an overarching theme which remains powerfully relevant – the user experience. The ongoing need to enhance UX for all stakeholders is constantly expressed by both

Jenkon clients and executives we converse with internationally.

The corporate team’s ability to access real-time data to make educated decisions, model against historical performance and have AI based communications is pivotal for management to drive growth.

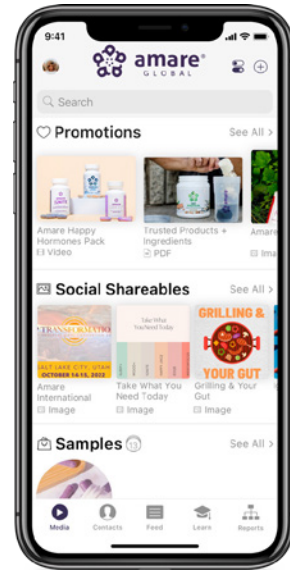
For entrepreneurs, the visibility and transparency to maximize moments within their organizations and track progress of accomplishments on the go remains paramount. And for the educated consumer – engaging with product enthusiasts and opportunities in digital environments needs to be quick, simple and enjoyable. Holistic approaches to the experience will be central in 2023 and beyond.

www.jenkon.com



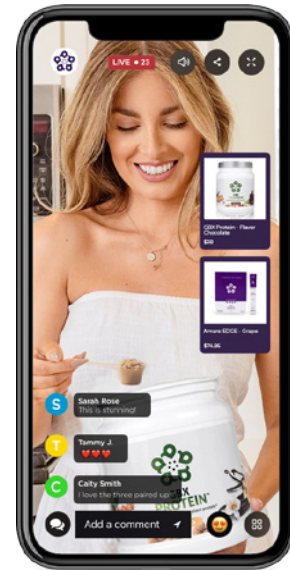
Onboarding/Education

Get every rep started on the right foot



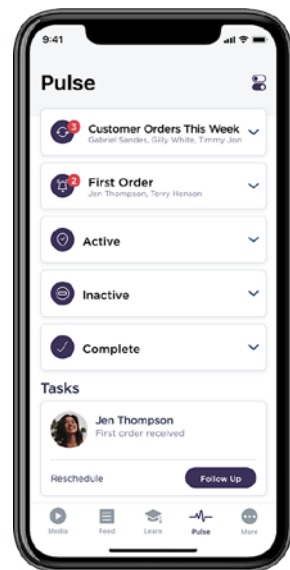
Customer Acquisition

Enable distributors to connect and leave a great impression



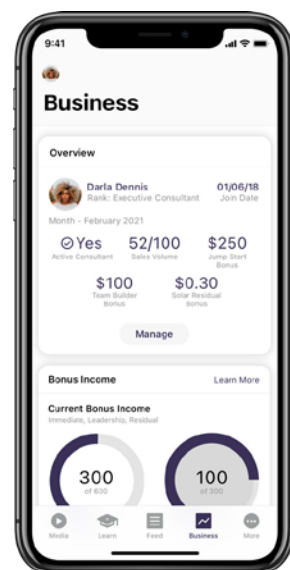
Live Selling

Increase customer engagement and boost sales



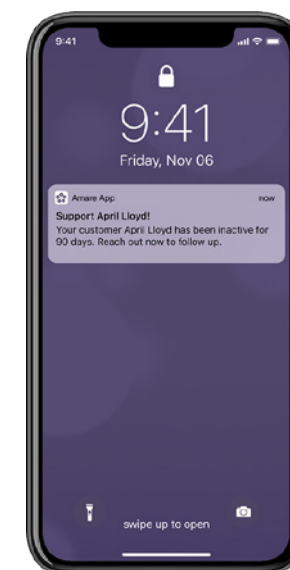
Customer Retention

Empower your field with smart retention tools



Business Intelligence

View reports and KPIs to keep goals on track



In-App Communication

Stay in touch with everyone in your fieldCTA



THE **RANKS**

SOFTWARE PLATFORM COMPANIES

RANKED BY NUMBER OF DIRECT SELLING CLIENTS

Each month, *The Ranks* spotlights companies, people or trends that are important to the direct selling channel. This month, *The Ranks* lists companies with software platforms for direct selling companies, ranked by number of direct selling clients. If client information was not provided, "did not provide" is used in the column. *The Ranks* will vary monthly in type of information and in number of items included. *Ranks* client data is not audited and relies on the good faith responses of the participants.

RANK	COMPANY NAME & LOCATION	NUMBER OF DS CLIENTS	FLAGSHIP PRODUCT	3 REPRESENTATIVE CLIENTS	CONTACT INFO
1	Exigo Dallas, TX exigo.com	156	Exigo Platform as a Service	Young Living Rodan+Fields Optavia	Jim Marks jim@exigo.com 801-836-8293
2	Trinity Software Inc. Arlington, TX trinitysoft.net	130	Firestorm	Did not provide	Jerry Reynolds 817-394-5401
3	InfoTrax Orem, UT infotraxsys.com	49	FlexCloud	doTerra LifeVantage MONAT Global	Sean Smith sean@infotraxsys.com 801-431-4900
4	NaXum Las Vegas, NV naxum.com	30	UNIFY	Zinzino Beyond Slim Driven Trading	Ben Dixon Ben@naxum.com 815-985-4105
5	Xirect American Fork, UT xirect.com	12	xSuite	Did not provide	Verney Quiroz info@xirectss.com 385-448-1800
*	ByDesign Technologies Tampa, FL bydesign.com	Did not provide	Did not provide	Did not provide	sales@bydesign.co. 813-253-2235
*	IDSTC Tampa, FL idstc.com	Did not provide	Did not provide	Did not provide	Rachel Lindstrom rlindstrom@idstc.com 813-277-0625
*	MultiSoft Cape Coral, FL multisoft.com	Did not provide	Did not provide	Did not provide	Robert Proctor sales@multisoft.com 239-945-6433
*	Thatcher Technology Group Naperville, IL thatchertech.com	Did not provide	Prowess/Ascend	Did not provide	sales@thatchertech.com

* Due to no available number of DS clients, these companies are listed in alphabetical order.

SOFTWARE PLATFORM COMPANIES



Gregg Corella
Vice President of Sales, Exigo
exigo.com

“With decades of experience, Exigo’s commissions technology is used to process billions of dollars in transactions and hundreds of millions of dollars in commissions every month. Our platform, professional services, eCommerce, and business intelligence tools position Exigo as a global leader in commissions and incentive management. We support our clients in tackling every unique challenge as they adapt and expand their businesses.”



Jerry Reynolds
President, Trinity Software
trinitysoft.net

“Trinity Software has been actively serving the industry for 24+ years, deploying into 1000+ companies during that time. Trinity leads the way with relevant features that continue to evolve as the industry changes. Trinity is the only vendor in the industry that offers a full integration with Shopify®, allowing direct selling companies of any size to leverage best in class e-commerce functionality from Shopify with the most powerful and robust commissioning system available today.”



SOFTWARE PLATFORM COMPANIES



Sean Smith
Chief Executive Officer, InfoTrax
infotraxsys.com

“We integrate our class leading, direct selling commission engine to help our clients simplify the management and deployment of their compensation strategy. With our decades of expertise and powerful tools, you can seamlessly manage your global commission plan while providing your field with the real time information they need. From providing real time commission insights to administering contest and rewards, our FlexCloud commission engine is the most powerful in the industry.”



Verney Quiroz
Owner/CEO, Xirect Software Solutions
xirect.com

Xirect reduces frustration and enhances productivity by reclaiming control with a flexible, reliable, and affordable software solution. xSuite (which is conformed of xCorporate, xBackOffice, xReplicate) allows you to stop feeling forced to compromise quality, accuracy, and speed and instead build trust with your field.

Software should make your day-to-day business activities and decision-making easier, not complicate or restrict it. Whether you are a startup or an established company we offer radical software solutions that work.”



SOFTWARE PLATFORM COMPANIES



Dave Siembieda
President, Thatcher Technology Group
thatchertech.com

“Thatcher Technology Group Sales Performance Management solution is sophisticated enough to manage the most complex direct selling models, but simple enough to administer without heavy reliance on IT. Thatcher’s solution includes a flexible digital commerce platform, extensible compensation/career management and complete CMS style distributor tools platform. The solution can be implemented as an end-to-end solution, as individual modules or via its API. Its robust functionality drives growth and performance in any size organization, from startup to multi-national companies.”



WHAT'S NEW ▶▶

Greenway Global Merges with Empireo

Greenway Global, a young green network marketing company, has merged with **Empireo**, a Czech cosmetics chain. According to the brands, by joining forces, they will reach a new level of business growth as a single entity. Greenway Global, founded in 2017, has more than 2 million partners worldwide and operates in 53 countries and 200 eco-markets. Specializing in health, beauty and home care products, the company’s environmental projects include providing material and physical support to organizations focused on nature preservation. Each of Greenway Global’s 438 products is also designed to be safe and environmentally friendly with only natural formulas and safe materials in production, making them reusable. Empireo was founded in 2015 and has its own high-tech factory in the Czech Republic, in the town of Brno, Empireo. There it produces premium perfumes as well as skin care, cosmetics and bioactive supplements.

USANA Honored as Best Company to Work For

Utah Business magazine has recognized **USANA Health Sciences** for its culture by naming it a Best Company to Work For in Utah. The award brings attention to Utah organizations that their own employees see as a best place to work. Workplace culture has seen its share of changes with the COVID-19 pandemic, as well as increase in remote work. How companies choose to meet those changes can make all the difference in attracting employees and keeping them happy. Paul Jones, USANA’s chief people officer, points to “community,” one of the company’s four core values, as keeping its culture at the forefront. That means providing support, care, and encouragement, he said. The vetting process for determining that companies meet the “best place” standard, is thorough. Using Qualtrics survey technology, a percentage of employees answer anonymous surveys ranking the company on several factors, including flexibility, pay equity, vacation time, management, and more.

Avon Expands Virtual Makeup Shopping Experience

Through a partnership with Perfect Corp., **Avon** is bringing personalized product recommendations and AR (augmented reality) virtual try-on (VTO) to customers in nine of its international markets. Not widely available in the mass beauty market, the unique try-on technology can help customers find the right product match from more than 400 of Avon’s products, including its lip, eye and face makeup collections, as it automatically identifies users’ unique facial features, such as eye and eyebrow shapes, to deliver a realistic experience. With the ability to instantly try on products via their mobile camera or webcam on desktop, customers can see enhanced results as part of a high-touch shopping experience. And since no physical product is used, the try-on is also using a sustainable and hygienic beauty testing approach. The VTO is initially launching in the U.K., South Africa, The Philippines, Italy, Poland, Russia, Romania, Czech Republic and Turkey.

Medifast Poll Shows Health Spending Not Affected by Inflation

While inflation has put a lot of Americans in the position to limit their spending, a recent survey by **Medifast**, parent company of direct seller **OPTAVIA**, shows that 70% of those surveyed were not going to let it affect their health. Eighty percent of U.S. adults have cut their spending in the past six months, but 44% shared they would not be limiting fitness and wellbeing. The poll of 2,000 U.S. adults, conducted by OnePoll, revealed that three in four respondents have been impacted by inflation, and as a result they have reduced spending the most on shopping (70%), entertainment (59%), and food (58%). However, 57% plan to increase the amount of time they invest in their health and wellbeing in 2023. This would be their priority over career (26%), traveling (18%), dining out (17%) and education (16%). Of those surveyed, 60% said, in fact, the pandemic only encouraged them to refocus their priorities in life, and as many said it made them appreciate their health more than before (63%).

Mary Kay Awards \$1 Million to Domestic Violence Shelters

Mary Kay’s nonprofit The Mary Kay Ash Foundation announced the donation of \$1 million to domestic violence shelters across the country. The 50 grants of \$20,000 each will go toward supporting these shelters as they serve nearly 150,000 women next year. The funds will help provide emergency shelter, transitional housing, counseling, and legal aid, all of which support women and children as they seek refuge and relief from domestic abuse. According to the foundation, effects of this violence are only escalating throughout the world due to the COVID-19 pandemic as vulnerable women and children may have to stay in closer proximity to their abusers amid the stress and with limited resources. The Mary Kay Ash Foundation was formed in 1996 with a focus on eliminating cancers affecting women. In 2000, the organization furthered its mission to include the prevention and elimination of domestic violence.

Matilda Jane Clothing to Close Down Its Business

Matilda Jane Clothing has announced to its consultants, or Trunk Keepers, that it is “winding down its business” and ending its relationship with them. The company referenced financial difficulties as well as an attempt to negotiate a sale of most of its assets to protect jobs as well as the business, but the sale did not come to fruition. In an email, Donna Noce Colaco, CEO and executive chairwoman of Matilda Jane, pointed to a default in its loans and the inability to borrow further funds from the lender or other financial source. Without those resources to continue running its business, the company would have to sell any remaining assets and wind down. December launch commissions were to be paid on Dec. 12, 2022. Colaco further expressed appreciation and support for consultants before offering to update them if new information came. Matilda Jane Clothing was founded by Denise DeMarchis in 2005 in Fort Wayne, Indiana.

Telecom Plus Revenue Soars 51.5%

U.K.-based **Telecom Plus PLC** (trading as **Utility Warehouse**) reported its half-year results for the six months ending Sept. 30, 2022, with revenue increasing 51.5% to \$668 million, up from \$441 million during the prior period in 2021. Adjusted profit before tax went up 22.5% to \$38.1 million. The company saw record growth, with an annualized customer growth rate of nearly 24%. Net customer growth also remained high for the company, along with partner recruitment continuing to increase, which was the result of a cost-of-living crisis, according to the company. Telecom Plus Co-CEO Andrew Lindsay pointed to “inflationary pressures” holding strong, as he anticipated demand for low-priced energy, mobile, broadband and insurance bills, as well as referral benefits to remain high. He said the company was on track to deliver an additional 1 million customers in the next four to five years.



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WHAT'S NEW ▶▶

Tupperware Helps National Parks Redirect 10 Million Plastic Bottles from Landfills

Tupperware Brands Foundation, the non-profit arm of **Tupperware Brands Corp.**, has shared the results so far from its three-year partnership with the National Park Foundation (NPF), to reduce waste across the National Park System. Tupperware joined NPF's Resilience & Sustainability Program in October 2020 to help reduce food and single-use plastic waste, such as recycling and composting infrastructure, educational signage, and the installation of water bottle refill stations. Already, Tupperware has funded the creation of 44 water refill stations across seven national parks, helping to divert about 10 million single-use plastic bottles from landfills annually. Funding from 2022 will go toward the installation of 26 water bottle refill stations in 2023, diverting an additional 1 million plastic bottles. Tupperware has also contributed to composting infrastructure improvements and innovative programs to reduce landfill waste in parks as well as infrastructure and educational resources to help visitors properly dispose of trash, recycling, and food waste. Within a single year, national parks manage nearly 80 million pounds of waste.

Nature's Sunshine CEO Recognized by *CEO Today*

Nature's Sunshine Products Inc. CEO Terrence Moorehead has been named a winner of *CEO Today's* 2022 USA Awards. Moorehead was recognized for his leadership and guidance during the ongoing global transformation of Nature's Sunshine. According to *CEO Today*, the USA Award winners stand out for their skill in navigating the particularly challenging past few years. These leaders responded with "innovative, strategic and creative business techniques." Moorehead joined Nature's Sunshine in 2018, tasked with transforming it into a stronger competitor in the health and wellness market. With a focus on the digital space and customer development, his leadership has produced record-setting years, according to the company. Moorehead's previous executive appointments include successfully transforming businesses in multiple industries. Prior to Nature's Sunshine, he served as the CEO of Carlisle Etcetera, CEO of Dana Beauty, and in various leadership positions over 20 years working globally for Avon. *CEO Today* is a publication for C-suite members to stay updated on the latest business trends, innovations and leaders.

THE SUPPORTERS ▶▶

MEET OUR PARTNERS

Below is a listing of all of the suppliers who placed display advertising in this month's issue. We are grateful for their participation and support in bringing news and information to the social selling channel.

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PEOPLE ON THE MOVE ▶▶

People on the Move



SHANE JONES, NATURE'S SUNSHINE
Nature's Sunshine Products Inc. has hired **Shane Jones** as chief financial officer. Jones has over 25 years of experience in finance, working with well-known companies such as Amazon and 1-800 Contacts. He was recently CFO at FullSpeed Automotive. At Nature's Sunshine, Jones will work closely with operations, IT and supply chain teams.



WARREN SCHLICHTING, LEGALSHIELD
LegalShield has appointed **Warren Schlichting** as CEO. Schlichting has spent over 20 years leading growth and profitability for numerous companies. He was previously executive vice president and COO of Poly, and before that, president of Sling TV. At LegalShield, Schlichting will work to expand the company's financial and operational goals.



MIKE RANDOLPH, KANNAWAY
Kannaway has hired **Mike Randolph** as executive vice president. Randolph is a 31-year industry veteran having served diverse companies, including **Mfinity, Bulavita, Wakaya Perfection** and **Youngevity**. He will be charged with oversight of Kannaway's internal and external communication, customer service, and compliance.



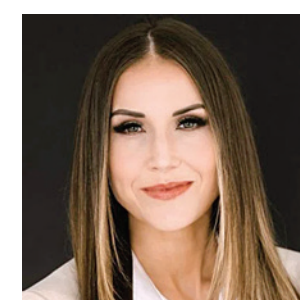
MIKE KOLINSKI, KANNAWAY
Mike Kolinski has joined **Kannaway** as vice president of IT. Kolinski has 25 years of industry experience and has worked in both sales and customer support and later IT. In his new role, Kolinski will manage web and back-office infrastructure for the company, with a focus on sales and commissions systems.



LEO PAREJA, EXP REALTY
eXp Realty® has promoted **Leo Pareja** to chief strategy officer. Pareja has 20 years of real estate experience. He joined eXp Realty in June 2022 as president of affiliated services and oversaw the company's products and services. As chief strategy officer, Pareja will enhance the company's competitive advantage and seek new opportunities for growth.



LAURA BERNIER, 4LIFE
4Life has named **Laura Bernier** as vice president of events. Bernier started her career at 4Life in 2011 within the customer service and premier department. Originally from Colombia and bilingual, Bernier's core responsibilities in her new role will include managing incentives and corporate events, IT collaboration with event management, and conventions.



JESSICA SORBONNE, 4LIFE
4Life has promoted **Jessica Sorbonne** to vice president of editorial. Sorbonne joined 4Life as a copywriter in 2018. With a background in communications, Sorbonne's new responsibilities will include copywriting, editorial, and overseeing the content team. Prior to 4Life, Sorbonne, a proud Choctaw, worked in support of Native American initiatives.



EM CAPITO, 4LIFE
4Life has added **Em Capito, LCSW, MBA, E-RYT, CMT**, to its Health Science Advisory Board (HSAB). Capito has over 15 years' experience as an integrative psychotherapist and is a mind-body resilience expert. She is executive director for the Jung Society of Utah and Women's Giving Circle Coordinator for the Community Foundation of Utah.

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People on the Move



ALEJANDRO CARRILLO, STEMTECH
Stemtech Corp. has promoted **Alejandro Carrillo** to vice president global sales. He was previously managing director of Latin Markets, a role he had held since joining Stemtech eight years ago. Carrillo also led expansion of the company's Latin markets by over 40% this year. In his new position, he will direct the commercial strategy of Stemtech.



VEENA CHANGPIROM, QUIARI
Veena Changpirom has been named **QuiAri's** general manager of Thailand. Changpirom has over 23 years of direct sales experience. She started her career as a sales, support, and communication manager for **Herbalife** in 1997. Most recently, she was sales and marketing manager for **Infinitus Health Products**.



PAUL HAACKE, RAIN INTERNATIONAL
Rain International has hired **Paul Haacke** as executive vice president. Haacke has come to Rain International with 30 years of experience leading growth and strategy internationally, particularly in China. After spending 14 years with **Nu Skin**, he went on to **Melaleuca** and **Kyani**. Haacke is fluent in Mandarin Chinese.



MARC ACCETTA, MYDAILYCHOICE
Marc Accetta has joined **MyDailyChoice** as director of training. With over 30 years of network marketing experience, he will train the company's distributors on the skill sets to become a professional in the industry. From direct selling to recruitment, management, and ultimately training, Accetta has shared his expertise as a speaker and author.

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