

The Truth Behind the Smoke and Mirrors of Multi-Level and Network Marketing

(and those who say they are not yet operate exactly like one)
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Introduction

To Whom It May Concern,

Hello my name is Winston. At sometime in our lives, we have been or are likely to be approached by recruiters of Multi-Level Marketing (MLM) and Network Marketing (NM) organizations, promising a great new business opportunity that only takes a few hours a week and yet will eventually net you a thousand dollars a week to put you on the road to becoming financially independent. As many of us know, the biggest of these organizations is *Amway*, followed by many smaller copycats, each with their own variations, all trying to make you think they're better than the other. If the recruiter is a stranger to you, he/she will usually strike up a friendly conversation with you and then ask you if you like the work you're in, and go from there. Many of you have probably had this experience. There are even MLM's that strictly operate on the internet now. Even if you've never been approached by them in person, if you use the internet then you have probably been incessantly bombarded with junk email soliciting get-rich business opportunities that all claim they are better than the rest. Most of them are MLM's, pyramid schemes or chain letters in disguise. (As reference to them, I shall mostly use the term MLM rather than NM because it is more commonly known, although they are basically the same.) MLM's are notorious for presenting to you a barrage of smoke and mirrors that mislead you with hype and emotionalism that feeds on your deepest needs while subduing your reason and common sense. They usually start with catchy lines like "*Are you tired of working for someone else?*" and "*Would you like to be your own boss?*" followed by "*How would you like to earn an extra thousand dollars a week in your spare time?*" and "*What if you could do this part time while keeping your regular job?*" Fortunately, many now see through the smoke and mirrors, but as P.T. Barnum and others once said "*There's a sucker born every minute.*" Those who buy into this hype don't think critically through all the smoke and mirrors enough to see them for what they really are. Therefore, I'm writing this article to expose these operations to counteract their brainwashing for that those of you who are still unclear about them or want to understand what they are and how they work. This article is for anyone who is either considering joining one or who is already in one and open to understanding what they are really involved with.

I remember the first time I went to an MLM meeting in California in the early 1990's. When I called to answer a classified ad for "Management Trainee - No Experience Necessary", a very enthusiastic upbeat woman told me to come to a presentation where I would learn all about it. She wouldn't tell me anymore then that. Since she sounded so

nice and upbeat, and got my curiosity, I went. There were crowds of people at the meeting, and those with name tags were unusually friendly. (they were the MLM reps) Even pretty young girls among the reps came up to me and introduced themselves and chit chatted. It was a church-like atmosphere. The company was a nutritional/dietary supplement distributor. (sorry I don't remember the name of it) When the presentation started, we were held spellbound by a woman who was one of the most electrifying speakers I had ever seen. She claimed to have appeared on the Susan Powder show too. I would say that she was like a motivational speaker, video aerobics instructor, and charismatic evangelist all in one. Even the most hardened skeptic would have been swayed by her to some degree. She should have won an Oscar that night for her performance. The whole audience, including me, was convinced and sold. Afterwards, we broke into groups to discuss the next step in our involvement. I was offered an immediate upline distributor position with about a dozen downline people below for a fee of \$800. I was very tempted but my intuition told me to be cautious and check out this whole thing first before investing that much money. So against their insistence that it might be gone by the time I decide, (standard sales tactic of course) I decided that if the opportunity were truly worth it, then it could withstand the scrutiny of an investigation away from the meeting. As it turned out, I made the right decision, because when I got home and asked my dad about it, he unveiled for me the whole scheme behind it. I felt thankful for my skepticism.

Being skeptical yet open minded, a few years later at the invitation of a friend, I went to another "business opportunity" seminar which turned out to be *Amway*. It was held in a big auditorium in San Jose, California. The humor was very strange there. The cheering and laughter there seemed fake like canned laughter in a sitcom. Later on, I also went to a few *Amway* meetings held in private homes. I saw the same MLM matrix being drawn on the chalkboard as I did for the MLM nutrition company before. It wasn't very convincing and there were too many unanswered questions.

More recently, last year I went to many meetings to check out *Market America*, which boasted the best business plan ever. They were very convincing, but eventually I saw through it as well. I was too calculating and analytical to seriously get involved. After simple research, I saw their BS and realized that I have a conscience as well. I then read articles on MLM's, testimonials of former MLMers, and used common sense to arrive at the conclusions in this article. In addition, I am a great critical thinker and very familiar with forms of mind control, brainwashing, and sales tactics because I have been exposed to so many.

Therefore, I feel that I am a good candidate to educate people on this. (You can read my other critical thinking/debunking articles at http://www.consumeraffairs.com/news/truth_about_sears.htm and <http://www.victorzammit.com/skeptics/winston.html>.) I would like to share with you the truth about MLM's and how their system really works behind their smoke and mirrors. Note from the subtitle above that what I'm also exposing includes those organizations and schemes that will say that they're not MLM or NM, yet they still OPERATE just like them at the nuts and bolts level. (sneaky bastards) After you understand how MLM's

operate, you'll be able to recognize MLM's no matter what they say about themselves. Remember that an MLM is an MLM because of their **business system**, not because of what they say! I will try to make this as concise yet thorough as possible. If you want to understand them, don't listen solely to those in it whose agenda is to recruit you into their downline for profit motives or make you a customer. They will give you a selectively revealed smoke and mirrors presentation of it that manipulates and feeds on your desires. Instead, listen to someone who will tell it like it is without any self-interest in it, and then listen to their version as well, and make up your own mind. There is really only one simple thing you need to know to understand why MLM's are a corrupt system, and all we will use to understand it is simple arithmetic, which will be explained later on. But first, let me lay out a few preliminaries that you ought to know.

Escaping the Negative Connotation of MLM

The first important thing I want to point out is that just because a business opportunity SAYS that they're not an MLM doesn't mean they aren't one or that they don't operate like one. Since the terms "multi-level marketing" and "network marketing" have negative connotations among the public, many MLM's will try to disassociate themselves from that term by trying to convince you that they are not MLM's or else a special type of MLM that's different from the rest. (Gee I wonder why) They will even bash the concept of MLM's at their presentations by acknowledging the past failures and frustrations of audience members who were involved in MLM's before. This is really a psychological tactic of agreeing and empathizing with you to give you the impression that they're on your side, and it disassociates themselves from your negative impression of MLM's as well.

As a rule of thumb, if something has a bad connotation in society or is viewed negatively by the public, then there is usually a very good reason for that. Of course, some MLM's will attempt to get around this by claiming that the MLM concept is misunderstood and misused by scams and pyramid schemes out there (which no MLM ever admits to being one themselves of course). Every organization, cult, or group with a bad reputation among the public has said something like that, so what's new? In order to expand the MLM with more downline recruits or business partners (a term they now use to sound so generic that it could mean anything), they have to distinguish themselves from the negative connotation of MLM's and *Amway* among the public, otherwise they couldn't survive. Yet when it comes down to it, they will still operate with the same system an MLM does!

So keep in mind that just because a wonderful "new business opportunity" tells you that it's not MLM or NM doesn't mean that it's not. The key is in how they OPERATE, not what they say. It's the same concept in principle as the saying "actions speak louder than words". Since MLM's have a high turnover rate, (97% failure rate according to the Direct Selling Association <www.dsa.org>) they require a high recruitment rate as well, in order to survive. Spouting a lot of smoke and mirrors, shifting terms that have negative connotations, and hyping people up is necessary to maintain a high recruitment rate. After reading this article and understanding how the MLM business system works,

you should be able to recognize and spot these deceptive schemes immediately. If it uses the same SYSTEM and PLAN that MLM's do, then it's an MLM. Simple as that.

Shifting Terms Around to Hide in Obscurity

Many MLM's now also shift around other terms as well. For example, the MLM I was tentatively involved, *Market America* (www.marketamerica.com), claimed that their business plan is not MLM but rather "*The binomial system of linear management*", to sound like a generic but new business term that no one has any prior preconceptions of. Fancy phrases like these can mean almost anything and help them hide in obscurity. Even the well-known *Amway* calls their new subsidiary Quixstar to hide the bad reputation of *Amway*. Quixstar is also described as "*internet commerce*" rather than MLM, which obscures it with all the rest of the businesses that do business over the internet. When asked about the differences between them and MLM's, they will usually cite trivial differences which don't really matter to the crux of the system, because the way the system works is still inherently the same. It is easy to claim that you are not something by citing trivial differences. For instance, a timeshare company in Birch Bay, Washington called *TrendWest Resorts* claims that they are not "timeshare" simply because in their plan, the credits you earn each year that are unused carry over to the next year. Like MLM's, they also use the empathy and disassociation tactic described above in their presentations by bashing the negative public view of timeshares in general. They will also compare their "special features" with the worst examples of the competition (a common tactic of the advertising field and of debate in general is taking the best example from your side and comparing it to the worst example of your competitors). Once you understand these types of tactics, it becomes easier to spot them.

Smoke and Mirrors, Selective Revelation and Mind Control

Unfortunately, you often don't find out that a "new business opportunity" is an MLM unless you first go to some presentations, meetings or pay for expensive seminars. This is because before you can learn the nuts and bolts of the business plan, you have to be hyped up with the smoke and mirrors first, which is their process of selective revelation that they're taught to present to prospective new recruits. The smoke and mirrors consist of diatribes of how wonderful and easy it is to make money in your spare time, the benefits of being on the road to financial independence, becoming your own boss, etc. followed by testimonials of those whose lives were dramatically changed, claiming that if they can do it then anyone can. You learn virtually nothing about the details of the business plan from this, but yet this is how the MLM's teach their distributors to present the plan to new prospects. If you look at the introduction brochures for MLM's for example, they contain mostly hype, leading questions with hot keywords, etc. and nothing about how the business plan works or even what it is. (An obvious red flag.) In fact, MLM distributor manuals usually instruct distributors to use this process of selective revelation. For example, the person who was to be my key upline in *Market America* constantly emphasized that we are never to reveal too much when first mentioning the business. (as a rule of thumb, that's a very bad sign) Instead, we were

taught to keep an aura of mystery until they came to a meeting to be shown the business plan in a group setting.

You might wonder why they have to follow this order of selective revelation. The answer is simple and you might hit yourself over the head once you realize it. If they showed you the whole business plan upfront and you evaluated it objectively, then you are likely to turn away because the business system at its nuts and bolts level turns a lot of people off. Instead, you need to be hyped up emotionally first and get excited enough to not evaluate the system too logically or practically. This is accomplished by taking you to a meeting consisting of motivational speeches, emotionalism, enthusiasm, inspiration, etc. all in a group setting to maximize the chances of persuading you to get involved. In addition, the group setting of the atmosphere also serves as a strong reinforcement to the hype, since we naturally conform to the group we're in by instinct, which in this case is cheering and agreeing with everything the speaker says. Furthermore, these meetings also serve the double purpose of keeping the current distributors motivated and "high". These factors maximize their chances of psychologically manipulating and motivating you to join in. As a result, you are more likely to go along with the business plan and become involved. All this is an old form of mind control to subdue your logical and practical side. It's not in their interest to have you evaluate the plan objectively without hyping you up emotionally in a group setting first. That's why MLM presentations are ALWAYS revealed in this order. Do you think it's a good sign if they have to subdue your practical reasoning abilities first in order to persuade you? Shouldn't a good system be able to sell itself?

What One Must Be Willing to Sacrifice to Succeed in an MLM

Now I am not saying that you can't get rich or make a lot of money from MLM's. You obviously can, and some people do. However, if you are considering joining one or investing your time and money in one, you should keep in mind that there are several things you must be willing to sacrifice in order to succeed. You have to be willing to:

- 1) Live and breathe the MLM business. Only those that do tend to succeed and truly profit. It has to come before everything else consistently.
- 2) See all your family, relatives, friends, and acquaintances as business prospects. In order to make it, you have to both sell some of the products and recruit a certain number of downline or business partners as well, which creates pressure on you to recruit anyone you know. So of course, you'd better hope you have a lot of contacts! Unfortunately, this leads to alienating a lot of people from you, because those who are not interested will feel uncomfortable around the constant pressure and persuasion from you. In effect, you begin to see others in terms of how useful they are to you and your MLM. Thus you start preferring to spend your free time with prospective new MLM recruits, rather than your friends and loved ones, which alienates them from you even more.
- 3) Pay several hundred dollars a year to go to required local and national business seminars and conferences. These usually contain nothing but hype, motivation speeches,

testimonials, and new improved methods of selling and recruiting. In other words, you don't TECHNICALLY really learn anything new at these required business seminars. Your upline will not tell you this of course. If you ask them what you will learn, they will just say "It's a great seminar that will help you succeed in this business! Just come. You'll see! Do you want to be your own boss or not?" (very irritating for someone like me who wants specifics) The REAL purpose of these required business seminars is to keep you motivated and inspired with staying in the business, and collect some extra revenue in the process as well. After all, the turnover rate in MLM's is very high, and would be even higher without these large scale rallies and seminars. This is sad though because most people in MLM's (look up statistics for *Amway* distributors on the internet from independent sources) don't make that much and these fees alone sap up most or all of their profits.

4) Know that no matter how much you profit off this business, it is inevitable that more than half of your downline must ultimately fail. (explained in detail below) This is the heart of my argument against MLM's, because this fact alone makes them shady scams in my opinion.

If you're willing to accept all four of these consequences and have no problem with it, then perhaps you are the right person for this type of business. Personally though, I don't admire people who live and breathe only one thing and are obsessed with it. People like that are not interesting and don't have much diversity, and plus it's not mentally healthy to be obsessed with just one thing, no matter how good it is. (I don't deny though, that being obsessed with something to the point of living and breathing it greatly increases your chances at succeeding at it.) I also don't like people who only like you if you're part of their MLM. It demeans a true friendship and is so wrong. A true friend likes you for you, not for how you can benefit their business or not. I thought that the person who recruited me for an MLM was a real friend, but he turned out to lose interest in me as soon as he realized that I wasn't going to be a serious part of his MLM operation. That was a real disappointment and a lesson to choose your friends wisely. I also would feel ripped off to be required to pay for expensive seminars that don't teach you anything new knowledge-wise, except to keep you motivated to stay in the scam, and also profit the organization on the side. I also would not feel good knowing that I'm making money off the failure of the majority of my downline, which is a mathematical certainty once you understand the system nuts and bolts of how MLM's work. It would make me feel like I was part of a scam.

The Nuts and Bolts of the MLM Business System

Here where the critical information starts. I'm going to explain to you in very simple terms how the nuts and bolts operation of MLM's work. This is the real technical gist of the system without all the smoke and mirrors. Now each MLM sells their own variation of products. Some specialize in certain types of products such as weight loss/nutrition products, alternative medicine, or comfort apparatuses, while others have a whole wide variety of products to choose from, such as *Amway*. Many of these products may be high in quality and beneficial to use. However, they are almost always vastly overpriced,

which is necessary in order to pay commissions to the seller and bonuses to his/her upline. Usually, you could get the same type of products for less through other means, including retail stores, outlets, discount stores, close-outs, Ebay, etc. They will tell you though that it's not the same of course, but what else would they say? Search around and do some research and I'm sure you could find comparable products for far less prices. I don't want to over-generalize here though, there may always be exceptions, but no matter how good their products are, it doesn't justify a shady and misleading business plan covered by smoke and mirrors. Remember to be skeptical of information you get from those with an agenda or special interest involved. As critics point out, what they are really selling here are not the products, but the dream of becoming financially independent.

The biggest LIE they will all tell you is that ***"You don't have to be a good at selling to succeed in this business."*** which is usually in response to the common objection "What if I can't sell?" Nothing could be further from the truth. Obviously, money does not grow on trees and it does not come from nowhere. In order for profits to come in, someone MUST BUY the products! Anyone with the slightest amount of common sense knows this. One way or another, you have to get people to buy the product, or you have to find someone who is very good at it to be your downline. And this is not a one time sell either, you and your downline must find people who are willing to buy your minimum product volume on a REGULAR BASIS! Even if you're a great recruiter and recruit a hundred people, no one will make any money unless the products of the MLM are sold on a regular basis. That is an indisputable hard core FACT, and the MLM's will hold this fact from you as long as possible, because this alone discourages most people from getting involved.

Now here is how the MLM operation works. When you first join an MLM and become a licensed distributor, you pay a license fee anywhere from \$100 to \$200 (varies among MLM's) and you usually have to sign a contract to agree to buy a certain product volume each month or quarter (also varies) to sell or keep yourself if you want to use them. You then become technically part of the downline of the person who recruited you. (internet MLM's have a new term called "powerline" now) The downline basically branches out into a pyramid-like form which looks like this. We will designate you as person number 7 below.

Downline
1
2 3
4 5 6 *7* (you)

As you can see, you are part of a pyramid structure with person number 3 as your direct upline. (MLM's are also fond of saying that they're not a "pyramid scheme", however as you can see above they still have a pyramid STRUCTURE to it!) Now person number 3 and those in your upline will coach and motivate you to create your own downline pyramid as well. It is in their interest to do so, as the larger your downline grows, the larger theirs grows as well, profiting both you and them. After becoming an official

downline, your immediate objectives are now to 1) find customers who will buy your minimum required product volume on a regular basis (or else you'll have to keep it yourself!) and 2) find a few new business partners who will sign up to do the same as well. MLM's such as *Market America* say that the minimum partners you should recruit are at least two solid motivated performers who will expand the downline further. So let's take the minimum requirement of finding two business partners for your downline in order to succeed, and map out what it looks like below. We will designate you as number 1. For reference to downline levels, we will now name everyone in each level with the corresponding number of the level.

Levels

- 1 (you)
- 2 2 (business partners or downline)

Now your task will be to train your downline to do the same as you did, with the same two objectives described above. As each person fulfills these minimum requirements, eventually your pyramid downline will double at each succeeding level, and look like this.

- Levels
- 1 (you)
 - 2 2 (your direct downline)
 - 3 3 3 3 (their direct downline)
 - 4 4 4 4 4 4 4 4 (their direct downline)
 - (and so on)

Now, everything will be fine and dandy as long as you and most or all of your downline continues to 1) buy a certain product volume each period to markup and sell, or keep themselves (often, distributors become customers as well), resulting in commissions for you and those above the seller, and 2) those at the lowest level of the downline continue recruiting more downline to expand their own business. As long as those two things continue, everyone will reap points and commissions which result in paychecks after a certain point is reached, depending on the MLM. Those with downlines are rewarded with bonus points or commissions for the sales of their downlines as well. This can add up and multiply very nicely with a vast downline, and is the biggest payoff of being in an MLM. This is where you achieve the MLM dream of multiplying your profits from other people working under you. The commission plan, reward incentives, and pay structure varies among different MLM's of course, but it's not necessary for me to list specific figures and percentages from any particular MLM for the purpose of this discussion. The way the downlines branch out also varies among different MLM's but the system is always basically the same regardless. What is basically being created is a **"pyramid of buyers"**. Unlike regular businesses however, this pyramid of buyers are all in the business of duplicating more downline for themselves. What's being sold are not primarily the products, but the dreams of becoming financially independent. Of course, you can also make some markup profits from selling the products alone, but you wouldn't

reap the big profits they promised unless you sold an astronomical amount, which they would tell you as well.

At first glance, this looks like a very profitable enterprise and plan. However, once you use some basic arithmetic, you find out something shocking which the MLM's will NEVER EVER tell you no matter how long you're in it! This leads us to the next part below, which is at the heart of why MLM's are shady schemes which ultimately fail for the majority of those in it.

The Mathematical Certainty of the Failure of the Majority Involved In MLM's

Now we've come to the most important part of this article that lies at the heart of why MLM's are inherently flawed and must fail. If you've seen the movie "Titanic" you might remember that the ship's engineer told Kate Winslet that *"The ship will sink. It's a mathematical certainty."* Well the same applies to this case as well. **It is a MATHEMATICAL CERTAINTY that more than 50 percent of those involved in MLM's MUST ultimately fail.** This fact alone makes the system a scam no matter how much money you make from it. Once you realize this, you'll understand why this whole business system that makes great promises is really an inherently flawed and unstable economic structure that will cause a lot of frustration, disappointment, and lost money for the majority of those gullible enough to bank their dreams and future on it. All it takes to understand this is basic arithmetic. Allow me to demonstrate.

As we discussed above, in our example of the layout of the basic MLM system you recruit two downline partners to sell a certain product volume and recruit two partners of their own as well, doubling the distributors at each downline level. However, since there is not an infinite number of people in this world, the levels cannot continue geometrically doubling forever, and at some point there won't be enough people in the world to double to the next level. If we assign numbers to the downline levels, then in this case at level 31, there wouldn't be enough left in the world to double to level 32 without re-recruiting the people above. If you did that, then the population of level 32 (not including the population of the levels above it) will be 4,294,967,296. That's about 4.3 billion people not counting the levels above, with some recruited twice! Since there are approximately 6 billion people in this world, there aren't enough people left on Earth for the 8.6 billion needed to double to level 33! **There aren't enough people left on Earth!** This is what the structure would look like.

Levels						
1			(one person)			
2	2		(doubles to two people)			
3	3	3	(doubles to four people)			
4	4	4	4	4	4	(doubles to eight people)
(and continued so on)						
.....						
.....						
Level 32 *		(population at 4.3 billion)				

* Level 32 includes double recruitment of those above. No further expansion to Level 33 is possible. There are not enough people in the world for the 8.6 billion people required.

Now, since level 32 cannot double to level 33, the distributors in that level, which outnumber all the distributors in levels 1-31, MUST fail the business! Even if level 32 re-recruited the people in the levels above and combine them with the population of the rest of the world, that still wouldn't be enough to make 8.6 billion! In fact, level 31 would not even be able to double to level 32 in the first place without re-recruiting some of the people above level 31 again! (since the total population of the downline up to level 31 at 3+ billion does not leave enough people left in the world for the 4.3 billion required for level 32) Even if you were to continue re-recruiting the same people over and over again, it still doesn't solve the saturation of the geometric expansion. And this represents the base case scenario too! **What this means is that even in the BEST CASE SCENARIO, the majority are still guaranteed to fail!** Think about that. *What does it tell you about a system where even in the best case scenario, the majority are doomed to fail?* That more than anything is the most revealing flaw of this system. It's very apparent and revealed by simple arithmetic.

Now here's the key. Realistically we know that MLM's don't take over the world and they stop somewhere between level 1 and 32 with each downline branch stopping at different levels. But it doesn't matter, because at ANYWHERE the downline levels stop at between level 1 and 32, the population of the lowest level without a downline will ALWAYS be more than half of the sum total of the population of all the levels above it (including level 32). This is why the majority of those involved MUST always fail, regardless of how they perform. Of course, in reality different branches of the downline will stop at different levels depending on various factors such as performance and the saturation point of each geographic location of the downline branches. But this is inconsequential, because no matter which level each branch stops at, the sum total of all the people on the level with no downline beneath them will ALWAYS equal more than the combined total of people in the levels above them! ALWAYS! You can test this out yourself and do the math by drawing out the downline levels as in the example above, along with the population at each level. Then stop the branches at various points (it doesn't matter where) along the levels, and add up those at the levels with no downline beneath them, and those in all the levels above them. You will get the same results every time! No one, not even the richest and most eloquent MLM speaker, can dispute the mathematical certainty of this. The **bottom line** here is that **THE MAJORITY MUST FAIL in ANY scenario!** That alone makes this system a scam no matter how much money you make from it. How would you feel knowing this and getting involved in it? How would you feel knowing that more than half the downline you are trying to motivate will fail?

One argument that MLMers frequently make is that if MLM's were doomed to be saturated, then they wouldn't still be around. This is a gross misunderstanding of what we're talking about here. When critics of MLM's refer to saturation, what we mean is that the number of people who will succeed at it will reach a saturation point. Since MLMers constitute a minority in society, they will always be able to find new recruits

among the rest of the population. After all, people are born everyday. Contrary to what they tell you though, long-standing MLM's do not grow steadily without drop. They are in a forever state of expansion and contraction cycles, as a result of their high turnover and high recruitment rate. They will continue to exist as long as they are able to maintain their high recruitment rate, which they constantly struggle to do using methods like those described above such as smoke and mirrors, shifting self-described terminologies, and mind control in a group setting. (With so many disappointed people accumulated, why else do you think they have earned such a bad reputation so much by now that they have to hide their association with "multi-level marketing"?) And those at the high upline levels can maintain a stable position and steady income as long as replacements for the high turnover rate continue at the bottom. All of this is inconsequential to the fact that the majority must still fail.

Conclusion

Now that you know the truth about the nuts and bolts system of MLM's and NM's WITHOUT the smoke and mirrors, it's up to you to decide whether you want to become involved in it. Yes you may get rich or become independently wealthy if you get in the pyramid structure at a high level early on before it saturates, but would your conscience feel good knowing that more than half the people below you must ultimately fail and lose money? Is that how you want to make money? It's up to you. I can tell you though, that if you are already involved in an MLM and you bring up the points of this article to your upline, he/she would undoubtedly say "Don't listen to the naysayers. They just don't want to see you succeed at something they don't believe in. Some people just like to criticize success because they are envious and don't want to work as hard." or "Listen to people who have made it in this business and learn from them. What would you have to learn from a misinformed critic?" and all that type of smoke and mirrors that misses and dodges the points. However, think about this. If they can't address the points that articles like this make, but can only try to distract you with more smoke and mirrors, what does that tell you? Is that a red flag that something's wrong? Think about it. I rest my case.

Thanks for reading. Take care and remember to not be gullible! :)

Regards,
Winston

Any questions or comments about this article can be sent to me by email at WWu777@aol.com.

Links For Further Reading

If you would like to read and learn more in detail about MLM's, here are some recommended links.

What's Wrong With Multi-Level Marketing?

<http://www.vandruff.com/mlm.html?FACTNet>

Quatloos! guide to Multi-Level Marketing

<http://www.quatloos.com/mlm/mlm.htm>

About MLM's in general

<http://www.mlmsurvivor.com/enter2.htm>

Book and link about multi-level marketing

<http://www.falseprofits.com>

The Ten Big Lies of Multi-Level Marketing

<http://www.mlmsurvivor.com/fitzpatrick.htm>

Why Nearly Everyone Loses Money in MLM, but So Many Keep Trying

<http://www.falseprofits.com/Lessons%20from%20the%20Pyramids.html>

The US Postal Service's warning on multi-level marketing

<http://www.usps.com/websites/depart/inspect/pyramid.htm>

Pyramid Scheme Alert on NBC News

<http://www.pyramidschemealert.org/news/nbc.htm>

ABC News Story: Paying for a Potential Payoff - Multimillion-Dollar Scam Exploits Thousands of Women

http://abcnews.go.com/sections/wnt/DailyNews/gifting_scam021101.html

Skeptic's Dictionary entry on Multi-Level Marketing

<http://www.skeptdic.com/mlm.html>

Skeptic's Dictionary entry on Amway

<http://www.skeptdic.com/amway.html>

Internet Society Of Ex-Amway Distributors With Web-Pages

<http://www.ex-cult.org/Groups/Amway/otherside/links.htm>

Articles on Amway

<http://www.ex-cult.org/Groups/Amway/otherside/?FACTNet>

Contains links to sites about Amway

<http://www.factnet.org/coerlink.htm>