

The Philosophy of Network Marketing

To have a philosophy, there must be a philosopher.

by **Paul Morris**

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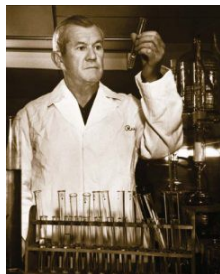


To have a philosophy, there must be a philosopher. Since the Network Marketing Industry is not a person, then there is no single philosophy from an individual, but rather the entity of Network Marketing has a philosophy of its own that has been created on its behalf by the many thought leaders that have shaped the industry for more than half a century. The early philosophers so to speak, were Forrest Shaklee, Founder of Shaklee, Carl Rhenborg, Founder of Nutrilite, Earl Shoaf,

founder of Nutri-Bio, Rich Devos and Jay Van Andel, founders of Amway. Other early influencers were William “Bill” Bailey, founder of Best Line Products, and William Penn Patrick, founder of Holiday Magic. Other notables are Glenn Turner, founder of Koscot Interplanetary and Dare to be Great, Mark Hughes, founder of Herbalife, and Larry Huff and Larry Thompson top leaders with Herbalife and also later founders of their own companies. Although more direct sales than Network Marketing an honorable mention would go to Mary Kay Ash, founder of Mary Kay Cosmetics. A late comer but also a strong influencer is D. Gary Young, founder of Young Living Essential Oils.

Each of these people have had a major part in shaping the prevailing philosophies surrounding the Network Marketing Industry and have left indelible fingerprints on the pages of MLM history.

In 1915, Long before thoughts of MLM had even come into existence, at age 21, Forrest C. Shaklee, discovered the world's first vitamin and created Shaklee's Vitalized Minerals. Forest fostered the philosophy of Nutrition in harmony with nature. His aim in life was *"providing a healthier life for everyone, a better life for anyone."* Among his famous quotes are, *"Your Future Life will be Exactly what you decide to make it!"* He was a great believer in the power of choice. His focus is exemplified in his quote, "I never belittle the medical profession, but we are in two separate endeavors. They are trained to treat disease and *I'm interested in BUILDING HEALTH.*" He founded Shaklee in 1956 and his principles permeated not only his company but are prevalent in the nutritional product Network Marketing companies today.



Parallel to all this going on, Carl Rehnberg was doing similar studies in nutrition and in 1935 created Vita-6 which is credited to be the world's first Multi-Vitamin. In 1937 he named it VITASOL and formed the California Vitamin Company but was only selling to friends and neighbors without it being an MLM form of marketing. In 1939 he renamed it "Nutriline Products, Inc." but continued to market direct to consumers. It was not until 1945 when Lees S. Mytinger and William S. Casselberry became exclusive national distributors and set up what is believed to be the first MLM compensation plan. Marking the beginning of what we know as Network Marketing today. Carl's discovery of 'Associated Food Factors' is what is known as "phytonutrients" today. Carl was all about doing things organically with no pesticides and causing no harm to the earth. A quote of his was, *"We are not merely on the earth, we are of the earth, intimately related and tied to it."* Carl's philosophy was a quest for excellence in plant based nutrition and bringing to the public, "The Best of Nature," and his vision was to *"Inspire millions of people to maintain a healthy curiosity about the world and to have the courage and commitment to achieve their own dreams."* His passion for all natural, organic, plant based nutrition and his philosophy of having courage and commitment is still one of the guiding principles of Network Marketing today.

In 1949 Rich Devos and Jay Van Andel joined Nutrilite and became top producers. It would be ten years later that Rich and Jay would start the American Way company that would soon become the Amway we all know today.

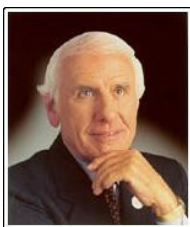


Seeing the success of Shaklee and Nutrilite Products, Inc., a J.B. (James Breckenridge) Jones, in 1955, founded “AbundaVita Corporation of America” and began marketing vitamins, minerals and a protein supplement. With AbundaVita the emphasis was more on the business opportunity with a huge focus on personal growth. He emphasized learning the laws of Success as taught by J.B. Jones

himself. The shift from focus on the products to the success of the individual had begun and much of the AbundaVita meetings was focused on the individual, the Laws of Success and earning money. In 1953 a John Earl Shoaff was invited by a neighbor to attend one of these enthusiastic sales meetings, joined AbundaVita and was quickly promoted to VP of Sales. Shoaff traveled the country giving speeches espousing the J.B. Jones Success Philosophy.



In 1957, Earl Shoaff, along with Richard Schnackenberg, and Harry Ebert left AbundaVita and formed a company called Nutri-Bio and began marketing a line of nutritional supplements but the driving force was Earl Shoaff traveling the



country getting people to believe in themselves having morphed the J.B. Jones training into his own style. Jim Rohn showed up at one of these meetings and joined the crusade. Jim Rohn became the youngest “Group Coordinator” and was made V.P. of Sales over Canada and became

worth 2.3 million dollars. The emphasis in MLM had become that of getting rich and Shoaff earned the moniker “The Millionaire Maker”.



In 1959 due to FDA challenges with false claims being made by Mytinger and Casselberry over at Nutrilite, Rich Devos and Jay Van Andel leave Nutrilite, and start the American Way company that was soon to become the famous Amway Corporation. The product line was laundry soap and a Liquid Organic Cleaner called LOC.

The mission was to sell people products they needed on an everyday basis but of a high quality and concentrated form so it would cost less on a per use basis, but make no mistake, the emphasis was now on Free Enterprise and entrepreneurship.

The ability to own your own business and operate in your spare time out of your home was the main emphasis. While they sold great products of good quality and great value the emphasis was on personal growth and self-development. The distributors were taught to read self-help books and to always be listening to motivational audios at home and in their vehicles. Amway brought in the world's top motivational speakers and famous authors to speak at their conventions and the top field leaders did the same thing. The culture of personal growth had begun. Being a man of strong faith, Rich promoted the philosophy of your faith first, your family second and your business third. No one will ever know the great service that Amway rendered to this Industry as its team of attorneys traveled the country meeting with State Attorneys General helping them write laws that would prevent pyramid schemes from operating in their state, eliminating head hunting, and inventory loading from taking place yet still allowing the operation of legitimate MLM companies.



In the 1960's we saw the rise of women getting involved in marketing when in 1963 Mary Kay Ash borrowed \$5,000.00 from her son to start selling cosmetics under her name Mary Kay. Being a strong Christian, her philosophy was to run a business based on the Golden Rule and to make available to all women a chance to succeed in an industry that had until now been dominated by men. Thus begins the culture of women entrepreneurs.



In 1964 William Penn Patrick purchased a small, failing cosmetic company named Zolene for \$16,250.00 Zolene had skin care products that had the aroma of fresh fruit. He renamed the company and launched Holiday Magic. The emphasis now was almost totally on "Getting Rich Quick!" Not that getting rich quick is bad, I believe that everyone should become wealthy as quickly as they can if that is what they choose to do. I am just indicating that there was a shift from product focus to wealth focus. An indication of the money aspect of the philosophy of William Penn Patrick is seen in his most famous quote... *"Those who condemn wealth are those who have none and see no chance of getting it."* William Penn Patrick initiated the philosophy of Building an MLM business and Personal Growth going hand in hand and encouraged the Holiday Magic distributors to take his Leadership Dynamics training course. It was mandatory for all employees. William Penn Patrick influenced the lives of many people through Holiday Magic and his Leadership Dynamics training company that he owned. He died an untimely death in 1993 when his P-51 Mustang crashed. Although

fraught with lawsuits and allegations of being a pyramid scam and allegations of practicing medicine without a license, many people today credit their success to William Penn Patrick.



In 1966 William E. Bailey founded Bestline Products and swept the country and parts of Europe selling people on joining at the level of “General” by purchasing a garage full of products. Once again the philosophy of ‘Get Rich Quick’ was fostered and promoted along with personal growth through teaching the laws of success. The first thing that Bill did was to hire Jim Rohn to hold recruiting and training meetings across the United States. Although Bill Baily was a nice man, did many altruistic things, and received the Horatio Alger Award, due to the aggressive emphasis on inventory purchasing, the company was hit with a barrage of lawsuits and allegations of being a Pyramid Scheme. During Bill’s heyday he influenced the lives of many people who have gone on to be successful in MLM and in life.



In 1974 Glenn Turner started Koscot Interplanetary and the “Get Rich Quick” culture was taken to a whole new level. Koscot was deemed pyramid and Glenn Turner was convicted and served time in Federal Prison. Yet in spite of the legal challenges Glenn inspired thousands of people to believe in themselves through his fiery pep talks. “If I could do it, you can do it too!” was his famous battle cry.

We could include so many other great influencers such as Mark Hughes, Larry Huff, Larry Thompson, Jim Fobair, and showcase great companies such as Herbalife, Tahitian Noni, Xango, Better Living, Youngevity, (the list goes on) and how the original philosophies are embodied in their mission statements today, but time and space do not allow for this article. Fast forward to today and we see the myriad of Philosophies still present in many of today’s Network Marketing companies. We still have the “get rich quick” philosophies being touted but instead of filling garages with household products they use digital products.

We also have a number of Nutritional Product companies that are returning to the original roots of Forrest Shaklee and Carl Rehnborg with emphasis on product quality and purity and environmental sustainability.

1. Gary Young founded Young Living Essential oils in 1994 with the philosophy of creating products for a purpose not just for a profit. His commitment to product purity and quality is a breath of fresh air and is exemplified by his quest to own his own farms, save the finest seeds from the current harvest to start plants from seeds for the next year's crop, growing the plants in green houses until they can be transferred outside and then cultivated organically harvested at optimal times and gently distilled in his own distillers that he invented to create maximum efficiency in producing the most authentic essential oils in the world today. This unique process of total control of the supply chain (called by Young Living their "SEED TO SEAL" process) is reminiscent of the philosophy of Carl Rehnborg 50 years prior. And Gary's quest for maintaining sustainability is in harmony with the original philosophy of Forrest Shaklee.

In 2008 the Cotton brothers along with a third partner founded EXFUZE, LLC and are specializing in extract technology for retrieving phytonutrients from super fruits much akin to the discovery of "Associated Food Factors" discovered by Carl Rehnborg. Inspired by Rick Cotton's ten years in the mission field, they also started with the philosophy of 'Giving Back" and have been giving a percentage of gross sales to under privileged children in third world countries since the day they opened the doors.

So in a period of a little more than half a century we have seen an industry come full circle. Today the Network Marketing Industry has become an entity embodying the philosophies of all of the great philosophers that have made it what it is today.

With its birthplace here on American soil I believe the greatest philosophy embodied by this industry is the saying on the Statue of Liberty, "Give me

your tired, your poor, your huddled masses yearning to breathe free..."

So what is the philosophy of this industry? It is what ever you desire it to be.

Do you desire to help other people? Network Marketing will allow you to do that!

Do you desire to be at optimal health? Network Marketing will allow you to do that!

Do you desire to be able to show your friends how they can be at optimal health? Network Marketing will allow you to do that!

Do you desire to earn some extra money without getting a job at the mall? Network Marketing will allow you to do that!

Do you desire to work from home so you can be with your children? Network Marketing will allow you to do that!

Do you desire to quit your job and have time freedom? Network Marketing will allow you to do that!

Do you desire to have enough extra money that you can take the entire family on luxury vacations? Network Marketing will allow you to do that!

Do you desire to earn enough money to become financially free? Network Marketing will allow you to do that!

Do you desire to grow personally and develop your God-given talents to the fullest? Network Marketing will allow you to do that!

Do you desire to help your friends become the best that they can be? Network Marketing will allow you to do that!

Do you desire to excel as a public speaker? Network Marketing will allow you to do that!

Do you desire to be involved in changing the lives of thousands of people? Network Marketing will allow you to do that!

So the real question is... "What's your philosophy?"

Whatever it is you will find a Network Marketing that will resonate with you and allow you to become all that you desire to be.



Paul Morris has been in Network Marketing for 41 years. Paul is a very successful Network Marketer who has built some of the largest and fastest growing downline organizations in the Network marketing Industry. He lives in Sunny South Florida during the winter months and in Northeast Pennsylvania in the summer months. He is happily married to his wife Sandy. Paul and Sandy have three children and four grandchildren. Much of their life has been involved with Scouting and Outreach Ministry in addition to Network Marketing. Paul can be reached via email at paulmorrisFL@yahoo.com or by phone at 954 818-0665.
