

Debunking the MLM, Direct Selling, Network Marketing Industry Myths

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This article is a companion article to the video: [Debunking Direct Selling Industry Myths](#)

Over the years some very interesting myths have occurred. Usually, they are generated by over-enthusiastic, well-meaning distributors and perpetuated by the same sorts of individuals. One such myth is that within the next ten years, 95% of all the products that will be moved and sold in the United States will be through MLM.

Another common myth is that MLM is such a powerful method of marketing that the business schools have chosen to feature it as the chief business model of the future. And yet another myth, schools such as Harvard and Wharton now teach MLM, which they don't. However, direct selling has its place in the education system and there have been significant case studies that have been done and corporate America is clearly discovering the benefits of MLM.

That is why you see investment banking firms backing the public acquisition of companies like [Herbalife](#) and [Shaklee](#). This is also why Warren Buffett of Berkshire Hathaway spent a small fortune to acquire interest in the direct selling company, [The Pampered Chef](#). MLM is a powerful channel of distribution.

Avon, for instance, one of the largest sellers of cosmetics in the world, has long been publicly traded. There are a lot of publically traded direct selling companies now. Perhaps, we are moving toward the myths that have been perpetuated over the years with such large growth in direct selling?

However, the industry myths generally haven't served the industry well.

For more information on myths in direct selling, visit the following links:

[MLM: This Myth is a Turkey](#)

[Debunking Direct Selling Industry Myths](#) Video

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And, as always, visit [MLMLegal.com](http://www.mlmlegal.com), the best MLM resource on the web. The next *Starting and Running the Successful MLM Company Conference* is quickly approaching! On February 21st and 22nd, 2013 we are hosting the [MLM Conference](#) for the 25th year! This is now our 63rd annual conference (held almost consistently three times per year over the last 24 years). All executives/owners of MLM, direct selling, network marketing, and party plan companies are welcome to attend. This is the [original MLM Startup Conference](#), hosted and perfected by direct selling industry expert, [MLM Attorney Jeff Babener](#). Call 503-226-6600 or 800-231-2162 to register. (Can't make this event? Keep an eye out for our May and October conferences as well.)

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Jeffrey Babener
On Assignment

On any given day you can catch [Jeffrey Babener](#) lecturing on Network Marketing at the University of Texas or the University of Illinois, addressing thousands of distributors in Los Angeles, Bangkok, Tokyo and Russia, or writing a new book on Network Marketing, an article for Entrepreneur Magazine or a chapter for a University textbook. Over two decades he has served as marketing and legal advisor to some of the world's largest direct selling companies, the likes of Avon, Nikken, Melaleuca, Discovery Toys, NuSkin, and he has provided counsel to the most successful telecom network marketing companies...Excel, ACN, World Connect, ITI, AOL Select and Network 2000. An active spokesperson for the industry, he has assisted in new legislation and served on the Lawyer's Council, Government Relations Committee and Internet Task Force of the Direct Selling Association (DSA) as well as serving as General Counsel for the Multilevel Marketing International Association. He is an MLM attorney supplier member of the DSA and has served as legal counsel and MLM consultant on MLM law issues for many DSA companies.

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