

Hard Facts about a Growing Industry – Updated 2016 for 2014



Did you know that over *18 million people in the United States alone were involved in direct selling in 2014? The estimated sales of these people are \$34.5 billion, which is up 5.5% from 2013. Here are some statistics about the industry, overviewing 2014:

- In 2009, 16.1 million people were involved in direct selling, compared to 15.8 million in 2010, 15.6 million in 2011, 15.9 million in 2012, 16.8 million in 2013, and 18.2 million in 2014. The increase was 8.3% from 2013 to 2014.
- In 2014, 74.4% of company distributors were women, and 25.6% were men. In 2013 that number was 74.2% for women, 25.8% for men, and in 2012, 76.6% were women and 23.4% were men.
- U.S. retail sales were \$34.47 billion in 2014, \$32.67 in 2013, and \$31.63 in 2012.
- In 2014, 71.5% of direct sales were person-to-person, 22.4% were party plan, and 6.1% were other. Compared to 2013 when 70.2% were person-to-person and 22.5% were party plan.
- 30% of sales in 2014 were in the wellness product group. Personal care was around 15%. Services were around 22%.
- The highest sales by region goes to the South, were 37.4% of goods and services were sold. The West sold 24.3%. And, the Midwest came in third at 20.5%

The MLM industry held consistent and increasing growth from 2013 to 2014. I bet you're thinking, "Geez! Where's my piece of that pie!"

*Information sourced from www.dsa.org.

ABOUT THE AUTHOR, JEFF BABENER



Jeffrey A. Babener, of Portland, Oregon, www.mlmlegal.com, is the principal attorney in the law firm of Babener & Associates. He represents leading U.S. and foreign companies in the direct selling industry. He has been a key advisor to such companies as Avon, Herbalife, Discovery Toys, Nikken, Shaklee NuSkin, Excel, Usana, Fuller Brush, Cell Tech, Enagic, Sunrider, Melaleuca, Nerium International, etc. He is a frequent lecturer and has been interviewed on the industry, and published, in such publications as Money, Inc., Atlantic Monthly, Success, Entrepreneur, Kiplinger's Personal Finance, Home Office Computing, Business Start-Ups, Direct Selling News Magazine, and Money Maker's Monthly. He is editor of the industry publication, Direct

Sales Legaline. Mr. Babener is also the author of the books; Tax Guide for MLM/Direct Selling Distributors, Network Marketer's Guide to Success, The MLM Corporate Handbook, Network Marketing: Window of Opportunity, and Network Marketing: What You Should Know (used as the college curriculum textbook at Utah Valley State course on network marketing). He is editor of one of most frequented network marketing educational web sites, www.mlmlegal.com. He has served as Chair of more than 70 national conferences on starting and running the direct selling company. He serves on the Lawyers Council and Government Relations Committees of the Direct Selling Association (DSA), and he has served as General Counsel and on the board of the MLMIA (Multilevel Marketing International Association). He has lectured at major industry trade meetings and at such educational institutions as the Univ. of Illinois, University of Texas, University of Houston, etc. He is a graduate of the University of Southern California Law School where he served as an editor of the USC Law Review, followed by the appointment as a law clerk to Hon. David Williams, U.S. District Court for the Central District of California.

A number of Babener & Associates client companies have been success stories over the last several decades, including several billion dollar and NYSE companies such as Avon, Herbalife, NuSkin, Usana. Other successful companies, to which the law firm has provided varying level of advisory, have included Melaleuca, Nikken, Enagic, Discovery Toys, Amazon Herbs, TriVita, Nerium International, Shaklee, PrePaid Legal, Tupperware, Primerica, Arbonne, Longaberger, Excel Communications, ACN, etc.

Mr. Babener has served as lead trial counsel for multiple cases on direct selling throughout the U.S. Further background material on direct selling will be found at the website, www.mlmlegal.com, where he is editor.