

Are Their Concerns about Consultants Marketing Their MLM Business through Social Media?

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It is very common for consultants to have friends on their social media accounts who are friends and customers, or co-workers and friends, or family friends and work friends, as well as also being someone they know in their direct selling business as customers or sponsors. Since many consultants often sell to their [warm market](#) first, distributors often know their customers or sponsor as friends, relatives, or church members. This causes some issues to arise for the MLM company.

A common issue that the industry is grappling with right now occurs when a consultant leaves a network marketing company and joins another MLM company, then begins promoting the second company to their Facebook friends (or other social networks) and to the people who are in their downline organization from the first company. The question is often asked as to whether or not this is considered [distributor raiding](#). The industry has not come to a consensus on this issue yet. Many MLM companies, however, do ask that consultants who leave their company and start selling for another company, not raid their sales organization because they're damaging the livelihood of all of the other consultants left behind. The industry is working its way through this issue but has not come up with concrete solution to the problem yet.

There is conflicting legal case authority on the issue. Some legal case authorities claim that if a consultant announces that they are going to join another MLM company on Facebook then it's protected under freedom of expression by the First Amendment. Therefore, a company cannot accuse a consultant of raiding their downline for distributors. Other courts and cases have suggested that consultants separate out their Facebook downline from those of friends and family. But, as we saw above, Facebook friends do not always fit into black and white categories. Often, your friend is also your co-worker. Your relative is also your customer. Your neighbor is also your friend. The courts have argued that Facebook is, in a way, simply a sophisticated means of sending emails because each post is like sending out a bulk email to several hundred people. From this prospective, deciding on whether or not there is a conflict is complex.

We will let you know if the courts come to a deciding factor anytime in the future. In the meantime, if you are in a similar position, we recommend that you read your company's

[policies and procedures](#) to see their specific policy on the topic of consultant raiding. You will also find hundreds of articles on our website(s) and blogs on the topic of distributor raiding.

Here are a few that may be of interest to you:

[Why do MLM Companies Require Distributors to Use Replicated Websites Rather than Distributor-Created Websites?](#)

[Executive Interview by the DSWA – “Legal Hotspots for Direct Selling Companies” with Jeff Babener](#) – Video

[Can I and *should* I join multiple companies and establish multiple downlines?](#)

[MLM Company Policies on Social Networks and Distributor Raiding](#)

[How Have Raiding Rules Evolved in Direct Selling Contracts and Policies and Procedures?](#) – Video

[How Have Raiding Rules Evolved in Direct Selling Contracts and Policies and Procedures?](#)

[Has There Been Cases Won or Lost on the Topic of Social Media and Distributor Raiding?](#)

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If you're reading this blog post and the conference dates above have passed, check our [website](#) for the current conference dates.

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