

I was involved with Quixtar and the TEAM (formerly Team of Destiny) line of sponsorship for 6 months from September 2004 to February 2005. I spent approximately \$1,000 on attending open meetings, tools (books and tapes), monthly seminars and quarterly Major seminars. During my time involved with this business I never received compensation from Quixtar or TEAM because my monthly PV/BV volumes did not meet the minimum requirements for bonus checks. I had a downline of 1 person, whom my upline helped to recruit.

The Quixtar/TEAM opportunity was pitched to me as a vehicle for me to attain financial independence and retirement within the next 2-5 years. Extravagant spending and lavish lifestyles were used to coerce me into thinking this business could potentially provide a large supplemental income. I chose to become involved because some of my college friends kept pressuring me and I thought the concept of “buy from yourself and teach others to do so” could produce some extra income. The people who prospected me advised me not to seek any information regarding Quixtar or TEAM via the internet and only to get the answers to my questions from them or those involved in the business. Their reasoning was several “disgruntled” people failed at the MLM business have constructed negative websites. While being prospected the Quixtar name was rarely mentioned in TEAM’s presentations. It was almost always referred to as a ‘business opportunity’ or “The Plan”. It was not until 3 months after I left the business I found out the full relationship of Quixtar and TEAM and have a full understanding of the MLM industry.

Never, during my time as a Quixtar/TEAM affiliate, was I told that I was required to sell retail items to consumers outside of the TEAM organization. I was told simply switch over my buying habits and purchase items through Quixtar and its partner stores and to try to consume 150 PV per month in products.

A friend has directed me to the FTC website on possible MLM rule changes. I have read the proposed changes and in principle, I agree with them. I believe the main problems with the MLM industry is over exaggeration of income claims, inadequate information about relationships between suppliers and motivational organizations, and the absence of information regarding profits made from “tools” and “tool systems”.

I feel very strongly that some sort of disclosure document is needed for people entering the MLM industry. When I was signing up, I really had no idea of TEAM’s relation to Quixtar or how the MLM industry worked in general. I went on blind faith because the TEAM affiliates who prospected me expected me to trust them. A seven day waiting period is an ample amount of time for someone to research the MLM opportunity that is shown to them in order to make an informed decision. The only portion I disagree with is a required reference list. If an MLM prospect were to call random people from this list, they would only receive positive information regarding the MLM industry from these “insiders”. In essence, they would be getting only one side of the story.

I hope the FTC continues to investigate the practices of MLM motivational organizations and the cult like tactics of Kingpin distributors who run them.

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