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ACN

Business Is Booming

by Barbara Seale

How does a direct selling company continuously achieve record growth after 17 years in business? Ask ACN. It's breaking records in every category.

The company continues to reinvent itself so that it remains fresh and exciting. With new technologies in its signature video phone, brand-new product and service lines, and international expansion, it's no wonder the company sells out events and continues to recruit representatives and acquire customers in historically high numbers.

As impressive as all that is, though, ACN's achievements are even more stunning because they've continued during a very difficult economy.

"The economy is not doing well, so people are afraid of the future. They're

uncertain whether they'll have the job that they depend on," says ACN President and Co-Founder Greg Provenzano. "ACN is a very viable Plan B for them. We're actually attracting people because of the economic times."

Provenzano says that ACN's service business is also a key reason people join. The company's independent representatives recognize that people already spend money on the services they offer, so they don't have to create new habits. And when those customers pay their bills month after month, ACN representatives get paid residual income.

"Our independent representatives are not bothering people they know and love. They're just giving them something at a better price for the service they're using today," he says. "And when they get into our environment, experience our training and really get a good sense of who we are as a company, they want to be part of that."

Build the Best

Creating that culture—what ACN is as a company—was a big reason that Provenzano and his fellow founders, Mike and Tony Cupisz and Robert Stevanovski, started ACN. It's also why they're all still involved.

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All of them had been successful in other network marketing companies, but they were never able to find that “perfect” company. So they decided to start it.

“Some of the principles we were founded on included that we were going to treat people the way we wanted to be treated—make the salesperson king or queen,” Provenzano says. “Our intent was not to get wealthy at everyone else’s expense, but to bring others along with us. We were also very honest and told [the company’s early independent representatives] from the beginning that, as a startup, the chances that we would make it were slim. But if we did, they’d all be at the right place at the right time. Some of them are still with us.”

The four founders started the company as an agent in the trillion-dollar telecommunications business in January 1993, taking advantage of the then-recent deregulation of the industry. They didn’t understand telecom then, but they did understand how to build sales organizations. Over time, they offered Internet, wireless, home security and satellite TV services in addition to local and long-distance phone service.

“Seventeen years ago when we founded ACN, we offered long distance *only*,” recalls Chairman and Co-Founder Robert Stevanovski. “Today we are a complete telecom and home services provider giving our representatives a competitive edge by being a one-stop shop for their customers to receive all of their home and telecommunications services.”

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ACN International

Since it first expanded outside U.S. borders in 1997, ACN has continued to expand into country after country, offering its independent representatives a way to build a global business without ever leaving home, if that’s what they choose. This summer, ACN entered South Korea, its 21st country.

“When looking at international expansion, we select countries with markets that we think will benefit the company, while offering a strong business opportunity for our representatives and an outstanding opportunity for customers,” explains ACN Chairman and Co-Founder Robert Stevanovski. “Once we identify that country, we carefully go about launching there to make certain that each launch is even better than the last. The South Korean launch definitely lived up to our expectations! This is a market that we believe has tremendous potential for our company, our representatives and future customers. Since beginning this launch, and envisioning ACN’s expansion into Asia, we’ve worked to ensure all the pieces are in place so our 21st country is successful right out of the gate.”

Including that country, here’s the lineup of countries where ACN’s independent representatives proudly provide services and opportunity:



ACN Co-Founders: Robert Stevanovski, Mike Cupisz, Greg Provenzano and Tony Cupisz

Courtesy of Success from Home. © Will & Deni McIntyre

Australia	Germany	Portugal
Austria	Ireland	Spain
Belgium	Italy	South Korea
Canada	The Netherlands	Sweden
Denmark	New Zealand	Switzerland
Finland	Norway	United Kingdom
France	Poland	United States

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To successfully offer such a complete suite of products while staying technologically competitive in its key telecommunications business, ACN attracted executives and employees who helped them launch the very latest in technology and cutting-edge services of the future with digital phone service. They even built their own digital phone service network to support their business in the United States and opened doors to pioneer the video phone industry that's beginning now.

"We built a state-of-the-art digital phone service network three years ago," Provenzano says. "That allows us to have video phone communications in all areas ACN is in. As upgrades become available, because the network is software-driven, we're able to push upgrades through to existing phones."

Digital phone service offers some features that are unavailable through traditional service, such as the opportunity to select a virtual phone number with a specific area code if a customer wants to make it more convenient for family, friends or business associates in a particular area to contact them. And customers can pay a standard monthly fee to call within their national area. For U.S. customers, that means they can call anywhere in the continental United States, Puerto Rico and Canada—all for a flat fee. Digital phone service, which transmits calls through an Internet line, has come a long way since it was introduced. Early adopters put up with poor voice quality in exchange for dramatically lower—or even free—rates. But today's digital phone service is indistinguishable from any other technology. According to a Harris Interactive survey and a Keynote Systems competitive intelligence study, quality has improved to the point that it outranks land line phones in customer satisfaction and overall audio quality.

Borderless Business

Meanwhile, the founders expanded their vision to the rest of the world. They started with Canada in 1997 and then reached into Europe. This summer, ACN opened its 21st country, South Korea. It's now the world's largest direct selling telecommunications company, boasting more than \$550 million in revenue and over 100,000 independent representatives.

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Greg Provenzano, ACN President & Co-Founder



Robert Stevanovski, ACN Chairman & Co-Founder

ACN Founders

Mike Cupisz, ACN Vice President & Co-Founder

Tony Cupisz, ACN Vice President & Co-Founder



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“We believe that we have a viable opportunity, no matter what culture we take it to,” Provenzano says. “No matter where people are from or what their culture is, when it’s all said and done, people want a good quality of life for themselves and their family. Most people don’t have a way to get more money and more time. By going international, ACN provides people around the globe with a viable vehicle to have access to those things without the risk that most entrepreneurs have to take.”

ACN operates its global business from its world headquarters in Concord, N.C., near Charlotte. It consolidated most of its operations into that 17-acre property in 2008. European headquarters are in Amsterdam, the Netherlands; Pacific headquarters are in Sydney, Australia; Asia headquarters are in Seoul, South Korea; and the company has key offices in Montreal, Canada; Åmål, Sweden; and Wrocław, Poland.

Throughout the world, telecommunications services and high-tech video phones are ACN’s lead products. And because video phones are best used in pairs—at least—ACN’s independent representatives frequently sell the phones in multiples. And while business may slow down during holiday seasons for some direct sellers as its field salesforce takes time off, ACN distributors stay busy because their customers are buying phones as gifts for their family members. Yes, the video phones can carry regular voice calls like an ordinary phone, but when two or more are connected on a call, there’s nothing *ordinary* about it.

On Top of Technology

Video phone users regularly upgrade to new technology, much like cell phone users, so ACN’s independent representatives are buzzing about the launch of the company’s latest model, the IRIS V (see sidebar, “Can You See Me Now?”). It’s the latest of 13 products the company has launched in the last year. And more, including energy services, are in the pipeline.

“Currently ACN provides energy services in several provinces in Canada as well as several European countries, and we plan to continue growing and expanding energy service in the future,” Stevanovski says. “Right now, we’re planning to launch energy services in the U.S. in 2011. Energy is a service our representatives are excited to receive residual income from and it fits into our core business model, which is offering essential home services that people need and use every day. This service is creating huge momentum in the regions it’s currently offered in, so we’re really looking forward to expanding this service to other regions and seeing that momentum grow in the future for our representatives.”

“Adding yet another essential home service as well as an exciting new video phone gives ACN independent representatives a lot of reason to be excited, and it provides great reasons for them to reach out again to existing customers to tell them about the new services.”

“They’re excited about what we have now, so you can imagine the buzz,” Provenzano says. “The track record we’ve had will promote even further growth.”

Growth is a word Provenzano uses a lot. In its distributor ranks, the company has seen numerous promotions to its top positions, and last year it had tremendous growth after its video phone was featured on Donald Trump’s *The Celebrity Apprentice*. According to Provenzano, many representatives who joined the company after seeing the show are now doing extremely well. And 2010 is shaping up to be another record breaker.

“I’ve taken a look at our third-quarter performance, and it was spectacular,” Provenzano says with pride. “We had 35 percent growth quarter over quarter in 2010 from 2009.”

ACN executives and independent representatives appreciate the strong foundation that those numbers represent. They understand that people still make phone calls, stay in touch with family, and take

ACN is the world’s largest direct selling telecommunications company, boasting revenues of more than \$550 million and more than 200,000 independent representatives.

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Can You See Me Now?

Even though it's already on the cutting edge of telecommunications technology, ACN continues to innovate, constantly providing its representatives and their customers the latest and best way to keep in touch telephonically. Forget "Can you hear me now?" With ACN's video phones, you aren't limited to just hearing the person on the other end of the line—you can see each other, too.

ACN has just launched its newest video phone, the IRIS V̄. Its cutting-edge technology makes it more advanced than any other video phone ACN has offered. ACN ensured the phone's superior features and performance when it partnered with WorldGate, a company known for its advanced software technology. ACN actually bought controlling interest of WorldGate, a publicly held company, so that it could always be at the pinnacle of video phone product technology.

"Especially in this space of video phone technology, as technology gets better, people really want to have the latest and greatest. We're committed as a company to providing that," says ACN President and Co-Founder Greg Provenzano. "WorldGate has the best video phone technology in the marketplace, and we wanted access to

the engineers who developed it. I knew that if we could get involved, they could build a world-class video phone that we at ACN would have access to."

The result is the IRIS V̄, which offers a 7-inch screen with crystal-clear picture quality. Features include seeing the person you're talking to, a digital photo frame, the ability to project conversations onto a larger screen, and all the traditional calling features customers expect, like call waiting, caller ID, call forward, speed dial and more.

Video phones go a long way toward helping families stay in touch, even when they live thousands of miles from each other. Provenzano describes how the company's video phones let his own extended family celebrate the holidays together.

"My siblings are all in Michigan," he says. "This past Christmas, we were able to connect our video phones together and plug them into our big-screen TVs. With us in North Carolina and the others having Christmas in Michigan, our video phones let us share Christmas almost as if we were together." He adds, "This is the first time we've had a product with so much emotional appeal."

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care of their home's security needs, even when times are tight.

"In an economy where people are cutting corners in their budgets to make ends meet, ACN's services are not services that people are willing to sacrifice," Stevanovski notes. "People don't cancel their telephone and home services despite tough economic times. It just doesn't happen. These services are essential services—services people don't go without. Pair that demand with quality providers, and the result is a strong business opportunity for our representatives. It's truly unique."

Growing from the Inside Out

He's also proud that independent representatives' personal development is such a key focus for ACN. The company offers a robust online tool called Your Business Assistant (YBA) that provides eight tools wrapped up in one subscription price. It starts with the representative's personal website, which the company keeps constantly updated, but it also includes a lead-tracking system and alerts. With YBA comes conference calling, a subscription to *SUCCESS* magazine, a special audio series created just for ACN, and discounts on personal-development books and more.

"Personal development has been a focus of ours for many years," Provenzano says. "We're not only interested in people becoming better off financially; we want them to be better off as a whole individual. If we can enhance people's lives, they'll become more productive with what they do at ACN."

That attitude is right in line with the company concept that they're never finished. They're always asking, *How can we make this better?* Provenzano says that mindset drives ACN's executive team every day and permeates the entire company. He views that drive for excellence as both a responsibility and a privilege.

"ACN has changed everything for me and my family. It has brought me more than I could have imagined," he says. "I'm surrounded with great people; a positive, uplifting environment; and we're able to enhance people's lives. Almost every day, someone tells me, 'This the first time I'm saving money for my children's college education,' or 'I'm putting away some money this month because of the discretionary income the ACN opportunity has given us,' or a mom gets to stay



Throughout the world, telecommunications services and high-tech video phones are ACN's lead products.

home with her kids because ACN has positively impacted her life. And we have 1,300 employees worldwide who depend on ACN for their livelihood. I don't take any of that lightly. Those are the things that drive us. I'm asked all the time why I continue. It's about letting other people continue to succeed as we have. It drives us every day." *DSN*

For more information, please contact: