JR Ridinger’s Reflection and Message to UnFranchise Owners

Message #2 in the MA 25 Series – JR Ridinger’s Personal Message to UFOs

Reflecting on 25 years of growth and success and what we have to do to keep it that way as we enter a new era in the UnFranchise Business.

Why we have requirements and why some people focus on beating the system rather than using it to grow a solid, profitable, secure business.

As Market America approaches our 25th Anniversary of success and continuous growth, I wanted to share with you some important reflections on the journey that became what the UnFranchise Business and the Management Performance Compensation Plan (MPCP) are today, and reflect upon what makes us different and a lasting success. Residual income is only as real as your longevity and stability. We have always put the field first, protected your interest and passionately protected the UnFranchise Business opportunity and system. We have also been an innovator leading the way into the digital age and internet marketing. The business model was designed to solve the repeating problems of the industry from which we evolved — and to change it! We accomplished that. We also worked to differentiate and distance ourselves from other direct sales and network marketing systems, or from Multilevel Marketing (MLM) programs, that left a trail of disappointment and preconceived notions behind them. In so doing I believe that we actually created a new industry with what we are today. Our success — and the countless people who supplemented or diversified their income, and many who achieved lasting residual incomes to realize their dreams — speaks for itself.

We come together in North Carolina for our 25th Anniversary Market America | SHOP.COM 2017 Convention in August. I am assuming you will be there and are expecting to see you because this is a historic milestone coming from nothing but belief in a vision that very few companies or organizations ever attain. Congratulations to everyone who believed and contributed as it proves what people power can do. We did this together, and if you are new you have the same opportunity to help change the world by changing the way people shop, joining your fellow UnFranchise Owners (UFOs) in taking entrepreneurship to a historic and world-renowned level. Very few enterprises reach this level of collective success, putting our team in the top 2 percent of start-up companies in the world and one of the few out of several thousand in the direct sales industry that has stood the test of time.
However, for me it is the beginning because I feel like the vision that I started with has become a reality, and now we can change the world by changing the way people shop, converting spending into earning and reclaiming the economy.

So for me we are at an important crossroads and it is good to do a little reality check.

It is easy to forget where you came from and take for granted what got you (us) here and the obstacles overcome and the reasons that make the enterprise work. Seriously, can you tell me what makes us different and why the plan has worked and what continues to make it work? The first step to decline or failure is to lose sight of the things that got you there! It is human nature to take them for granted, and if you are new, you don’t even know what you don’t know! Is it important for you to know and understand these things? You tell me! Are you mindful of these things?

After 25 years of total dedication to Market America and the UnFranchise Owners, something remarkably different has become a reality to create a vehicle that can allow people to change their lives and the economy. Can you give me 30 minutes to understand something?

This is so important that I am writing a series of articles (which will also be presented in a short series of videos like this one) about how the business was created, its evolution and history, and why and how it works. It was not by chance. Let me pull the curtain back and give you insight as to why we have requirements, what the “UnFranchise” really is and what the UnFranchise Business really means. This includes why we have great products and an unparalleled opportunity for residual income, and what drives that income. Basically the WHY behind everything we are and do. It is easily forgotten when everything is working. However, not building on a solid foundation of principles and beliefs that created our success, and preserving that foundation for continued success, is the first sign of decline.

The reason we go to church is to remind ourselves of the path or way. We forget in a week and get off course. The reason we have conventions and world conferences and the Global Meeting, Training and Seminar System (GMTSS) is to recommit to the right way and remember what we believe in and why we are doing this. It is easily forgotten or taken for granted. How important is it to understand what we believe in and why it works? The only thing better than believing is KNOWING! So I am doing a series of daily and weekly articles and videos as a refresher, going back to the foundation of what we are and why we are successful in order to enlighten new people and to remind those who made it with us.

Let me ask you a question. Can you do yourself a favor — and also show me a little respect after 25 years of dedicating my entire being and life to this — to read or listen 15 minutes a day for two weeks? Let me know if you will, as I read every message from my UFO family.
Twenty-five years of success says a lot and deserves to be celebrated. However, before we celebrate a quarter of a century of success together in August, I want you to consider what really makes this enterprise work and what is at stake. Pioneering the way has its challenges because you are “shot at” and have to prove everything. We have always worked hard to set the highest standards for stellar and unquestionable business practices. We have earned a reputation and admiration and respect for our integrity, our innovation in internet marketing, as a poster child for regulatory compliance and consumer protection, and as a leader in product development. We are retail driven and have millions of repeat customers who rely on our revolutionary or life-changing products. Many of our products have become world-renowned and recognized brands that are the gold standard in each of their respective market areas. I could go on and on but will stop.

I am often asked what was or is my biggest challenge or disappointment. They are actually two different things. I feel like it’s the same thing Steve Jobs struggled with. He once said that “my greatest obstacle and challenge at Apple was not changing the world, but in convincing my own people!” His vision for the world through technology was more easily accepted by the world than by his own team! (History shows now that the world was ready for it.) Remember, he was even fired from his own company! That resonates with me and I identify with it. It has been my constant battle every year, every day for 25 years! From the beginning it has been about belief, and fighting preconceived notions, the status quo — and my own people trying to “beat the system” or not understanding and embracing the vision.

Getting you the UFOs and the company to understand and believe has always been my greatest challenge. My greatest disappointment has been our own people who claim to believe but who undermine or try to “beat the system” rather than just doing it the right way, the way proven to work to create lasting success. It is so simple and works so well, why not just do it right as designed?

At the same time, I must thank those early pioneers and the majority of the UFO leaders earning six figures for believing in the mission, system and vision, doing it the right way, and succeeding in spite of the obstacles and proving that it works! You are my proof and I am so proud of you!

With success comes a higher responsibility to be more beyond reproach than you ever were. You cannot relax — you have to step up your game to an even higher level. It creates a responsibility to make sure things are done right beyond your own personal or company’s financial success. For some reason society expects you to be responsible for others that are connected in any way or that attach their wagon to what you are and do. They expect you not only to be beyond reproach, but to be the guardian of the “holy grail.” They expect you to protect the public and carry a higher moral concern and responsibility. I have always been a “cause” person and gravitate to that. When a company enjoys and has been blessed with the type of success we have worked for, it becomes about preventing wrongdoing. The collective success story of UFOs and Market America shines as a beacon light to others, setting the example and
giving back to society and making the world a better place. Hypocrisy has no place at this stage of the journey. However, there is a curious expectation that the big successful company should be an omnipresence and know anything that someone does wrong in connection to the company. Being in the spotlight or at the top in business makes you the target. Everyone wants to challenge or replace the winner or champions, and competitors wait in the wings to take advantage of your smallest mistake.

If things happen that hurt our reputation, image or fiscal well-being, who does it hurt the most? You the UnFranchise Owner!

Whose responsibility is it to prevent it or stop it? Is it only the company’s? I hope not because this is your business and you have invested your life in it. That is more than money! I respect that, but do you and your people? Is it time for you to carry the torch and to get on your own bully pulpit?

We live in a cynical, negative society. There is an undercurrent of suspicion regarding anything that reaches our level of success that there has to be a catch or something sinister or wrong with it. If something triggers an accusation that is made, or something goes wrong that was caused by third parties or anyone in the organization who may have strayed off course or who failed to follow the UnFranchise Business system or company rules) it is magnified even though it is false or has nothing to do with the company. Let’s suppose a group of UFOs secretly and subversively worked to “beat the system” for their own fraudulent gain; “they” affect the company’s image and reputation, as well as every honest dedicated UnFranchise Owner. Unfortunately, this is true even if it is invisible to the company and against the company’s economic interest. Most importantly it undermines everything for which the company, its founders and Corporate Team stand. It is definitely against the company contracts and moral code. As illogical as it may seem, the company can be the victim of and at the same time be blamed for the acts of defiant or self-serving, deviant individuals using the UnFranchise Business to enrich themselves at everyone else’s expense. It saddens me — in fact, devastates me personally when this happens.

Protecting the company’s image, brand, and reputation becomes a much bigger undertaking and cause, and requires all UnFranchise Owners to join the company in detecting and preventing fraudulent activity, and enforcing our system, policies and procedures. It becomes a moral obligation. Every UFO and corporate executive and associate has a moral and personal obligation to prevent bad behavior. It must be a conscious group effort, and to ignore it is to support what could destroy the business and Plan for everyone. It requires constant vigilance, contrasted with when we were smaller and just starting to make it, when no one really noticed us.

But success also creates jealousy. Vicious competitive predators follow our every move and make us a target for any claim, because success brings deeper pockets. We need to protect against internal manipulations that threaten our system. When it comes to external threats, you know well that I defend
the company with all my resources. When people leave the Market America family and improperly solicit, I instruct our legal team to take action. When patent trolls attack our technology platform, we defend it. And just recently, we are faced with the frivolous California class action suit, which is really two former disgruntled UFOs — one of whom seems to have worked the business all of three months. So attacks on Market America — you and me and our collective livelihood — come from inside and outside.

There is also a cost to our image, credibility and reputation that we worked so hard to build. When you build a great enterprise, institution, organization, or team, be it in business, sports, or any field of endeavor, the world is full of critics, detractors, and culprits waiting to sensationalize it.

Yet even when you prevail the damage is already done.

Unfortunately, the media and public assume there must be some truth to these frivolous suits, and something actually is wrong, simply because a suit is filed or published. They assume anything that appears as great as Market America actually is, has to have something wrong with it. You are basically now guilty by association and therefore guilty until proven innocent and at that point the damage is already done. The reality is that from time to time, successful companies have to address false accusations and false claims brought against them by others.

The mere diversion of time, focus and money is incredible. They are not only stealing your and our money, they are stealing our time. Over the past 25 years we have survived or prevailed in numerous unjust attacks of every imaginable type, and relied on the truth, loyalty and taking the higher road to prevail. We always have taken the high road regardless of the cost. “Know ye the truth and the truth shall set you free.” Many of you have been around long enough to remember many of these episodes and battles. But our flag is still flying because of teamwork and the pure honest cause of leveraging people power with an opportunity and business model that allows average people to succeed, eliminating the normal barriers that stand in the way of their success. It is not a guarantee that everyone will succeed, but the UnFranchise Business makes it possible for anyone to succeed who otherwise would not have a way. As I often say, the power of Market America and the UnFranchise System to create income is like a liquid, it takes the form of the container that it is poured into and becomes that shape. It becomes what one sees or envisions the UnFranchise Business to be and their level of commitment to make it happen. Success is NEVER created at the expense or detriment of someone else.

As we approach our 25th Anniversary unblemished and looking forward to the next volume of success in changing the world with a new paradigm, are you ready?
Market America and the UnFranchise Business is a real business and not a game or a hobby. It takes work and requires following the UnFranchise Business System. There is only one such system. If someone is teaching or pushing another “system” it is not proven and could even be headed in a wrong direction that will fail. Then, consider the alternatives. Consider that the investment and risk or problems of running a conventional business or brick-and-mortar enterprise are much greater, and often prohibitive. The problems, requirements, unknowns and obstacles of running such a business result in most going bankrupt; 95 percent of those who start fail by the end of five years. Not everyone will succeed in Market America, either, but the cost of not making it is much less. However, I find it interesting that there is an expectation for everyone to succeed in a business like ours, and if they don’t the perception is that it doesn’t work. Is it possible that they didn’t work? Regardless, whether it be insurance, real estate, franchising, distributorships, equities, financial services, education, or even sports, not everyone succeeds — in fact more fail than succeed. Yet in the traditional business world, individual failure is an expected fact of life and public opinion accepts it as normal. Those we know or the public do not assume that those businesses or opportunities do not work because of an individual’s failure, nor are they or those types of businesses looked poorly upon. Regardless, even when we fill arenas with people who are success stories, demonstrating the reality of the UnFranchise Business, for some unexplainable reason we are treated differently, with insinuations or insults that if one person failed then the business must not work. That is why we work so hard to differentiate ourselves, to fortify our credibility and reputation, and to brand ourselves as what we really are.

Where is this leading? It is part of the DNA of Market America to have a system that increases the probability of individual entrepreneurial success for “average people”; however, that is a paradox because those who make it prove that they are not average at all!

Unfortunately, not all follow the system and too many try to manipulate or “beat” the system. What we do is to make the possibility of success realistic. Market America uses a revolutionary marketing plan and tracking system that eliminates the problems of the past and is in line with reality, creating a fair, realistic, technology-driven, economically powerful model. Market America and the UnFranchise Business System is differentiated from other programs by our tracking system and MPCP, by our market-driven, superior, competitively priced products, and by a better way to shop online and save money that generates retail profit and residual income. It is more profitable, flexible, and works if you work it — 25 years of success proves it.

At the center of that model and our identity or DNA which is translated into our brand are four cornerstones of the UnFranchise Business System.

The UnFranchise Business incorporates standardization, uniformity, and required ways of doing things. It provides an open system as contrasted with closed systems where everyone does things differently and in segregated, closed teams. It is based on teamwork and systemization.
Below are the four component parts to the UnFranchise Business System. Three of these parts involve training, support and motivation; one part is the UnFranchise Business opportunity and the MPCP to which everything is connected and reliant upon.

1. **Opportunity and Business Offering (these are all equally important)**
   
   1. **COM with millions of products, the Mall Without Walls, University Majors (businesses within a business) and our exclusive Market America product lines.** It not only provides e-commerce websites and a personalized SHOP.COM site but a turnkey system that provides everything necessary to build an internet marketing business as big as one can envision. SHOP.COM uses industry-leading technology; offers a universal shopping cart; 3,000 exclusive Market America products and millions more of recognized name brands; fulfillment, payment or credit card processing; tracking of orders; SEO and SEM marketing; and comes with personalized assistance and coaching. This would cost hundreds of thousands of dollars if it were franchised rather than “UnFranchised” and millions of dollars of investment if one tried to do it on their own. Then there is the integration of this with the next two things “b” and “c” below.

   2. **UnFranchise Business System and a state-of-the-art UnFranchise.com “back office.”**com provides access and reporting to all data and processes. I don’t think this exists anywhere else in the world in a way that allows access and control over every aspect of your business in real time.

   3. **MPCP and Sales Tracking System: a revolutionary retail and residual income generating system.** This is the entrepreneurial income-generating engine of the UnFranchise Business System. Everything connects to it and it is the most realistic system in existence. This has been discussed in detail in other sections of this article or series of videos.

   4. **The best products.** Market America brands offer revolutionary, life-changing products that are economical and competitively priced, plus SHOP.COM offers millions of other name-brand products. Don’t take it for granted, as others do not have it! Do I need to explain more?

   5. **Shopping Annuity process and platform** to allow one to identify where they spend money and categorize it so that it can be matched with an equivalent or better Market America consumable product with added value and significant savings. These are highly leveraged in funding the Shopping Annuity to get paid and then to match all other brands on SHOP.COM at a lower price (savings) while being tracked and credited to one’s Shopping Annuity. The matching of product to the needs and spending of the UFO or customer is being made easier by the “Uberization” process of making it much easier and more transparent to find and order the product needed to convert spending (identified in the assessment) to earning in Shopping Annuity.
This system is not driven by or dependent on the Shopping Annuity Bonus Program (SABP). Read or repeat that sentence again three times! The SABP and other benefits are there as a wakeup call as well as an incentive to do the initial work, which takes some time and effort, and to get one’s attention as a campaign and promotion. It is not part of the permanent MPCP, but leverages it to the maximum in order to get people on it and to make the transition. We are hopeful that some parts of it can become permanent, such as free shipping, which are benefits to Shopping Annuity Master Members (SAMM). Regardless, the Shopping Annuity is self-sustaining without the SABP and in the near future can become a financial product that is sold to customers. For now, it generates four times the BV and nearly eight times the IBV, and results in earning income faster and maxing out a Business Development Center (BDC) on one-fourth the people while saving money on what one already buys. Yes, we are actually converting spending into earning! No one else has what we have to even make this possible!

- But, the Shopping Annuity and SAMM program stands on its own and is not reliant on the SABP, which is a promotion to get you and your team to pay attention, to put the time and focus into doing the assessment, and then finding the products on UnFranchise.com or SHOP.COM to replace what one is buying from brick-and-mortar stores or other online shopping sites by ordering or buying it though your own UnFranchise Business to save money and fund the Shopping Annuity through the MPCP. This truly is converting spending into earning. We actually take a piece of the margin on vendors’ products and credit to your account and accumulate it until one gets paid. The SAMM is a permanent membership program to an elite group and those doing it automatically make more from the MPCP. Additionally, they enjoy other benefits. The SABP was originally put in place to incentivize rapid change and changes from quarter to quarter and eventually will not be necessary when enough UFOs are earning weekly checks. The real reward is in the solid, increasing residual income, with more people saving money and earning faster. It takes one-fourth of the people to reach the maximum income on a BDC.

Isn’t that that the real objective of the MPCP and reason enough to do it?

- Let’s talk about being smart, common sense or stupid? It all starts with an extremely simple point and reality. If you are in business — for sake of an example, own a hardware store — and need to buy some tools or screws and nails, etc., and you have them on your shelves at wholesale prices, would you run down to Walmart, Lowes or a local hardware store and buy the same products at retail prices when you have them at wholesale or cost in your own store? With Market America and SHOP.COM you have an entire “Mall Without Walls” and all the products you need, so why would you not buy from your own business at wholesale rather than paying more elsewhere? Please tell me: Is this smart and common sense or is it stupid? What would you call the person who does not buy from themselves at wholesale and goes to another store or source to pay retail? Is there anyone who does not get this?
This is a topic unto itself and deserves more explanation because it is the future or next era in the UnFranchise Business. I have written a separate article on this and video that will be featured soon. Look for it or refer to it and see if it doesn’t make perfect sense!

2. **Required training system and certification** (tied to advancement in the MPCP, earning and management responsibility): New UnFranchise Owner Training (NUOT), Executive Coordinator Certification Training (ECCT), certification trainings, Basic 5. This standardized training and certification process assures that every UFO knows the rules, administration, policies and procedures, and requirements of the UnFranchise Business System. It also protects against misrepresentation because every UFO is required to get the same training, standardized by the company, and to take a test to demonstrate that they know the program.

3. **Market America or UnFranchise University specialized and certification trainings per major or product division**
   - **Mall Without Walls with 13 major product divisions or “stores” that are “businesses within a business”** These are markets or businesses which one can specialize, make significant retail profits and attract like-minded people to multiply sales and income. There is a 360 degree turnkey system and retailing methods or systems as well as sponsoring campaigns provided for each one of these.
   - **Product Symposium and university major:** Annually the company provides a comprehensive two-day product and retailing summit or symposium with experts from each university major product division and the best UFOs as well as science and marketing experts providing knowledge, systems and techniques to help UFOs sell our exclusive products and build their businesses with all product divisions. Additionally, there are local certification trainings on each product major, and ongoing support from teams and the company’s websites.

4. **The GMTSS providing marketing and motivational support geographically**, following organizational growth by geographical density of activity for marketing support, motivation, and training that alternates between local (cities or towns), districts (state) and regions (several states pulling together for a larger meeting).
   - This also includes an arsenal of digital tools like MeetON.com, social media promotions and tools, videos, the UnFranchise Media app and player, and marketing tools.

So here is the conclusion and recap. We are about to celebrate 25 years of success and need a reality check to make sure we experience greater success over the next 25 years.
We are different than other direct sales or networking opportunities and you need to know why. No one has what we have or can hold a candle to our opportunity. We are entering a new era that could make history if everyone gets on board. There is no need to “beat the system” because to attempt to do so backfires, defeating the UnFranchise Business System and jeopardizing the MPCP. The MPCP and UnFranchise Business System are unparalleled and revolutionary and work when followed. We have what no one else has and need to be unified in protecting it. We will have to put in place greater detection systems and enforcement action with people who violate policies and procedures; that is an unfortunate necessity even though it is an inconvenience to everyone, but we need to protect the system for longevity and residual income.

Most people are doing it right and I applaud their belief and success. It is time to revisit our founding principles and the WHY behind everything that has brought us to where we are today. To facilitate this I am releasing a series of articles and videos that I am asking you to absorb and teach.

This is the second of the series and will be followed by a specific announcement by the company regarding promotions and system requirements.

Keep Growing,

JR Ridinger
Chairman and CEO