

XanGo, Direct Selling Provide Answers in Economic Downturn

Offering real opportunity, XanGo hits 1 millionth distributor in slumping economy

Last update: 10:30 a.m. EST Nov. 3, 2008

LEHI, Utah, Nov 03, 2008 /PRNewswire via COMTEX/ -- The news appears grim. 9.5 million jobless. 84,000 jobs cut in September alone. A five-year unemployment rate high of 6.1 percent. And yet, as virtually every job category is making cuts, at worst, or being extremely cautious, at best, direct selling and XanGo, LLC, are thriving. In fact, so much so, that XanGo recently hit its 1 millionth distributor.

"In what many may see as a void of options in this economy, there is a very real and lucrative opportunity, and that opportunity is direct selling," said XanGo Chief Executive Officer Robert S. Conlee. "If you believe in the product and are prepared to work hard, you will succeed. I've seen it time and again. As a matter of fact, we've seen it 1 million times at XanGo."

An estimated 15 million Americans participate in direct selling totaling more than \$30 billion in sales, according to the Direct Selling Association (DSA), where the majority are independent business people or "micro-entrepreneurs" who sell the products or services of a company they choose to represent. The wellness product category, in particular, has been experiencing gains as reflected in the latest full-year sales results.

"Direct selling companies like XanGo offer a number of advantages," said professor of business ethics Larry Chonko, Ph.D., University of Texas Arlington. "They have a proven business model, know what works in the field, have great products, know their markets and provide everything an entrepreneur needs to be successful."

By way of example, the XanGo compensation plan provides for 50 percent of each XanGo product sold going straight back to commission payments for distributors. Qualified distributors also benefit from a global bonus pool paid quarterly. And in a time of off-the-charts rising costs, distributors get tax write-offs for expenses such as gas, meals, cell phone and home offices.

"XanGo represents a recession-proof job," said Dwayne Dwyer, a six-year XanGo distributor and the very first of XanGo's 1 million distributors. "People get out of it what they put into it. The return on your time investment shows, and it shows quickly."

XanGo distributors typically range in age from 21 to 65 with men and women equally represented. Couples, singles and families are all part of the mix as is everyone from people switching careers to people formerly in other direct sales companies. And while XanGo's distributor ranks mostly include these kinds of everyday people looking to supplement or replace their existing income, they also include celebrities such as Carl Lewis and Natalie Imbruglia.

As the creator of the mangosteen supplement category, XanGo counts among its roster of products its signature XanGo(R) Juice, which it began selling six years ago. More recently XanGo introduced the 3SIXTY5(TM) whole food nutrition multi-vitamin brand in May 2008 and will be introducing Glimpse(TM) Intuitive Skin Care in November 2008.

All together, XanGo's cumulative sales total more than \$1 billion in just six years. According to the DSA, U.S. direct sales totaled \$30.8 billion in 2007, with more than 74 percent of the American public having purchased goods or services through direct selling. Worldwide sales are estimated at more than \$112 billion.

"As effective as the direct sales model is and as much as it can drive significant income to hard-working participants, ultimately a long-term, stable business opportunity relies on products that work and resonate with people," Conlee said. "No person, no pitch, no packaging can overcome a mediocre product. It has to be something that provides real value and benefit to the consumer."

About XanGo

A leading global nutrition company, XanGo, LLC is a recognized category creator as the first company to market a premium mangosteen beverage, XanGo(R) Juice, to consumers worldwide. XanGo continues to lead the category by driving the research, development and advancement of functional mangosteen products. It has expanded its roster of premium, functional products to include 3SIXTY5(TM), a whole food nutrition multi-vitamin, along with Glimpse(TM), Intuitive Skin Care, coming in fall 2008. XanGo is privately owned and powered by a global network of 1 million independent distributors in the U.S. and more than 20 international markets such as Canada, Mexico, Japan, Germany and Malaysia. For details, visit <http://www.xango.com>.