

The New York Times

The Opinion Pages | LETTER

Lawful Sales Methods

JAN. 19, 2015

To the Editor:

Re "[Riddle of the Pyramids](#)," by Joe Nocera (column, Jan. 10):

There is no riddle. Federal law and statutes in a majority of the states clearly define a pyramid as an operation that pays salespeople primarily for recruiting additional members into a network instead of selling products. The Federal Trade Commission further warns that pyramids may require members to buy large amounts of inventory, meaning you couldn't consume it yourself, or unwanted items.

"Multilevel marketing" is not synonymous with pyramid scheme. The former is an accepted, lawful method of marketing consumer goods and services. The latter is an illegal business operation that should be prosecuted to the fullest extent of the law.

Hundreds of direct selling firms in the United States (sometimes referred to as multilevel marketers) that are members of the Direct Selling Association are progressive companies with sound business practices that provide opportunities to millions around the globe. These companies, including Herbalife, have committed themselves to the highest level of marketplace ethics and a rigorous self-regulatory code.

We should consider the consequences to the individuals who sell and consume their products — and the communities their parent companies serve — before placing scarlet letters upon their legitimate businesses.

JOSEPH N. MARIANO
President
Direct Selling Association
Washington, Jan. 13, 2015