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March 31, 2020

The Honorable Jovita Carranza
Administrator
United States Small Business Administration
409 3rd Street SW
Washington, DC 20416

Re: Direct Selling Company and Vendor Access to Resources

Dear Administrator Carranza:

The Direct Selling Association (“DSA”) appreciates the work already done by the United States Small Business Administration to ensure small businesses across the United States have clear guidance to access resources allocated by Congress. I am writing so that you can ensure direct selling companies, independent salesforce members and vendors, who provide critical services to our companies have adequate access to these resources.

DSA is the national trade association for companies that sell their products and services directly to consumers through an independent, entrepreneurial salesforce. In 2018, direct selling generated \$35.4 billion in retail sales. More than six million entrepreneurs in the United States sold products or services through the direct selling channel, providing a personalized buying experience for more than 36.6 million customers.

Direct Selling Companies and Independent Salesforce

Direct sellers, especially those reliant on face to face interactions and home parties could be negatively impacted by required health measures limiting face to face interactions. The business provides an ideal platform for person-to-person marketing and at the same time is flexible. People can work independently selling products and services they know and love from the comfort of their home. While they can also leverage digital tools to enhance productivity and support their customers, it may not be the same as in-person interactions.

Direct Selling Vendor Companies

Direct selling vendors provide services to ensure these companies can operate efficiently. Most of them are small companies and direct sellers make up a majority, or the entirety of their business.

The loss in business has a trickle down impact for vendors. Less business for companies means less business for outside companies that support them as businesses look to do more with less. Specifically, direct selling companies have had to cancel or postpone events, meetings and educational offerings.

These lost opportunities have resulted in significant losses and financial hardship for companies and vendors who rely upon these events for their businesses.

We hope you will ensure that any of the resources available from the SBA are available to direct sellers and their vendors. We look forward to working with you on specific ways in which the SBA might address the needs of these millions of small businesses and the vendors which support them.

Sincerely,

A handwritten signature in black ink, appearing to read "J. N. Mariano". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Joseph N. Mariano
President
Direct Selling Association