



## **True Residual Income**

**President's Message By  
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President/CEO**

Residual income is a novel and very powerful concept! Residual income is dependable income that keeps coming in month after month. It is usually based on a previous activity, but often needs nurturing to keep it coming. Very few people have had the opportunity to develop any type

of residual income that will sustain them in their old age. Medical doctors don't have it. College professors don't have it. Attorneys don't have it. Neither do school teachers, firemen, politicians, nurses, business executives or accountants.

Most people that hold 8-5 jobs can't even imagine continuing to receive an income from their employer should they ever leave their 8-5 job. Residual income is a concept they have never really thought of or even considered.

True residual income opportunities are hard to find. Some suggest that authors and actors have the best example of residual income because they receive a small royalty every time their book or their movie is sold. But a closer look reveals that that income is really short lived because should an author be fortunate enough to have his or her book hit the best sellers list (necessary for it to produce much income at all), it usually lasts for a very short period of time—often for only a month or two.

Even the most phenomenal books last on the best sellers list for only a few short years. That's because once someone buys a book, he/she is not likely to buy the same book again and soon, pretty much everyone who would buy a particular book has already bought one. And as soon as no one is buying a book, the royalties stop coming and thus ends the residual income. The same is true for actors and movie producers. The true financial life of a movie is extremely short. And therefore the income stream is also extremely short.

So where can one find true residual income these days? In truth, real residual income opportunities are very hard to find. Oh, sure, if you own a few million dollars in bonds or dividend producing stocks, you can have a substantial and reliable residual income stream. And some types of businesses provide residual income to the owner or shareholders of that business. But stocks and bonds and businesses that are substantial enough to produce significant residual income cost millions of dollars. So the extremely wealthy do have residual income opportunities, but for the average guy, opportunity for residual income is extremely hard to find.

Some MLM companies claim that they provide residual income, but for a company to provide residual income it must stay in business for more than a few short years. That pretty much disqualifies most MLM companies. So where can you find residual income these days?

We did some extensive research on residual income opportunities, and after several months of investigation we have come to the conclusion that true residual income for the average person who is not already independently wealthy exists in only two places: insurance companies and Melaleuca— and Melaleuca has a tremendous advantage!

Some insurance companies do provide real residual income for insurance agents. Many insurance agents will receive a commission on the original sale of a policy and additional income each year that the policy holder renews the policy.

Of course, the insurance agent needs to continue to service the account. If the agent closes his agency or neglects to service the account on an on-going basis, the insurance company will transfer the account to another agent. The agreement between the agent and the insurance company spells out those rules very carefully. Some might argue that the fact the insurance agent must continue to service the account would disqualify it as being true residual income, but we would argue that except in the case of interest-bearing accounts, no residual income really exists without some on-going effort from someone.

The insurance agents that we talked to were very happy with their contracts and felt that they had the best thing going until we told them about what Melaleuca has to offer.

Insurance agents are paid only on the business that their own agency sells or services. They did not believe us when we told them that Melaleuca pays residual income, not only on the business that the individual Marketing Executive brings in (his or her personal enrollees), but also on the business that his customers refer and his customer's customer's customer's, etc.

One insurance agent was very proud of the fact he had referred eight individuals to his company, State Farm. They had become State Farm agents also. They are now all very successful State Farm agents. Of course, he does not receive a single cent from their agencies. But he hadn't expected to. He could not even imagine what life would be like if he received a percentage of their sales also.

After several months of research we could not find any business opportunity that provides anything close to what Melaleuca provides in residual income for the average person. Melaleuca's serious Marketing Executives receive residual income from not only their personal sales, but on the revenue created from a substantial pool of customer referrals. Because their customers purchase Melaleuca products month after month, it creates a residual stream of income which appears to be unmatched anywhere in the world. With just a little consistent effort and nurturing, anyone can keep their Melaleuca business prospering and producing revenue well into their later years of life.

Of course this income is completely in proportion to the energy invested, but for the serious business builder, Melaleuca appears to be unmatched.

Our commitment is to continue to build Melaleuca in such a manner that it will continue to produce residual income for generations to come. We are constantly searching for new, innovative, health promoting products. We will continue to be on the forefront of the latest science and proven discoveries relating to good health.

If you feel we have missed anything in our search for residual income opportunities, please email me at [lia@melaleuca.com](mailto:lia@melaleuca.com). We will continue to report the results of our research in Leadership in Action. It appears to us that nothing comes close to Melaleuca in providing residual income. We will continue to protect what we have and constantly strive to make it better for everyone. Thanks for being part of us.

Sincerely,

Frank L.VanderSloot