

# MERCHANTS of DECEPTION

*An insider's  
look at the  
worldwide,  
systematic  
conspiracy  
of lies that is  
Amway / Quixtar  
and their  
motivational  
organizations*

**Eric Scheibeler**

*IN GOD WE TRUST*



# Notice

Before and while completing the research contained in this book, both my family and I received death threats. Out of fear, I had chosen the pseudonym "John Jacob" at the time. I have since decided to both go public and publish in my own name, Eric Scheibeler. The text is being updated to reflect his now.

This text is the original and contains the family pseudonym "John Jacob" and this note is included to explain these references.

## ***Your Help Is Needed***

*First*, save all of your books, tapes, CDs and literature purchased through your upline's tools resources. Secondly if you are a distributor or have been one, your testimonial could be **very** helpful. Please send the amount of your net income/loss along with details of representations that were made to you to:  
**enschei@yahoo.com**

**You May Also Fax testimonials to 570-227-0060.**

These testimonials will **not** be made public and will **only** be shared with regulators, consumer advocates and government investigators. Putting up this site and releasing the book ***Merchants of Deception*** globally for **free** is something that I have morally compelled to do. I am however, not naïve, and am aware that by taking these actions I am literally stepping in front of a bus.  
Someone had to or it would *never* have stopped.

## ***Legal Defense Needed***

From what you have learned upon reading this site, you probably have a good idea what is going to happen to me for exposing this global fraud. At the very least, a good number of attorneys are to immediately descend upon me from **Amway and its Kingpin distributors**.

**All of their actions will be made public.** Despite this, I will *need* some of the *best* legal counsel in the country. If you can refer a very large firm that would have an interest in a high profile free speech case/defense, please contact me immediately at [enschei@yahoo.com](mailto:enschei@yahoo.com).

It appears that **Amway's Arbitration agreement and gag order** were forced upon all of us to simply aid the perpetration of known fraud and is therefore invalid. **I will be silenced only when the public is safe.**

## ***Support Needed***

If you would like to make a **donation** to support me in my legal defense and efforts to bring about regulatory justice, it would be very much appreciated.

You can do so by going to:

**<http://www.paypal.com>**

to use Paypal's ultra-secure servers to send monetary funds, even if you do not have a Paypal account.

My account for donations is my email address:

**[enschei@yahoo.com](mailto:enschei@yahoo.com)**



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# People's Perceptions of . . .

## Merchants of Deception

"Mr. Jacob's book is a chilling portrayal of the process by which intelligent people can persist for years in pursuing the Amway dream while making no money. It is all the more significant because he earned his way to one of the highest distributor levels in the Company. He understands the subtle methods used to keep distributors reaching for the brass ring even in the face of dismal earnings and how they are prevented from learning from each other that many, if not most, are in the same boat.

Jacob describes the mental conditioning that diminished his ability to make critical judgments in the face of overwhelming factual evidence and his guilt about not attending meetings even after he had decided to leave the company. I learned of similar experiences from ex-distributors when I interviewed them for the State of Wisconsin's Amway litigation in the early 80's. Such conditioning may explain why the tax returns (obtained for this litigation) of all active Wisconsin Direct Distributors, the company's top 1%, showed an average net income of minus \$900. Why did these men and women persist in earning their way to Direct Distributor status under these economic circumstances? John Jacob's book answers this question for those whose minds are clear enough to read its pages."

- **BRUCE A. CRAIG**, retired Assistant Attorney General,  
Wisconsin Department of Justice - Office of Consumer Protection.  
(This statement is my own and not that of the State of Wisconsin)

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"They have diamonds, limousines and mansions. John Jacob has a book. With cash contributions to politicians they seek to influence regulatory agencies, state laws and national trade policies. In telling his story, John Jacob asks for legality, honesty and full disclosure. They pay ex-presidents of the United States, famous televangelists and motivation speakers to prop up their image. John Jacob stands on his own and speaks for himself. And they have a raucous army of followers, clingers and defenders who sing and shout their praise. John Jacob gives voice to millions more who are silenced by deception, manipulation, fear and shame. With such odds arrayed, Amway and its related motivational organizations are no match for the thunderous truth of John Jacob's exposé."

- **ROBERT L. FITZPATRICK**

Author of *False Profits: Seeking financial and Spiritual deliverance in Multi-Level Marketing and Pyramid Schemes*

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“John Jacob's new book, *Merchants of Deception* is a must read! It reveals the inner workings of one of the largest privately held companies in the world, whose distributor force has used deceit and mind control techniques to ensnare millions of people around the world. Cult mind control techniques are not only used in religious groups - they have entered the world of business - and everyone must become aware of it, or risk the consequences. John Jacob has shown in this book, how intelligent, educated mainstream citizens can be seduced and controlled. After his years of committed leadership with Amway, he experienced most of the characteristic psychological problems people have after walking away from a cult. As a licensed mental health counselor, I can say that I am convinced that there is a cult mind control problem with the Amway Motivational organization's system. I have been counseling people with cult mind control problems for over twenty years, and John Jacob's problems fit the classic profile. I am so pleased to see that he has worked hard on his recovery and that he is so dedicated to share his experience and knowledge. He is courageous and I heartily applaud the release of this important, new book.”

– **STEVEN HASSAN M. ED, LMHC**

President of the Freedom of Mind Resource Center [www.freedomofmind.com](http://www.freedomofmind.com)

Author of *Releasing the Bonds: Empowering People to Think for Themselves*

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“Misconceptions abound about people who join groups-- but Amway? Why, this group is main stream, these are people just like us--wanting a better life, sacrificing family-time to make just a little more money. From Jonestown to Heaven's Gate we have found comfort in believing, 'Those folks are a bunch of nuts-- Thank God I'm not like them!'

John Jacob's chilling portrayal of life inside a professed money making machine will convince anyone who ever said, 'That could never happen to me', to think again-- It can happen to the best of us.”

– **DEBORAH LAYTON**

Author of *Seductive Poison, A Jonestown Survivors Story of Life and Death in the Peoples Temple.*

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“John Jacob was an Emerald in the Amway business, well on his way to Diamond. In *Merchants of Deception*, he has drawn a brutally honest picture of high-level achievement in a large Amway Motivational Organization (AMO). He describes vividly:

- the poverty-level lifestyle he lived *as a ‘successful’ Emerald*
- his gradual descent into mindless loyalty and obedience to the all-powerful upline
- the enormous inconsistencies between the promises and the reality
- the demands on him and his organization to pour money into the system that was secretly making their ‘leader’ wealthy beyond the bounds of avarice
- his huge financial, spiritual, and relationship losses, and those of the people in his group
- and the nightmare of emerging from the deceptions and mind control.

After working as many as 100 hours or more per week for nearly ten years in his quest for a lifestyle of freedom to enjoy his family, and achieving a level that fewer than 1/10th of 1% of all distributors ever achieve, Jacob’s life began to unravel. Desperately clinging to the hope that what he wanted to believe about ‘The Business’ and ‘the upline’ was true, in the face of mounting evidence of lies and deceit, Jacobs suffered through months where he was nearly catatonic as the internal and external battles raged. Through the black pall of deep depression, enormous financial losses -- including bankruptcy and imminent home foreclosure -- through the demoralizing realization that the 100+ hours of work per week he had poured into ‘The Business’ had only served to take him away from what was important to him, and through a serious death threat, Jacob emerges victorious.

Is he wealthy? Not by a long shot. It will take years to overcome the financial and emotional deprivations of the fraud he was lured into. But he has his self-respect, his sanity, his faith and his family back.

While there have been other books which exposed the AMO's deceptions and lies, and discussed the cultic mind-control techniques used to entice prospects and keep them pouring money into their uplines' pockets, none has the raw, emotional power of this personal account of one man's descent into the AMO hell and back again.”

– **RUTH CARTER**

Author of *Amway Motivational Organizations: Behind the Smoke and Mirrors*

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“After 4 years of ‘business building’ and not even making 2500 in volume, our family was breaking apart and we were near bankruptcy when I said I’d had enough. Our children were suffering while we put their needs on hold until we ‘got free.’ A few months after I

quit the Amway business my wife filed for divorce because I had suddenly become a 'dream stealer' and a 'loser.' This book chronicles exactly how the Amway Motivational Organizations expertly use psychological, emotional and financial deception to, at all costs, increase their secretive income source. My family and finances are but one of the many casualties. This book is a gripping, well-documented white knuckle express to the darkest depths of deception and betrayal.”

**- ASHLEY WILKES, photographer/filmmaker**

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“*Merchants of Deception* by John Jacob is the engrossing account of the author’s recruitment into a cult, his rapid advancement as a recruiter of others, his awakening after many years of mind-dulling dedication to the cult ideology, his disconnection and deepening disillusionment, and his progressively strengthening personal resolve that what happened to him will not happen to others. The author could have entered into an easy and lucrative settlement with the cult gatekeeper (Amway) that would have sealed his lips and sealed the fate of many, many others. But he didn’t. The resulting book is a modern story of awakening to the existence of an elaborate evil, and searching for one’s own redemption.

The untimely and mysterious death of my son was the beginning of my own discovery of the evil that cults perpetrate. The story of Noah’s death in Time: ‘Scientology, the Cult of Greed,’ May 6, 1991, and Readers Digest: ‘A Dangerous Cult Goes Mainstream,’ October 1991, resulted in an extensive public awakening. Americans, however, still have a great deal to learn about the manipulative and destructive organizations that riddle and subvert our society. John Jacob’s book is an important testimony and will help make the world a better and safer place as it advances each reader’s understanding.”

**- EDWARD A. LOTTICK, M.D.**

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“In *Merchants of Deception*, John Jacob does a chilling study of how a destructive cult can subtly, yet completely, take over one's life and reshape one's thoughts however the leadership of the cult wishes. Though I was never a member of the Amway Motivational Organizations, I was a member of a destructive cult for six years, and all of the exploitations that John describes in Amway's MO also apply to me. The financial exploitation, the powerlessness before the leadership, the reforming of one's thoughts so that the group and its goals became the focus of one's life -- all were present in my experience, and the experiences of thousands of people who have had their lives taken up by one of these destructive groups. John goes through very explicitly how anyone, given the right circumstances, can be taken in, and I highly recommend his book for those

interested not only in the practices of Amway's Motivational Organizations, but in those of all destructive cults and who want to learn how to protect themselves and their loved ones.

– **NICK DICIACCIO**

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“As a mental health professional who works with people in cults and an ex-cult member myself (6 years in Scientology), I have to say that John Jacobs has done a masterful job at illustrating, in this compelling book, how certain business groups can have the very same cultic dynamics as the more well-known religious cults. This book is a page-turner. John Jacob tells the story of his experience within the Amway ranks, from his earliest recruitment, to his decision to leave the organization and the emotionally and financially devastating aftermath. This is an account I have heard many times before from ex-cult members. This could just as easily been the story of any ex-member of any well-known cult, since the dynamics were the same. In the organization I was a member of, there was information that people were not told about, until they were both very emotionally and financially committed to the group.

Controversial information was given only very gradually and people were told acceptable truths. Had I known this information from the start, I never would have gotten involved. The same holds true for John Jacob’s experience within the Amway Motivational Organization. In my group, we were encouraged to perfectly ‘duplicate’ the material that came from our leader. No creativity or originality was allowed. Ditto for the Amway group, who even used the exact same term that we did (duplication). People who left the organization were considered to be miserable, degraded, losers who had committed crimes against the group. Members were made to fear leaving the group, which was seen, in our distorted, indoctrinated state of mind, to be tantamount to complete personal destruction. Once again, we see this pattern throughout John Jacob’s experience. The aftermath of the emotional traumatization ex-cult members go through after leaving is also the same. If anyone thinks that cults have to necessarily be religious in nature, they need to read this book, which solidly proves otherwise. I highly recommend that anyone who's life has been touched by the cultic experience, read this book, whether it be the professional, the ex-cult member, or a family member with a loved one involved in a cult.”

– **MONICA PIGNOTTI, MSW, CSW, ex-Scientologist**

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In the first half of the 20<sup>th</sup> century someone wrote that: “The broad mass of people falls victim to a big lie more easily than a small one”, someone else that: “Work will set you free”. In the second half of the 20<sup>th</sup> century the instigators of the so-called “*American Way Association*” (a.k.a. “*the Amway Corporation*”), Rich DeVos and Jay Van Andel, have amassed hundreds of millions of dollars by following the first of these maxims and by promoting the second as “*the supreme truth*”. At the start of the 21<sup>st</sup> century their victims number tens of millions in 80 countries internationally; my own brother is one of them in England. However, it is generally accepted that, to lie to people in order to get their money, is fraud, which is a form of theft. A former US Marine, John Jacob, was a victim of the *Amway* lie. He was deceived into working hard in pursuit of a cruel illusion for almost ten years of his adult life; what he lost was far more precious than his money—his human dignity. John Jacob’s book is not just an insider’s description of the occult system, which DeVos and Van Andel have baptised “*multi level marketing*”, but an important social document bearing witness to the most dangerous phenomenon facing humanity—ritual belief instigated for the purpose of human exploitation (a.k.a. destructive cultism). As a result of his discovering free information published on the Internet, which the criminal controllers of *Amway* had tried to suppress, John Jacob was finally able to break the chains, and escape from his psychological prison. As you will discover when you read this book, his ordeal did not end there. He could have run away, but he took the conscious decision to stand his ground and fight against this evil. I salute his courage! By the way, the first of the above maxims was published in 1925, in Adolf Hitler’s “*Mein Kampf*”, the second remains painted above the gates of Aushwitz.

– **DAVID A. BREAR**

Author of “*Amway*” *The American Dream Made Nightmare* (France)

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As one who has spent years researching and writing books and developing analytical tools for assessing the harm from network marketing programs, I am frustrated with the difficulties in getting regulators and consumers to look at the impossible math of all types of product-based pyramid schemes. The math and legal issues are enough to condemn highly leveraged breakaway compensation programs such as Amway’s. But Mr. Jacobs reveals a dimension with Amway that sets it apart in a class of its own – the extreme cultism that has grown up within its ranks. Based on Jacobs story, and my own background in psychology, I have to say that the psychological and social damage suffered by many Amway participants is far greater than any of us had imagined.

Amway would have you believe that failure to make money in their program is due to lack of skill or effort on the part of participants. Jacobs paints an interesting picture of

Amway dreamers subscribing to a continuing stream of sales tools and training to help them be successful at doing the business. What is comical here, is that almost no one in the program stops to ask whether their financial losses might be due to a fraudulent system, rather than to their own inadequacies. Jacobs was one of the few who finally came to realize that failure to profit as promised had far more to do with Amway than with the distributor. He is like the child in the fable who shouted, “The emperor has no clothes.”

Jacobs and I both see cognitive dissonance as an appropriate explanation for the disparity between the belief systems or better judgment of participants – and their deceptive behavior. In order to succeed at Amway, one must first be deceived, then maintain a high level of deception (with the assistance of cultish control mechanisms), and finally go about deceiving others. Jacobs story is a chilling portrayal of just how true that is. The book is a great read, one I could not put down until it was finished.

Jacobs has it right now, and is doing penance by telling his story with candor and courage.

**-Jon M. Taylor, Ph.D.**

President, Consumer Awareness Institute and Director, Pyramid Scheme Alert,  
Researcher and author of “*Product Based Pyramid Schemes*”

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A captivating story which speaks directly to the human heart. John Jacob has provided a well-documented, quite readable accounting of the pure seduction of the most subtle, and therefore most dangerous, manifestation of evil – that which cloaks itself in the name and teachings of Jesus Christ. However, the actions of the antagonists in this story belie the hearts and minds that could not be further from the truth. These are people, I believe, whom our Lord addresses in the 25<sup>th</sup> chapter of Mathew with those telling words: “Depart from me – I never knew you.”

I am a busy professional with absolutely no “free time” – yet I found the time to read this book and I trust you’ll find yourself doing the same.

**- Joseph DeMay, M.D., F.A.A.P.**

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Far too often Evangelical Christians have remained silent or ignorant when it comes to abuses within its own ranks. Little is said about abusive pastors, or cultic churches. Even

less is said about helping victims of cults or spiritual abuse. Such things rarely come up on anyone's missions committees, or any committees as a worthy cause. It would be unheard to even dream that the great Christian businessman such as Rich DeVos may be a wolf in sheep's clothing. Yet that is exactly what Jacob's contends. His experience in Amway is compelling evidence that Amway is abusive.

John P. Jacob's Merchant's of Deception masterfully and prophetically exposes this system of serious abuses in Amway and Quixtar. Jacob spells out a modern day tragedy- the promise of financial success, the subtle conditioning to achieve such success, the inability to gain the wealth promised, the ensuing blame and guilt management lays on distributors for not making it, and then the incredible high cost to achieve the false promise (i.e., 100 hr. work weeks, exhaustion, financial ruin, depression, etc.) Concurrently, Jacob gradually realized that Amway and all its related enterprises was a program of lies, deceit, false promises, moral blackmail, and possible criminality at the top levels.

For John Jacob, possession of this truth was dangerous, it was possible life threatening. In sum, John Jacob in Merchants of Deception was a victim of a type of social influence that I have commonly seen over the last 17 years in my full time practice with victims of destructive cults.

In spite of several serious reports of death threats John Jacob refused to be silenced.

Typically, the church unknowingly reveres the abuser and discredits the victims. Yet the mission of the church is the opposite. It's mission is to silence the "Wolf" and mend the "Sheep." not silence the "Sheep" and feed the "Wolf". In Jacob's case Christian publishers nearly succeeded in silencing the sheep by refusing to publish his book!!!

Jacob's Merchants of Deception should serve as a wake up call to those is the church who are unwittingly feeding the wolves!! His book is a must read. It is a call to action.

Paul R. Martin, Ph.D.  
Psychologist and Director  
Wellspring Retreat  
A Rehabilitation and Retreat Center  
for those recovering from spiritual abuse  
and cultic affiliation

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# Acknowledgements

There is very small group of family and friends who stood by us when all others ran away. Thank you for helping Kathy and I pull our lives together to the point where we could start again. We had turned our backs on some of you. We recruited others of you into the Amway business, where you may have lost thousands of dollars and precious years. You were the ones who fed us when we had no money for food. You picked us up and encouraged us when we thought we could not go on. Our parents accepted us back and loved and cared for us in every way possible when we awoke and left our Amway life. For this, we will be forever, deeply thankful.

In our terrifying exodus from Amway and its related motivational cults, we have seen the very worst in human nature. We have experienced an evil, a deception, and a darkness that we did not know existed in mankind. During this period, we were also exposed to the very best in human nature as well. God revealed himself and his boundless love through the kindness and compassion of people we had been indoctrinated to believe were “losers.” Their kindness, love and forgiveness have been overwhelming.

The truth would never have been revealed to us had it not been for a few modern day heroes, who braved bewildering odds and potential legal attacks to expose what they had learned to be true about the Amway Corporation; it’s founders and related motivational organizations and cults, in general. Specifically, Ashley Wilkes, Sidney Schwartz, Steve Hassan, Robert Fitzpatrick, Deborah Layton, J. B. Meade, Scott Larsen and Ruth Carter all, in some way, helped me escape a life of complete deception.

It was at a desperate time and at a point when I did not know if I would be able to write this book that I spent a single life-altering day in Colorado. I spent time with an incredible group of leaders. One at a time people I met with Pastor Tommy Reid all spoke into my life truths that I desperately needed to hear. I would like to thank T.D. Jakes and Anthony Robbins for creating resources that assisted me in rebuilding my strength to a level where I could begin to function, think rationally and take action. A special thanks to Oprah and Dr. Phil for creating making public resources that helped salvage my now most cherished treasure, my marriage. You are all greatly appreciated.

Last and certainly not least, I would like to thank two incredible women. Maureen Haner and Nancy Lambert are two special friends. Together, they have been a boundless source of encouragement and inspiration. They worked countless hours at night and weekends to edit my ramblings into the book you now hold in your hands. It would not have been possible without them. Their insights, determination to help others and gifted editorial work have made this book what it is.

# Dedication

This book is dedicated to my wife Kathy and our children, Josh, Ashley and McKenzie. Kathy, you are the strongest, most loving, kind person that I have ever known. Nearly all that I know about Love and what is truly important in life I have learned from you. For far too long, you raised our children as a single parent, and for this, I will be forever grateful. You stood by me and nursed me back to health from a point where I did not think that I could go on. Despite all odds and adversity, you took care of our family. You are, and forever will be, the woman of my dreams. Josh, you have your mother's love and compassion for others. Ashley, your hugs and kisses still make my day bright. McKenzie, your persistence and boundless energy make you someone very special to the whole family. I Love you all more than life itself. I thank God for allowing me to be part of your lives. This book is dedicated to you, the most wonderful people on earth.

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# Purpose

Despite your initial thoughts, this book is not an assault on Amway distributors. The purpose is, rather, to stop the incredibly, well-orchestrated harm that is being done to them. You see I, myself, was a high-level Amway distributor who devoted nearly a decade to building a global business.

Throughout this book, you will know me as John Jacob, not my real name. You see, entering Amway was the easy part. Leaving it, after achieving such a high level, has been an entirely different story. The secrets I discovered resulted in a threat on my life and unspeakable slanders being circulated about my family. But I cannot keep silent. I feel compelled to share what really happened to me, so that other innocent people will not be led to financial slaughter and personal destruction.

My wife and I were first introduced to “The Business,” as Amway distributors are taught to refer to the corporation, on November 15, 1989, and we got off to a relatively fast start as new distributors. We moved quickly through the ranks and went “Silver Direct” in our first year. During the next ten years, we devoted all our energies and resources to The Business, resulting in our moving on to “Emerald,” a level achieved by only a small fraction of one percent of distributors in any year in North America. We recruited and sponsored literally thousands into our Amway business. With this background, you can see that I am not a spectator, an outsider, or someone who just gave it a quick try and now has an axe to grind.

I am a former Federal Auditor who, upon first seeing this business, evaluated it on the basis of logic, not emotion. Based on what I was told, shown and observed, it looked very good; the great hopes and dreams my wife and I had for our family and future seemed about to be realized, as we began to work on building *our business*. We sponsored large numbers of people into The Business and went from being attendees at seminars to being the only speakers at some of these daylong functions. It was not easy for two relatively shy people; neither of us had done much of any public speaking before. Nevertheless, in a few years we were onstage speaking to thousands. Our “upline” (people above our level in The Business and ones who had directly recruited us) even flew us to Argentina to speak to an organization there. I traveled through Japan to the Philippines and worked in many cities there expanding our business. The Amway business that Kathy and I developed, *our organization*, also expanded into Europe and South America.

My wife and I went from listening to motivational tapes every day to having tapes of our own seminars marketed internationally. In a few years, under my upline “Diamond’s” guidance, I left my corporate career and had a “retirement” party at the age of thirty. The American dream seemed to be very much alive; not only for us but also for the friends we were going to lead into the Promised Land.

We continued to build our business and were given more and more responsibilities by our upline “Diamond.” I attended the secretive, invitation-only, Yager Network Marketing Institute (YNMI) that provided specialized training for rising “top guns.” I was also given the opportunity to run much of the backstage coordination of

speakers and hosts at the many motivational “Dream Weekends” and “Family Reunions.” These are two of the largest seminars a year in Amway with thousands in attendance. The Amway business Kathy and I developed grew so large that by the January 1999 Dream Weekend, our group alone represented almost exactly 10% of those in attendance.

Working the backstage is considered a dream assignment for anyone in The Business. What a thrill for a regular couple like us to meet motivational guest speakers and personalities, such as Oliver North, Dave Thomas, Robert Schuller, Zig Ziglar, Glenn Campbell, Roy Clark and others. Not only that, but the backstage job also afforded me the opportunity to meet many of our personal heroes, the Amway Diamonds. (“Diamond” is an award level given by Amway to signify a very high level of success in the Amway business.) We were captivated by the quality of life they described. Many referred to the “Diamond lifestyle” as affording them *six Saturdays and a Sunday, unlimited family time, and residual income to help others*. These rewards were a source of great motivation to Kathy and me, as our faith and our family have always been of primary importance to us.

We learned that there was a very specific pattern or system for success in the Amway business. As a matter of fact, within it, we were told there was a “**100% success rate and outside of it a 0% success rate.**” My sponsor and the rest of my upline referred to this system for success continually. It involved the ongoing weekly purchase of cassette tapes, books for daily reading, videos, CD-ROMs, tickets for the monthly seminars and frequent training sessions. (What we didn’t realize until much later is that, in essence, this system of success was little more than a gradual and unrelenting indoctrination.) We heard a college professor, who also happened to be a direct distributor; declare that this was the greatest educational system he had ever found. Almost all of the millionaire and multi-millionaire distributors praised this all-inclusive system as the most important resource they used in becoming wealthy **in their Amway business**. It’s hard to argue with results. There were hundreds who spoke of becoming wealthy in Amway by means of the same system.

Many prominent speakers outside of the Amway business would make similar representations. Respected author and lecturer Shad Helmstetter was brought in to speak to thousands of distributors. This is the endorsement he gave of both “the system and “the business”:

*“I have traveled around the world. I have met, gotten to know, interviewed, and followed up on year after year distributors from every level in the business. I have watched the system that you have. It is a system second to none. Don't ever try to change it. They've got it right. Stay with it. I believe in the business because the business works.”<sup>1</sup>*

He also took out advertisements in *USA Today* to promote his independent findings on the success of the Amway business and its distributors. The first letter of this nature read as follows:

***“An American Victory - Letter #1***

(Wednesday, May 29th, 1996)

***A Special “Thank You”***

### *To All Amway Distributors and Friends*

After a long and careful evaluation of who you are, what you do, and why you are successful, there are some things you should know about YOU, as an Amway Distributor.

First off, you made a good choice! You are a member of one of the finest, most positive, and worthwhile organizations in the world today. You represent free enterprise at its greatest, and personal growth at its best.

You are at the heart of what is right about America. You recognize the values of faith, home and family, good goals and honest work—and you make those values an essential part of your business and your life.

You lift people up. You build the healthiest kind of self-esteem in yourself and in others. You care about people. You give them hope, and a future, and freedom. Because of Amway, and the important work you do in your business, you are helping more people than you will ever know.

You are not only building a business, you are creating a better life—for yourself, for your family, and for the rest of the world around you. You and your organization are helping bring this country back to the roots of its greatness . . . and you are taking that message of freedom and greatness with you wherever you go.

You have the leadership and guidance that comes from the highest levels of character. Your success is founded on decades of experience of quality people, working together to make your business second to none.

You have the right tools, the right plan, and the right attitude. If you are presently an independent Amway Distributor, you are in the right place. Stay with it. (If you have not yet become a part of this exceptional group of people, you should.) Whether you are just getting started, or you are experienced in the business, one thing is clear: the best is yet to come!

There are many fine people everywhere who join me in thanking you and recognizing you for the great job you're doing. Never forget:

“There may be no greater service you can perform—for the betterment of your life, your family, your community, your country, and for the betterment of mankind—than to be a positive, active member of the Amway organization.”

You should be proud of the team you're on. Yours truly is an American Victory. God bless you, and keep doing it!

Shad Helmstetter, Ph.D.”

Many, like Mr. Helmstetter, would come in and speak of the virtues of our upline leaders as well. Our new leaders seemed to be people of unquestioned principle, speaking often about faith, character, courage, and integrity. The many Diamonds that were brought to inspire us affirmed that the leaders we were working with (almost always a husband and wife team) set the standard in the area of values. These couples were bold in proclaiming their faith and patriotism and also in practicing what seemed then like unparalleled generosity. The reason they were so successful, we were told, was due to their having helped many, many others succeed financially. We were reminded that the same practice of helping others would become the measure of our success.

The Diamond-level distributors became real-life heroes not only to us, but to our children as well. I studied and emulated their every move and mannerism. What a fulfilling life we were going to lead by helping so many of the people we loved! Our group, indeed, was more like a family to us than friends or business partners. We had little time for any relationships outside of Amway; consequently, our children referred to members of our new Amway family as “aunt” or “uncle” so-and-so. This is an Amway pattern, such that there are distributors who have affectionately named their pets, and in some instances their children, after members of their upline.

After achieving the level of Emerald, we spent more and more time around many very wealthy distributors and even had some personal time with billionaire Amway founder Rich DeVos. It was this increased contact with high-level distributors, from Diamond through Crown Ambassador, that finally permitted a chance event of fate to lead us to some terribly disturbing discoveries. These inadvertent discoveries eventually led to an agonizing exodus from “our” business, my becoming a federal witness and the actual publication of this book. The carefully guarded secrets I discovered, and am about to share with you, became a nightmare that plagued our every waking moment, an evil monster that ate at the fabric of our carefully structured lives like a swiftly moving cancer.

I was horrified to discover and later document that the Amway business is used in a “bait and switch” fraud of global proportions. As much as 94% of some Diamonds’ income is derived not from Amway but from another, secretive, source altogether. As a result of this, nearly all of the thousands of people we brought into the Amway business lost money. Some lost tens of thousands of dollars. We were unknowingly used to extract millions of dollars of good people’s hard-earned money for our upline Diamonds’ covert business. Amway’s owners and management have known of this deception for twenty years and have failed to stop it. Looking the other way has made them wealthy beyond belief.

Before we entered The Business, I figured the only danger was that I might waste a few weekends and lose a couple hundred dollars of our savings trying to move product that wouldn’t sell. After ten years in The Business, I realized the danger had unbelievably escalated to not only the worst kind of slimy character assassination, but also having my life threatened.

I am going to share with you the reaction of our leaders, upline Double Diamond, and fellow Amway distributors as we revealed the truth. The people we had admired and

loved worked insidiously to undermine our position in the community. Our horrifying escape from building “our” Amway business, its related “support” system, and our upline may literally keep you awake at night. The unnamed symbiotic relationship between Amway and its related Motivational Organizations has unimaginable psychological and financial control over many of its distributors. In fact, the enormous motivational organization, that I was a part of, is a cult (using the very definition of such provided to Amway distributors on tape and at a seminar). This cult exercises control and manipulation over distributors beyond your imagination. We got started in this venture to experience the freedom of owning our own business and setting our own income in, what was described to us as, the purest form of free enterprise.

You may be thinking, “Come on now, Amway is just a harmless soap business, right?” My friend, I wish this were true. However, it is not. We have been advised repeatedly that we could “sell our business.” Included in that sale would most likely be a half-inch thick secrecy or confidentiality agreement. My silence is not for sale at any price. I was used as a dupe to swindle so many people that I cannot be silent and live with myself. Already, I have lost almost every friend I have ever had, been bankrupted, and forced to the brink of foreclosure since speaking, on a small scale, of what I know to be the truth. It is a strange irony that those I loved the most now see me as the enemy. Many of my closest friends have participated effectively in our character assassination. Some pray for us, believing that Satan is using us to do a great evil.

Publishing this book is against the advice of almost all who care about me, but it is one of several actions I am taking to stop the harm being done to so many families around the world who are unconsciously buying into a cult.

This book may also serve as a guide to help many families who do not understand the seemingly bizarre actions and motivations of loved ones in Amway/Quixtar. This is not written out of a spirit of anger or retribution. I pity the people who took great liberties with our trust and used us as unwitting dupes to extract millions from the people we love most. One day, these cult-like leaders will have to face themselves in the mirror.

If this book helps you or someone you love, I am one step closer to undoing the damage I did as a trusting Amway distributor. I am one step closer to being able to live in peace.

*“The difficulty is that a counterfeit initially looks so good and feels so good that one rarely suspects something is wrong. Only when the counterfeit is examined and compared with the real thing does the counterfeit become apparent. By then it’s often too late...”* \*\*

- John Ankerberg and John Weldon

**Note:** The quotes and events in this book may not necessarily be given in exact chronological order but have been organized by topic. Also, I have tried to protect the people we were closest to in Amway by not using their real names.

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\*\* Ankerberg and Weldon, *Encyclopedia of Cults and New Religions*, Harvest House (Eugene, Oregon) 1999, p. xviii.

<sup>1</sup> “Walters” Free Enterprise 1997 Highlights video tape

CHAPTER 1

# Theft by Deception

*“Amway is one of the most effective marketing and distribution companies in the world. Motivation and concern for others set Amway people apart from the rest of the crowd. They know that if you can change one person’s life for the better, you have helped a community and changed the world.”\**

- Robert R. Holcomb, M.D., PhD.

Our journey into the darkness began uneventfully. As a young, newly married couple, Kathy and I were very much in love and enjoyed spending as much time as we could together. I had a job as a Federal auditor, working for a branch of the Department of Energy. The position provided a good salary for a recent college graduate. It was a nice upgrade for me, after working in McDonald's, factories, and cafeterias for minimum wage for most of my life.

I had moved out of my home my senior year of high school and understood, firsthand, what it was like to struggle. The struggles of life had overtaken my parents' marriage many years before. They each, in turn, found and re-married very special people and began new lives. I grew up living with my mother and stepfather.

In terms of a home environment, we did not have much money. Too many of the decisions seemed to revolve around what we could afford, not what was the most important to us. Money seemed to be a master that controlled our most important decisions. My mother and stepfather were hardworking, honest people. Despite this, we always seemed to struggle. This had a profound effect upon the manner in which I viewed success. As far back as I can remember, I wanted to succeed and to be in a position to help the people that I loved.

I landed my first real job at McDonald's. Working the grill was a great learning experience. Many other employees were just putting in their time, but I was learning how businesses worked. One night the owner came in, shook hands with the employees, and then left in a powder blue Jaguar. Most of the other employees mocked him for being the "rich guy," but I was excited. I had heard his story. He started as a waiter and then met Ray Kroc, the founder of McDonald's. Ray took him under his wing and mentored him. It wasn't long before he owned several McDonald's restaurants. I just knew that if I worked hard enough, one day I would be like my boss. Perhaps he would be *my* mentor. Somehow, I knew that I, too, would become an entrepreneur.

Although bored with school, I read constantly. The usual focus of my reading was

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\* Robert R. Holcomb M.D., PhD., Vanderbilt University Amagram, May 1999

about real-life, “rags-to-riches” stories. The Horatio Alger stories intrigued me. I had no interest in get-rich-quick schemes. My focus was on people that founded successful businesses on a shoestring, faith, and hard work. Because of this, I started a lawn maintenance service and soon had over 30 customers. Through this experience, I learned a lot about both the good and bad nature of people. Some were kind and encouraging, while others treated me like the “yard boy.”

I worked hard and finished high school. Soon after graduation, I was off to a large state college. For far too long, I majored in fun, and my grades reflected that. I was still searching for the right answers for my future. Then, because so many of my relatives had served in the U.S. military, I thought I should explore that avenue. I attended Marine Corps Officer Training Boot Camp at MCDEC (Marine Corps Development and Education Center) in Quantico, Virginia.

This proved to be one of the best experiences of my life, in terms of giving me discipline. I graduated in the honor platoon and realized how much further I could push myself both physically and psychologically than I had previously thought. While my patriotism increased as a result of this time, I wanted a little more freedom in my choices than a military career, as an officer would afford me. Upon graduating from the training program, I took the option of declining my commission as a second lieutenant and was honorably discharged.

Around this time, I decided to transfer to another University campus to get a fresh start. I didn’t know any other students there, but that helped me to get focused on my studies and my future. My transfer was one of the single most important decisions of my life, because it was at the new campus that I met Kathy, the love of my life! Her quiet confidence and gentle nature made her different from any other woman I had ever met. Before long, when I wasn't with her, she was all that I could think about. She wasn't just special: She was, and still is, “the woman of my dreams.”

I met her parents for lunch one day, and they were just like the Waltons from the old family television show. They were kind and strong in a quiet way. They displayed the same warm, compassionate nature that had drawn me to Kathy. This was unusual, considering the fact that I was dating their beautiful twenty-year-old, only daughter. I now marvel at their openness. (As the father of two young daughters, I can’t imagine having the same composure. I would be tempted to greet prospective boyfriends while wearing full camouflage with a Bowie knife in my teeth.... Fortunately, I have a several years to prepare myself for that encounter.)

I graduated with a degree in business a year before Kathy and started my career with the Government as a Federal Auditor. It was exciting to begin traveling the country, as I worked within large corporations. My first audit took me to Jackson, Mississippi. It was a wonderful place, where I met many nice people, but there was something missing—a part of me was missing. I was scared to death of marriage and probably took a job in far away Mississippi to avoid the decision. This was a strange contradiction. I had met the woman of my dreams, but I was also terrified of the idea of commitment and loving her completely. It seemed that nothing good in my life had ever lasted; I was afraid to get my hopes up and put my heart on the line.

There are a few moments in each of our lives in which we stand at life-changing crossroads. One of mine came on a warm spring night in Jackson. I lived in a beautiful apartment complex that had many elderly residents. Many were widows or widowers. I

was walking my dog one evening and saw several elderly men and women out doing the same thing. We exchanged pleasantries and commented on the seasonal weather. I realized that they were very much alone. *I* was alone. Unless I did something different, I would become them. The only difference between us was the passing of time.

I got on a plane and flew back across the country. I asked Kathy...okay, I *begged* her to marry me! Fortunately, she saw enough good qualities in me to take the chance. We drove straight to a mall to put a small down payment on an engagement ring. What a great day that was! We were married in August of 1986, honeymooned in Cancun, and returned to begin our married life at the next audit site in Miami.

The nature of my job meant that I was assigned to one big city after another for months at a time. This got old quickly. Kathy and I longed to be back home near our families, and we wanted to put down some roots. Over all, I found the daily routine of auditing rather boring, but I did learn a great deal about documentation while employed in that field. Working with people really seemed to create more personal satisfaction for me than working with numbers and spreadsheets. So, I presented my boss with a two weeks notice. Once home, I landed an entry-level management position as an underwriter for a large insurance company. Fortunately, although this new job paid less than my auditing one, we experienced an increase in lifestyle. Kathy accepted a job with the same company, and we were able to spend a great deal of time together. Acquaintances commented that they couldn't hack that much time with their spouse, but we very much enjoyed taking breaks and lunches together.

We bought our first home, and it was an incredible dump. Some homes are fixer uppers and some blower uppers; this one was right on the border. It was a dump, but it was **our** dump. We took great pride in working together to make it a nice place to live. Most of our friends shook their heads in disbelief when they first saw it, but with time and with a lot of "sweat equity," the house turned out great. It was a double home with three bedrooms on both sides. The biggest advantage was that the rent from the one side paid most of the mortgage. I studied real-estate seminars and used the equity in this property to buy several others. Finally, we were beginning to plan for our future.

We spent a lot of time working on the home and met several couples that lived on our street. Some of our neighbors told us that that they had gotten into Amway through a mutual acquaintance. Privately, we thought this was a real joke. They had put pictures of Mercedes and enormous homes up on their refrigerator and spoke often of Zack Walters, this "Diamond Guy," who was going to help them get wealthy. I distinctly remember feeling that they spoke of him with an **unnatural** level of respect. It was as if they thought he were God-like. Our neighbors told us that our mutual friends, Kerry and Chris,\* had "gone Direct," whatever that meant. Because I supervised a woman at work who had told me she was in Amway, I mentioned to her that Kathy had some friends who had "gone Direct." She informed me that they must be making at least \$25,000 a year and probably that was just through working part time. That figure was equal to my full-time salary at that point. I still remember thinking that I would NOT go and *sell soap*, even for that much extra money! I was too busy building a mini real-estate empire to be bothered with door-to-door sales of soap.

One day, Kerry and Chris, the couple that had "gone Direct" in Amway, called us, because their printer had stopped working. They knew I was handy with computers and

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\* Not their real names

asked if I would come look at it. We went over and I tinkered with it for a while and then gave it the last rites. Soon, the four of us were sitting around their dining room table. They were very engaging and wanted to know more about us and how our properties were doing. They asked so many questions about us that, out of politeness, I asked them how their Amway business was doing. They seemed almost to cringe at the mention of the word "Amway" and advised us that it wasn't really Amway. It was their own business, and it involved hundreds of companies. Kerry and Chris told us that it was going better than they had ever expected and wanted to know if we wanted to see "the business" sometime. We agreed to look at it sometime, more to be polite than out of any real interest. Kerry said he would call us, and we could get together when he had time.

As promised, Kerry called about a week later and set up an appointment to come over. Soon, we found ourselves at our kitchen table seeing "the plan" for the very first time. He explained that it was far more than just Amway. Kerry told us that, "Amway was only the corporate supplier." We saw a catalog that had a huge selection of recognized brand-name products. (Amway later developed brochures with the quote, "Known for the Company we keep."<sup>1</sup> This went on to list companies like Kenwood, Playskool, Samsung, Goodyear, Magnavox, Nikon, Maxell, Toshiba, Kodak, Puma, Adidas, Champion, Hyatt, Nestle, Izod, Seiko, Zenith, Sanyo, Sharp, Whirlpool, Kellogg's and many others.) The most striking thing I remember about that day was seeing the book entitled *Profiles of Success*. It depicted many, many couples who became wealthy in the business we had just been shown. Over the next decade, I would become so familiar with their stories that I could practically recite them by heart. At that first meeting, Kerry told us that these Amway millionaires were actually willing to come teach us how to do what they had done. But we had to be willing to do the work.

They explained that there was a specific pattern of success helping all these people become wealthy in Amway or "The Business." The word *Amway* was spoken only once in the two-hour presentation. They promised us that we would have access to monthly seminars and ongoing training by people who had gained wealth through The Business. The catalog and the diversity of products impressed me. Kerry explained there were so many products, that we did not have to sell things. This was a relief, as neither Kathy nor I were salespeople. Apparently, our business would be just to purchase products we already used from their special catalog at discount-store savings and then show the discount catalog to other potential "members," recruiting them to do the same. It sounded good. At this first meeting and later at other meetings, these common representations were made: "30% average off on everything you buy" and "Can you imagine taking 1/3 of your household budget and putting it into your savings account every year?"<sup>2</sup>

Much later, we saw a brochure that was made available to recruit potential distributors. It alleged potential annual savings for a family of four of \$6,481.<sup>3</sup> It was explained that these massive savings were the result of two factors. The first was the fact that "we" did not have the cost of traditional retail establishments. There were normally large amounts of revenue eaten up by the cost of buildings, labor, employees and employee theft. The second factor was that there were tremendous economies of scale negotiated to the benefit of the distributors. Specifically, we were able to get a far better price on sneakers, for example, because Amway purchased in such volume— perhaps 10,000 pairs at a time. We only needed to purchase one pair as distributors for our own

use, but we reaped the benefit of the price negotiated for the bulk purchase. (The 30% average savings on almost all household purchases was one of the most common deceptive representations made to prospects to induce participation. Our sponsors would not leave catalogs with us to check prices. We had to take the promise of savings on faith.)

***“Some people that are brand new, they come.. they say.. Who sells? Somebody sells... I always like to say to them.... “when you find that person let me know.”***

- Amway Crown Jody Victor\*

I was not interested in sales, so it appealed to me that you could simply "use your own products and teach others to do the same." As we referred others and taught them to shop "from themselves," profits from these sales would come back to us monthly. The "middle man" had essentially been cut out, and the profits that normally went to traditional retailers would now come to us. This "wholesale" arrangement, we were told, was what created the many millionaires and multimillionaires depicted in *Profiles of Success*. A black information pack, containing quite a bit of literature and two cassette tapes, was left for our review. It was a catchy idea, but we were indifferent at that point. Before they left, Kerry and Chris had arranged to come back in two days to pick up the information and to answer any questions we had.

Before our prospective partners arrived, we were already having an argument over The Business. I knew the value of mentors. After many trials and tribulations, Kathy had given birth to our first child, Josh, and did not ever want to be away from him. I knew we needed to get around wealthy people, if we were ever going to succeed. In the middle of this "discussion," the doorbell rang. It was our Amway friends.

Somewhat to our surprise, Kerry and Chris did not want to talk much about Amway at all. Instead, they focused on helping us create a list of our dreams and goals. Sure we wanted to be debt free, have a nice home in a safe neighborhood, drive newer and safer cars, vacation, help our parents, and be together; what did that have to do with how this business worked? They pulled out *Profiles of Success* again, and we thumbed through it. They told us that the Amway Diamonds featured in the book had no work schedule and extensive family time. This lifestyle was constantly referred to as one of "six Saturdays and a Sunday." Because of the residual or regenerative nature of the income, the more you made, the less time it took. (We actually found out *much* later that no one lives this reported lifestyle.)

[For purposes of clarification, let me again state that the quotes and representations referenced in this book are not necessarily in exact chronological order, but rather in topical order. They are indicative of the statements and business philosophies that were promoted to either prospects or distributors in Amway.]

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\* *It's Unbelievable* audiotape DBR 897

## Don't you want to be like Ray Kroc?

*"Amway is an outstanding company that understands the power of motivating people to discover and reach their potential."*

• Zig Ziglar

One of the many analogies used by Amway distributor leaders to illustrate this was a reference to the McDonald's franchising system. *Would you rather own one McDonald's or be Ray Kroc and have the right to franchise or duplicate your efforts?* Isn't it far better to have 10% of one hundred businesses than 100% of one? By helping many people succeed in owning their own franchise, so to speak, you could literally work yourself out of a "job" and live comfortably on the residual income, generated by the businesses you started. This residual income stream could even be passed on to your children as part of your estate.

There was "no way to lose money", as it was the perfect business opportunity with "no employees or overhead."\* When we questioned them about the apparent pyramid nature of the business, we were advised "**no one** makes more money off your business than you." Kerry later informed us, "This is a legal requirement that keeps this business from being a illegal pyramid."

*Profiles of Success* sold me. It was obvious, from all the information we had accessed, that this business worked! As a corporation, Amway was doing somewhere around two billion dollars a year in volume, and was dealing with the many of the largest manufacturers in the country, and had created many millionaires, as evidenced by *Profiles of Success*. This appealed to me very strongly. All my life, I had dreamed of succeeding and being able to provide very well for those I loved. I wanted to be able to create a large income—and we were advised that the Diamonds were making at least \$250,000 a year in Amway. Most important of all, to have unlimited family time would be a dream come true! I had always wanted to have my own business, and this looked like the answer. I did not believe that anyone was willing to work harder than I would in this business. If I could meet one of the many millionaire mentors, I knew we would succeed.

We were very fortunate in that we were able to meet an Amway Double Diamond, Zack Walters,\* in just a few weeks. Zack was "showing the plan" at a home about 10 minutes from where we lived. We were told that he was a *millionaire-maker*. He was a former teacher, who, we were told, had become a millionaire in this business in only four years. We were later informed, "he bought a home appraised at a million and a quarter when he was twenty-nine years old...the same year he bought a bank." He certainly sounded like someone who understood the principles of success, but we remained cautious.

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\* Zig Ziglar Amagram January 1999

\* Typical representation

\* Not his real name.

For some reason, we expected him to be somewhat arrogant just because he was wealthy. When he drove up in his Mercedes, people were rushing to hold the door open for him and to carry his briefcase. Upon entering the home, he was handed a cup of coffee, already prepared exactly to his liking. It was almost as if a member of the royal family was visiting. He wore a hand-tailored suit, expensive leather shoes, and tens of thousands of dollars in jewelry; all of which certainly made him look like the picture of success. This very slick image was exactly what we had expected. But much to our surprise, he was very friendly and had more than his share of charisma. He joked and laughed with those he knew. He casually walked around the room and met most of the new people. His sincere smile and warm handshake made us feel as if we had just met a new friend. This was not at all what we had anticipated. After about 15 minutes of small talk, our sponsor got up and introduced Zack as the speaker for the evening.

We expected a very hard-core, high-pressured sales pitch. We could not have been more wrong. Zack began his presentation with a few lighthearted jokes that set most of the audience at ease. The presentation moved into a description of how hard Zack had worked before The Business in an effort to succeed. It seemed as if no matter what he had tried to do in the past, he always ran out of either time or money. By now, he had my attention, because this really sounded like me!

Zack went on to explain many people's lack of success is due to our engaging in production work of one sort or another. Specifically, most of us toiled our entire lives, exchanging time for dollars. It would not matter if we were bricklayers or neurosurgeons, as both merely traded hours for dollars. No matter how long we did this, we would always be busy. Zack used many analogies to illustrate the point that most people were working harder and longer for less and less. He emphasized that, according to the Social Security Administration, 95% of the people at retirement would be either dead, dead broke, or still working. Only five percent would ever become financially free.

How could anyone succeed against such staggering odds? It was really quite simple, he explained. All we had to do was get advice from people who had already achieved success. How do you stay broke? Simple. You just get advice from people in the 95 percent group and follow it. To succeed, all people needed to do was 'plug into' others who have already succeeded, those who are in the five percent. Simply put, wealthy people could teach you how to become wealthy. Even the best and most well-meaning parents, teachers, accountants, attorneys, friends and co-workers could not possibly help you accomplish something that they themselves had never experienced. How could someone give you directions to a place that they have never been? This philosophy made sense to me. I whispered to Kathy, "It's what I've been telling you. All I need to do is get business advice from a millionaire."

Zack then spent an enormous amount of time developing people's dreams. He claimed that God's word said, "a man without vision shall perish." Zack stressed the vital importance of dreams and goals. He explained that most people don't focus on these things but, instead, focus on the negative in life. Soon, we all were thinking about living debt free, driving newer vehicles, living in newer homes in nicer neighborhoods, taking our children to Disney World, helping our loved ones, and spending time with our families.

Before long, most of us had verbalized these goals and objectives. Zack commended us, saying that most people get so busy earning a living that they have no

time to design a life. He declared that many people spend more time planning a family vacation than they spend planning their entire future. Obviously, we were going to be different, and it truly was exciting to think about the possibilities *our* future held. Zack concluded the presentation with a quick review of the logistics of the Amway sales and marketing plan. This portion of the two-hour meeting took only about 15 minutes. The details became clearer, as we saw the plan again.

Zack described what we saw as a very specific two- to five-year plan for financial freedom. Once again, *Amway* was mentioned only once, very briefly, at the very end. It was described as only serving a supply function. The Business operated on a very simple concept in that you just changed your shopping habits to purchase goods and services from yourself, at a 30 percent discount over the retail stores, where you currently did your shopping. Due to these economies of scale, the business was commonly referred to as a "**wholesaling business.**"

Now, as consumers, we collectively had nearly two billion dollars in annual purchasing power. This represented an incredible increase in leverage, affording us the ability to purchase things from ourselves at "wholesale." In wrapping up the meeting, he thumbed through *Profiles of Success*, in which he was featured. There was one statement that Zack made that I can still hear as clearly as if it were yesterday. He revealed, "*This business didn't make me a millionaire...It made me a multi-millionaire.... Everybody has got to be something.*" Kathy and I were almost in shock at the prospect of having a multi-millionaire helping us personally. To make it even better, he spoke of his faith and time with his family and of things we all cherish. He shared how he and his wife enjoyed greeting the school bus together when the kids got home. He had found that elusive balance in life and was willing to give us directions. I thought for sure this was it. I had found my mentor.

There followed a whirlwind of introductory and follow-up meetings, and it became time to "break open our kit." The only thing we knew this kit contained was a "vendor number" to track all of the business volume back to us for payment. We were surprised and confused to see the box was filled with Amway products. Was this really Amway or not? It was explained that technically we were wholesale business owners and that Amway merely served as our supplier. The most important part of the business was the support side, which included the team of people in our upline. They would teach us how to build a network through which large amounts of product would flow. On this note, our sponsors completed the application and handed it to us to sign.

We were advised many times in The Business, "There is **nothing** in the Amway kit to teach you how to build the business. Rich and Jay [references to Amway Co-founders Rich DeVos and Jay Van Andel] haven't sponsored anyone in 20 years... your upline is the source of information, as they have developed the organization that moves the majority of all the products." We did not understand clearly if this was or was not Amway. Specifically, it was not clear what the difference was between Amway and our upline. Despite the initial confusion, we were excited about having a chance to build our future together. We signed the Amway application, and our sponsors, Kerry and Chris, congratulated us. We had no hint that what we had just signed up for would take us to the brink of hell—nearly complete personal, financial, emotional, and spiritual destruction.

## Getting Started

Kerry and Chris scheduled a time to help us get some people together for a meeting. They also left more tapes and a follow-up pack for us to go through. They left most of the literature and products on our kitchen table but took the box with them. They joked that we would get the whole box once we sponsored someone. This seemed a little odd, but it was a distinct pattern that we would later learn, duplicate, and teach. We closed the door, as they cheerfully congratulated us on becoming new business owners. They were nice people, and they were actually going to help us succeed. We listened to the tapes they left, which were full of motivation and inspiration. The speakers were from different backgrounds, but all had developed incredible wealth and an enviable lifestyle via The Business, Amway.

Many of the speakers on the tapes, like us, had originally held the misconception that Amway was a door-to-door sales business. I decided that the concept of the wholesaling business, or Network Marketing, seemed simple enough. I knew that I could easily find plenty of people who would be interested in saving 30% off their shopping, while developing a large secondary income. What an incredible concept! You would actually succeed only as a result of helping your friends save money and succeed in their own business. This truly was what I later heard renowned author and motivational lecturer Zig Ziglar describe as a "Win/Win" opportunity.

Kathy and I still did not have a complete grasp of the mechanics of how The Business worked. It was reassuring to know Kerry and other members of our "upline" would always be there to explain the details until we were more comfortable with them. This was like having a personal business consultant that you did not have to pay. This mentorship program was one of the most appealing and key benefits of this business. What a blessing to have successful people leading the way for us.

Kathy and I began studying the follow-up pack that described the mechanics of starting your own business. The literature advised that to have a successful meeting, we needed to invite at least twice the number of people that we expected to come. In the follow-up pack, we also were given "inviting" techniques and instruction on how to handle certain questions that friends might ask. I was very clearly coached to make certain not to use the words "Amway", "products" or "selling" in the phone calls to friends. There were many approaches suggested, but the basic call went like this:

*Hi, Joe. It's John. How are the kids? How's work? The reason I am calling is that you seem like a very business-oriented guy. Are you interested in making more money?*

To better handle their response, since the people we called wouldn't have a script, we were given a tape called "Telephone Inviting." A very successful, powerful Amway Double Diamond, and former Amway Distributor Association board member had created this teaching tape. I followed the instructions on that tape almost word for word. The advice given on that tape was to say this:

*The reason I asked you.... I have my own business; I have gone into business with a friend of mine who has a **wholesaling** business. They are **wholesaling** all over the country and several other countries. We're handling for Spalding, Westinghouse, General Electric, Craig and Nutrilite and many other companies. And one of the things we're doing is expanding right now and it looks like there is a good possibility that we may be expanding in your area. I really don't know for sure. We're looking for a couple of people that have their act pretty well together that have some management background and some management skills.<sup>4</sup>*

The GETTING STARTED literature gave specific responses to other questions I might be asked. They were as follows:

**Question:** "Is it Amway?"

**Response:** "We get goods and services from over 2,000 different manufacturers. Are you looking for a particular product line or what?"

**Question:** "Is it selling?"

**Response:** "Do you like to sell?" "No? Great! I'm not looking for some door-to-door, party plan sales person. We're looking for some level headed people to run and manage their own business."

**Question:** "Is it legal?"

**Response:** "Do you think I'd call you about something that could hurt you or your family?"<sup>5</sup>

These responses seemed to allay my own questions, and I figured they accurately portrayed what The Business had evolved into. Most of the people I called did, indeed, have some level of interest. This proved to me that the system worked. Had I made the calls without the tapes and literature, I would have been tongue-tied.

## **"The System"**

*"The case is... each and every one of you has an opportunity today that is frankly much better than the opportunity was many years ago. You have more tools for you to use. You have more experienced leadership as everyone has learned over the past years... to help guide you along the way." \**

- Doug DeVos

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\* Doug DeVos, Head of North American Operations, quote from Amway Special Guests Speakers D. DeVos, B. Kerkstra GDL 96-21

Every successful program has a system. The one used by The Business was later described as a "field proven multi media professional development program."<sup>6</sup> As a matter of fact, it was not only field proven, there was a *100% success rate* among those distributors that utilized it and, in turn, taught this pattern of success. We soon met many, many wealthy Amway distributors at large seminars, who gave all the credit of their financial success to the system. Most were openly Christian and praised both God and the system for their good fortune. We were getting great results on the phone calls and were very excited at the prospect of helping our friends. Most were young, ambitious couples with families, and they could use some help in the area of finances. This venture was looking like a dream come true.

Kerry and Chris loaned us a copy of *Profiles of Success* to keep until we received the one that we had ordered. We stayed awake late every night reading each Diamond's success story. Most all had struggled before they entered The Business. From the book and the tapes that we were now avidly listening to, we learned that these people had become full-time parents. Making money was not the highest priority in their lives. Most all spoke about "the system." Many praised God for their new lives. I was not a deeply spiritual person at that point, but it gave me a sense of reassurance that we were dealing with people of faith and integrity.

The tapes we listened to spoke not only of business success but also of patriotism, family, and strong values. Kathy and I wondered how we could have thought that this was some stupid door-to-door sales business. This was something great, and we were going to be part of it. It was truly our chance to work hard for ourselves and succeed. Many of the Diamond-level distributors that we met in person, or saw pictured in the literature, wore large diamonds, drove luxury cars, and lived in palatial homes. This flaunting of wealth did not interest me. However, my auditor's training to question everything was appeased, because these trappings supplied documentation and verification that this business worked. To Kathy and to me, "making it" did not necessarily mean owning a Rolls Royce, expensive jewelry, and a home big enough to get lost in. At that point, success meant having the freedom to be together as a family, whenever we chose. It meant being in a financial position to help those that we loved. The Business just provided a financial vehicle to take us from where we were to where we wanted to go in life. We weren't going to change or get lost in this process.

Sometime early into the business, Kerry and Chris began promoting a weekend seminar with Dexter Yager. Dexter was spoken of not only as the most successful distributor in Amway but also in the history of all Network Marketing businesses. Before The Business, Dexter had driven a beer truck in Rome, New York. Now when people spoke of him, it was with an unusual awestruck reverence. He was doing somewhere in the area of a billion dollars a year in business. But being new, we did not want to take the time or spend the money for a whole weekend with an Amway guru. We settled, instead, on driving almost two hours to the Sunday afternoon session to hear Dexter's leadership talk.

We found what we thought was the right building; there were hundreds of well-dressed men and women streaming into it. We asked a few people if this was the Amway seminar. They answered something like "Walters International" and kept walking past us. Confused, and feeling like an idiot, I asked someone else if this was the Amway seminar.

Again, this person corrected me and said, "This is Walters' Enterprises." Then, seeing our very real confusion, he walked us in to buy our tickets. It turned out that the business name that we kept hearing was the name of Diamond Zack Walters' Amway distributorship. We quickly learned that saying *Amway* was taboo. This seemed unusual; it did not make much sense that this was a 'dirty word' among what seemed like a large group of Amway distributors.

We purchased our tickets and walked into a large hall that must have seated about 1500 people. The women in the audience wore conservative dresses, and the men were nearly all clean-shaven and in suits. It was a sharp-looking group. The energy in the room was contagious. We met a few people, and they all seemed friendly and upbeat. Someone walked onstage and began to warm up the group, pep-rally style. Many yelled with excitement. This seemed odd, but we were intrigued, wondering what caused the near evangelical fervor in the room.

After several speakers had each worked the crowd into an even more excited state, Zack and Molly Walters were brought to the stage as our host and hostess for the day. The crowd seemed suddenly to have lost their minds! There must have been a three- or four-minute standing ovation. It was all Zack could do to calm them down. I now felt even more fortunate for having had personal contact with someone this important. When Molly spoke, she was emotional about the blessings that this business had brought to them. She also seemed to be very sincere and down to earth.

Zack took the microphone and spent quite some time telling us of the successful background of the speaker he was about to introduce. He described Dexter Yager as a man who had become very wealthy, due to his uncompromising willingness to serve other people. It looked like the plaster might literally vibrate loose from the ceiling when the thunderous applause erupted as soon as Dexter emerged onstage. To Kathy and I, the remarkable enthusiasm seemed both odd and wonderful at the same time.

We had never been to either a business or church meeting that had this level of emotion and excitement. These people had an absolute passion for life. We also were encouraged that someone as successful as Dexter Yager would come back to help us, the new recruits. I do not remember much of the specifics of his speech that day. The sight of the room filled with over a thousand enthusiastic people was more than enough motivation for me to get going. (Little did I know that, one day, Kathy and I would also have an enthusiastic audience several times that size of Amway distributors cheering for us.)

We ran into members of our upline support team. They greeted us enthusiastically and commented on what a sharp couple we were. They were all extremely positive and radiated hope. Soon, all we could think of was getting back home and making business calls. We were very excited!

In short order, we had two meetings, in which our friends came to see the plan. My sponsor, Kerry, did one meeting for us, where we sponsored four distributors, right off-the-bat. The momentum was beginning to build when we got the incredible news. Zack Walters had asked about us personally and was going to come to our home to do a meeting for us. We knew he had helped many people become wealthy. All we could think of was, what a true blessing to have a young millionaire coming to our home to help our friends and us secure our futures.

We had no idea what kind of future this visit would really secure for us...

*“Some people are hungry for power over others. A quick way for them to gain control over others is to tempt people with the opportunity to discover some “knowledge” unavailable outside of an exclusive group.”* <sup>IST</sup>

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<sup>1</sup> SA-1386 Amway Corporation Copyright 1996

<sup>2</sup> HVC-4 Videotape

<sup>3</sup> TL-244 Internet Services corporation Copyright 1991, 1997

<sup>4</sup> E-178 Telephone Inviting audio tape

<sup>5</sup> Follow Up Pack Literature

<sup>6</sup> TL-440 Internet Services Corporation (CR)-Content Reviewed and approved by Amway

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<sup>IST</sup> Smith, P.W., Hayes, C.P., McRoberts, K.D., *In Search of Truth*. Springfield, MO:Radiant Life, (1997).

CHAPTER 2

# Seeing Is Believing

*“The vision of Jay Van Andel and Rich DeVos has opened doors of opportunity for millions of entrepreneurs and their families all over the world. The remarkable character and achievements of these men—now continuing with the second generation—provide the solid foundation for their remarkable company and the businesses of Amway entrepreneurs. Like the U.S. Chamber of Commerce, Amway has been a champion of the economic principles that create greater opportunities and prosperity for all.”*

- Thomas J. Donohue, President & CEO, U.S. Chamber of Commerce \*

The Amway bonus schedule was beginning to make more sense, now that we had seen the plan several times. All the products you purchased were tracked back to you by your distributor number and assigned a point value. You were compensated at the end of the month for all the business volume that went through your organization. This is where the power of leveraging or duplication was evident.

We would be paid on a sliding scale from 100 PV (point value) through 7500 PV. The bonuses started at 3% and ranged up the scale to 25% when you hit 7500 PV. The plan was still a little confusing, in that Kerry and Zack drew out "100 dollar" circles when showing the plan. Each distributorship in the plan was depicted doing a hundred dollars in volume. The speakers referred to "doing your hundred" often. In reality, it took closer to \$220 in purchases to equal 100 PV on the bonus schedule. When I questioned Kerry about this, he said something like, "This is how we always have done it" and "most people do not find it confusing."

I remember thinking that I must not have communicated very well the fact that some of our people, including us, were finding it misleading. He had answered the question but, at the same time, seemed to be ignoring the issue. It seemed like he didn't understand what I had told him. I did not realize it at that time, but I had just stepped over one of the boundaries you were never supposed to cross. **You were not to question upline, for any reason.** The meeting remained friendly, because as a new person, I was unaware of the many unspoken rules governing behavior in The Business. It would be quite a while before Kathy and I were fully indoctrinated.

We had begun sponsoring our friends almost immediately. We sponsored my best friend, Paul, first. We then sponsored some young professionals that I worked with. Kerry and Chris helped us break open the new members' kits and go through the

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\* Amagram February 1999.

paperwork until we became more familiar with the process. They explained that they intentionally took away each kit box after emptying its contents on the table of new distributors. This would encourage them to begin using “their own” products. Most, like us, were surprised that the products were almost exclusively Amway products. We were puzzled to see Kerry and Chris remove a small white form that we had never seen in our literature. It was Amway literature that advised all distributors to sell products to ten customers per month. We were told to take these forms out and throw them away. They were part of the old door-to-door Amway. This was the new wholesale, networking phase of Amway. We were just supposed to use our own new household products and teach others to do the same. This made us comfortable, as no one we knew wanted to *sell* Amway to family and friends.

The handful of distributors we had sponsored were very motivated to get people out to see Zack. We all were impressed by the fact that he and Molly had traveled around the world, and yet he was taking a night out of his life to come and help us. Zack himself remarked that he *could* be home with his family or in countless other places in his business, so we should take full advantage of having his time. We were not completely naïve. We understood that he would derive some benefit from helping us. This concept would be constantly reinforced over the next nine and half years: 'No one makes more money off your business for your efforts than you.'

The specific example normally used to illustrate this was that of the four percent bonus. Specifically, when you help someone in your organization do 7500 PV, they "go direct" and are getting paid 25% on the bonus scale. You then receive a leadership bonus of four percent of that distributor's personal group volume for having helped build it. Since you, yourself, are probably also doing 7500 PV, you are also receiving your own 25% bonus on all goods and services that go through your business. Your sponsor is also being paid the additional four percent leadership bonus as well. Again, it was clear that no one made more money off your efforts than you. You would receive a 25% bonus from the goods and services that went through your business, and your sponsor would receive 4% for assisting.

The 4% leadership bonus was referenced countless times to illustrate one of the greatest fundamental principles that drove The Business. Your upline would *never* give you bad advice, because it would adversely affect their income to do so. Your upline had, what was continually referred to as, a "vested interest" in the success of your business. It directly benefited them to give you good advice. They became like a new family that you could trust without reserve. Several standard analogies were commonly used to delineate how very different the advice was that you were likely to receive in the "real world." One of the most commonly used analogies was that of the insurance/investment broker. Distributors were instructed to be wary of advice they might receive from a broker, because “you may end up ‘broker’ if you listen.” The reason was simple. They were compensated on a transaction basis, simply for making the sale, and not upon the quality of advice given.

The wealthy distributors in Amway that would act as your advisers were more interested in your long-term success, because it was of mutual benefit. My skeptical, auditor's nature was overruled by the pure simplicity of the compensation plan. I have always been good with numbers. Math feels safe to me. It cannot lie and has no emotion. Clearly, my support team would not benefit unless they helped Kathy and me succeed

financially in Amway. This understanding was also the source of tremendous personal inspiration for us as well. We would only stand to gain after helping our friends prosper in their own businesses. It truly was a win/win situation—or so it seemed.

We became very busy helping our other distributors as the day of Zack's meeting drew closer. The instruction regarding the necessity for exact duplication had been quite clear. This business was very much like a franchise and to try something "new" would not be a good idea. Why reinvent the wheel? People who had successfully built this business for over two decades had already established a system or pattern for success. Using the same pack of follow-up information, we helped our people invite their friends to the meeting that Zack was doing. Some did much better than others on the phone, but overall, the results seemed very good. The momentum was already beginning to build, as the people we had sponsored now had others interested in looking at The Business. You could see the excitement in their eyes, as they began to believe that this could also work for them.

Our sponsors, Kerry and Chris, came to our home about an hour before the 8:00 p.m. meeting. With Zack coming, they both seemed incredibly nervous about everything being just right, making coffee and preparing Amway-brand snacks to be served after the meeting. The "plan" would be shown on a white board and easel that had to be placed away from the door, so that latecomers would not interrupt the speaker. Children and pets were not to be in or near the meeting area, in order to preserve a professional atmosphere.

As I was the host for the evening, I was given very specific coaching as to how to introduce the speaker. We were advised that since I had a great deal of credibility among my distributors and their friends, *I* should introduce Zack by speaking of his success. This would transfer my credibility to him. This made sense to me, as Zack was a stranger to almost everyone that would be present that evening. Kathy and I were the only ones who had gone to a big seminar and seen him onstage. We were the ones who could realize just how many people he was helping.

Once again, the GETTING STARTED literature from the follow-up pack was used. These were the guidelines that distributors were to follow, whether or not they even knew the speaker. (It also pre-supposed the often-false notion that the speaker had made any money at all in the Amway business.) The literature gave the following instructions:

### **“DURING THE MEETING**

- A. Introduction – Introducing the speaker is one of the most vital parts of the meeting. It sets the correct atmosphere, gives the speaker and the business credibility and allows the host to convey his conviction, commitment, and enthusiasm towards the business. Remember people will be watching you! A good sample introduction is as follows: "Okay folks, we are ready to get started... I'm glad everyone could be here tonight. We are fortunate to have with us a good friend and business associate (Speaker) who has driven here from (city, state) at his own expense to discuss a business concept that (spouse) and I are very excited about and in which we intend to be successful. (Speaker)

has been very successful in the business and I recommend you give him your undivided attention as he explains it tonight. So, without further delay, I'll turn it over to (speaker) and let him get started.”

- B. Be alert and show enthusiasm. Take notes during the meeting. Have a cassette recorder ready to record the presentation.”<sup>1</sup>

Much later in *The Business*, we learned that people would do business with others that they knew, liked, and trusted. That technique or approach certainly helped create the desired atmosphere.

People began to show up about a half-hour early. Unbeknownst to us, some other distributors had been invited to our home and buzzed with excitement about getting that close to Zack. Once again, it seemed as if others' enthusiasm for Zack nearly bordered on **worship**. In my mind, this attitude was somewhat naïve. I was enthusiastic from a business perspective. To me, having Zack there to teach our fledgling group was a tremendous business coup. It was like starting a new fast-food franchise and having Ray Kroc, the founder of McDonald's, there to train you and your partners.

The house filled to capacity with people. It truly was an exciting time. To my surprise, Zack arrived almost 15 minutes late. I expressed concern over this to Kerry, and he advised me that most of the people in the room **should** be willing to wait for hours, if necessary, to get the information that they were going to receive from Zack tonight. Once again, I got the message that it was not okay to question upline.

Zack arrived in his new Mercedes and parked in the space that had been reserved for him directly in front of our house. Men who had been waiting outside in the cold winter air opened his car door, took his briefcase, and escorted him into the house. Immediately upon Zack's entering our home, someone took his overcoat, while another person handed him a cup of coffee prepared exactly to his liking. All the active distributors thanked him for taking the time to come share with them. It looked as if we were entertaining a visiting dignitary or head of state. We were beginning to feel more and more blessed that someone of this stature would come and help us.

Despite all the fanfare, Zack Walters was again very warm and engaging. He met quite a few of the new people, greeted them with a warm handshake, and learned their names. When he came over to Kathy and I, he greeted us by name and complimented us on our nice home. Zack had a warm and winning smile and completely focused eye contact when he listened to others speak. He had the uncanny ability to make each person feel comfortable, almost immediately. Meeting with him in person made you almost feel as if you were being reunited with a long lost friend.

After some friendly conversation, he let me know it was time to start our meeting. I was not a public speaker by any stretch of the imagination. As a matter of fact, it was something I truly dreaded. To make matters worse, the crowd had grown to the point where we had to carry furniture out of the room, so we would have enough space for people to stand and listen to the presentation. I got up, nervously, and gave my well-rehearsed introduction.

I sat down and immediately started my tape recorder. After all, I had been told that it was the best students who became wealthy in this business. As a standard practice, Amway distributors were encouraged to take notes and tape these opportunity meetings,

counseling sessions, training sessions and seminars. We were hungry for every word of guidance and advice we could get. This was just like a franchise. We could not afford to miss anything, and so, I taped the best of the best and studied every tape. I memorized the jokes they used to set audiences at ease. I learned a large number of analogies that could be used to effectively communicate several vital points in the Amway sales plan. Figuring this was a shortcut to success, I taped nearly 200 hours of income representations, training, and counseling with my upline. I would not know for nearly a decade how desperately vital these tapes were to become.

The presentation of the plan went well. Zack's down-home humor and stories set everyone at ease. The pattern of how to show the plan was becoming more and more clear. The speaker would usually share anecdotes of struggles that they had endured prior to Amway. Then it was explained that they had been unknowingly taught to fail. Specifically, strategies that had once worked for our grandparents no longer applied in the economy of our day. The old school of thought was that a good education would get you a good job. Nowadays, there are many people with college degrees who cannot even find a job in their field. Many who do secure good jobs later find themselves either laid off or stuck in a dead-end position. Most are not adequately prepared for retirement, as evidenced by the Social Security Administration figures, revealing that 95 percent of Americans are either dead, dead broke, or still working at retirement age. (We did not see documentation of this from the Social Security Administration, but this was routinely referenced as fact.)

It was explained that the irony we faced in the economy was a typical statement that went something like this: "Today, we may find that the A student (an educator) teaches the B student to work for the C student (who now owns a business, because he was not "smart enough" to get a job). Because he was not smart enough to get a job, he is now a wealthy business owner, employing quite a few well-educated, smart but broke people." Usually, the speakers threw in a few horror stories of people who had been laid off in their late 40s or 50s. This steered us to the inevitable conclusion that entrepreneurship, or personal business ownership, was clearly the key to both personal and financial success. Just as we had grasped this, we were informed that not all businesses were good businesses. Some business owners were actually owned by their business, instead of vice versa. With traditional businesses normally came enormous overhead and the stresses that came along with employees. The bigger a traditional business grew, the more headaches it normally created for the owner.

Over and over again, we heard the story of a business owner who lost his business and his home, all at the same time. It was a business tragedy, followed by a personal tragedy. Normal or traditional businesses required a large investment and also a commensurate level of risk.

By contrast, Amway had all the benefits of business ownership with almost none of the detractions. **There was no overhead.** Speakers often held up their brief cases and said, "This is my overhead, and there is nothing to lose... if you left your briefcase here, that is more than you can lose in this business."<sup>\*</sup> As there were no employees, there was no employee theft. There could be no theft in a closed system.

The speakers often referred to making two thousand dollars a month or more within three to nine months. "This could be done on a very limited, part-time basis." The

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\* Often repeated representation

most common representation of the time required to create this size income was 12 to 15 hours a week. It only meant giving up "TV time" a few nights a week, while your children were sleeping. The most common financial reference used repeatedly in The Business presentation was that of a two- to five-year plan. The financial reward that could be gained in this period of time was usually described as "a strong six-figure income" or simply "financial freedom." In describing the specific time frame for success within this opportunity, Amway Diamond Barry Joye said, "This business will work. It is not a 2- to 5-week plan. It is not a 2- to 5-day plan. It's a 2- to 5-year plan to **total** financial freedom."<sup>2</sup> (In the background on this tape, Amway Double Diamond Brig Hart says "Amen" in agreement.)<sup>+</sup> I knew that it would take a tremendous amount of hard work. However, I would be willing to be a humble student and work incredibly hard for 2 to 5 years to provide my family with economic freedom. After experiencing the heartbreak of my parents' divorce, it was my family, not the money that motivated me.

## Enticement

*"Most people still believe that America is the land of the free, but things are changing. America has become a nation that as often as not protects the freedom to do evil as much as the freedom to do good, because we no longer know the difference."*

- Dr. Walter Martin<sup>\*</sup>

Perhaps the greatest selling factor for both Kathy and I, and also the thousands of people that we ended up bringing into Amway, was the "fact" that we could create ongoing, residual, "will-able" income. This concept differentiated Amway from any other business opportunity. Our business would grow as we helped other independent business owners succeed in owning their own business. We would all be very motivated to work hard and would never "fire ourselves" or "lay ourselves off", since we **owned** The Business. It was a wonderful paradox. The larger our income became, the more free time we would have to spend with our families.

From a logical standpoint, this appeared to be a business whose time had come. Despite all the labor- and time-saving devices we have, we seem to be getting busier and busier as a society. Success is no longer solely defined by financial affluence. This was also addressed in the plan. Many speakers would ask if the audience knew anyone who worked 60 hours or more a week at a job or business and succeeded, only to lose his family in the process. That price was far too high to pay. This rare and unique business opportunity could provide financial security for the family, but most importantly, it would give us time to be with the people that we loved the most. For the first time in my life, I felt as if I were at the right place at the right time.

The distributors and guests at our house, that first night Zack was our guest

<sup>+</sup> DBR-769 Your Next Move audiotape Copyright Internet Services Corporation

<sup>\*</sup> Martin, Walter, *The Kingdom of the Cults*, Bethany House, Oct. 1977 Anniversary Edition, p. xxvii.

speaker, seemed very interested in owning their own business. Kerry and Chris had been right. We had been tremendously fortunate to have Zack come, "at his own expense," and assist us in getting our business off the ground.

We utilized the guidelines that were provided and ended with some personal reflections, regarding our sincere interest in building our own business as well as helping them succeed in theirs. There was tremendous energy in the room as the meeting broke up, and people began to get snacks and ask questions. Kerry made sure everyone knew that Zack had been kind enough to stay later to go over some important details with those who were already involved or seriously interested in The Business

Zack informed us that "Direct distributors" made around \$25,000 a year, and he and Molly had helped thousands of people earn over \$2,000 a month. What a thrill it was to get advice from someone who clearly had the answers! Part of success, he explained, was the need for humility. Years ago, despite his having a college education, he realized that he needed to go to Dexter Yager for advice. Dexter only had a high school degree, but he had wisdom. Dexter had business experience. One slogan heard often was, "A man with experience is never at the mercy of a man with an opinion." As The Business progressed, I would often hear Zack say, *"I'd rather be humble and wealthy than brilliant and broke."* The secret to success was incredibly simple. *"If you want to succeed, find someone who has become successful and do what they do."* It is the basic concept of modeling. If you do what I do, you will have what I have. If we would humble ourselves enough to follow the advice of the wealthy distributors who were willing to advise us, success was assured.

As the teaching session progressed, Zack made it clear to all of us how fortunate we were to be working with Kerry and Chris. They had already reached the Silver Direct level (7500 PV) that put them in a position to help us move ahead. He built them up as our local leaders. They had become far more successful than we had known. He explained how important the books, tapes, and seminars had been as he developed a large international business. (There was no need to sell me on the tapes, because I was already hooked. They were motivational as well as instrumental in teaching me the fundamentals of this business. I got a tape deck and turned my old, silver, beat-up pick-up truck into a university on wheels.) Zack stated to the group that if we did the following five things, he would guarantee us any level of income we desired from The Business.

- 1. Read at least 15 minutes a day from a book on the "tool list"**
- 2. Listen to a tape everyday**
- 3. Attend all functions (seminars, training sessions etc.)**
- 4. 100 percent self use of products in our home**
- 5. Show the plan to people we would like to help**

At the end of the meeting, Zack invited Kathy and I back up front to share about the future that we saw in The Business. Once again, we knew what to say from the **'Getting Started' literature**. Nothing was left to chance. The guidelines for speaking after the meeting were as follows:

## “AFTER THE MEETING

- A. After the presentation of the plan, the speaker will invite you, as the hosts, to briefly share what you like best about the opportunity and let everyone know what you expect to accomplish with YOUR BUSINESS.
- B. It is important for the hosts to guide in keeping the conversation on the positive aspects of the business. Keep the questions on the positive side i.e.: "What did you like best?" "Looks real good, doesn't it?" "Now you can see why I'm excited!"

Objections are positive signs of interest. Here are three proven ways to handle them: Using the feel, felt, found method. ‘I know how you feel. I felt the same way, but this is what I found’.”<sup>3</sup>

That seemed simple enough. All we needed to do to succeed in our Amway businesses was learn the pattern and teach it. During the announcements that followed, Kathy and I were glad to hear that there was a seminar coming up soon. We had gone to see the Dexter Yager seminar alone. The enthusiasm, excitement, and hope that we had experienced there was contagious. This time we would be going with a small group of people. Little did we know that the organization that would develop from this handful of friends would one day literally span the globe.

## Seductive Poison

*“In business, [the desire to control others] is often expressed in advertising that entices people to want what they do not need and to buy what they cannot afford.”*

- Derek Prince\*

We were building The Business at an unusually fast pace but did not know it, as we had no point of reference. We went "1000" in our first full month in The Business. This means that the organization we were developing had done 1000 PV or roughly \$2200 in business.

We drove to the next seminar early with Kerry and Chris. One or two carloads of our people were to come down at the regular seminar time. Seminars were traditionally held on Saturdays. Meetings ran from 2:00 p.m. until 5 p.m., with a break for dinner, and then from 8 p.m. until 11 p.m. Our early arrival was due to the fact that Kerry and Chris achieved the magical 7500 PV level (referred to by distributors as "Direct"), and they had to attend the "Directs' meeting" that took place prior to each seminar.

This was a source of tremendous motivation for Kathy and I, because the

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\* Prince, Derek, *They Shall Expel Demons*, Chosen Books, 1998, p.138.

speakers would give the "Directs" very specific coaching on how to build an even larger, more prosperous business. We hated waiting outside those closed-door meetings. Some of the speakers had actually retired in their late 20s or early 30s. It was clear to us that the keys to our family's financial future were in that room.

Everything that happened at the seminar did so according to a very specific pattern, which soon became quite familiar to us. Once again, we were surrounded by a highly enthusiastic, well-dressed group of men and women. Almost every one of them was upbeat, happy, and smiling. There were quite a few people greeting one another with hugs and warm handshakes. The atmosphere was almost electric. One of the Direct couples got up on stage to open the seminar. They were greeted with applause and a few sporadic hoots and cheers. The mood turned suddenly somber, as they led in a prayer for the speakers, for each of us, and for the country. (Even though Kathy and I were both Christians, praying seemed oddly out of place in a business meeting.)

The microphone was then turned over to another popular Direct husband-and-wife team. They, too, were greeted with warm applause and cheers. They said something, (which I cannot remember or did not understand) which caused the audience to explode into applause and then a standing ovation. Most everyone started a slow rhythmic clapping while they chanted, "***Fired up! Fired up! Fired up!***" This group behavior was bizarre and made both of us very uneasy. It seemed very much out of place for a business-training seminar. When the crowd settled down, the couple on stage led in the pledge to the American flag. This, too, seemed somewhat out of place, even though we considered ourselves patriotic. I was beginning to feel embarrassed that we had brought people to this. I remember thinking, "Perhaps this is an aberration." We could only hope. We had gone there to learn the logistics of how to build a successful Amway wholesaling business, as had our friends. Since our sponsors were our ride home, we could not leave. We truly were a captive audience.

The next couple was brought up and identified as our hosts for the day. They were well spoken and professional, thank goodness. They spoke of our speakers, Bob and Wendy,\* with the highest regard. Wendy had already retired, and Bob was going to shortly. They both were in their late 20s or early 30s. Now they had my attention. Bob and Wendy came on stage to a thunderous ovation. There was still an excited atmosphere, but Bob quickly set the tone for the afternoon. He spoke briefly of their introduction to The Business, their early struggles, and their current success. He spoke of Wendy with a great deal of compassion and respect. He introduced her as his partner and the love of his life. Bob gave her a quick peck on the cheek as he handed her the microphone. It was obvious that they had a great marriage. Wendy spoke of Bob with admiration and described him as their children's hero. This all seemed a little surrealistic, but at the same time, it seemed like they had succeeded in areas of life that were important to us.

Wendy spoke almost solely on the woman's role in The Business. The women took the orders by telephone on a certain night and organized the products for pickup a few days later. We would receive orders from the people that we had sponsored. These orders would be compiled on one order sheet and then called in to our sponsor. The ladies were encouraged to go to meetings, training sessions, and seminars with their husbands. After all, it would be far better to be out for a few hours a couple of nights a

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\* Not their real names.

week than have a full-time job and someone else raising your children, wouldn't it?

She reinforced some of the language/terms specific to this business. Your upline was your sponsor and everyone above them in your line of sponsorship. Your downline was everyone that you sponsored and the people below them. People that were not in your upline or downline were considered "cross line" to you. She also stressed the importance of the books and tapes for the women. The system allowed for growth in many areas. It helped build your confidence, interpersonal skills, and beliefs. After using about one-third of the allotted time, Wendy brought Bob back on with an enthusiastic introduction.

Bob literally took control of the room. He opened with some down-home style jokes. His warm, confident smile and slightly self-deprecating humor made him a very easy person to like. He was one of us who had made it. He wasn't slick, nor was he a backslapping salesman. Kathy and I were in awe of this young couple on stage. They were not much older than we were, and yet they had a confidence rarely found in people twice their age. Men and women, representing many successful vocations, were around me taking notes and listening intently to this young, successful speaker. He spoke of the many things that were now becoming familiar to us. The books, the tapes, and the seminars (which were referred to as "functions") were collectively known as *the system*. The system obviously was the key to succeeding, as every speaker made specific mention of it.

Over time, we discovered that the success of the system is probably one of the most frequently promoted topics. The representations made regarding the system are typified by the following comments made by an Amway Emerald at a teaching session after a large meeting in a hotel:

**"I teach ... I don't let people in (Amway) unless they agree to the system." ...**

"To me it is very cut and dry. The success rate in the system is 100%, the success rate out of the system is zero...now, if you asked that question, you probably don't believe that answer right away ... and so I'm going to tell you this. There is not one person that I have ever seen, that listens to a tape a day, reads a chapter in a book every day, does not miss a function and shows the plan at least three times a week and he does that continuously for somewhere between two and five years that does not make a six figure income"<sup>4</sup>

The Amway Emerald hosting the meeting affirmed the statement by saying:

"I think you were a little soft on it but going in the right direction.... That's good ... 100% in. Zero percent out...That's that ...period."<sup>5</sup>

The last topic Bob discussed was "showing the plan." This was Amway lingo for making the presentation. It was also referred to as "drawing the circles," due to the many

circles you would draw out to represent each distributor in the organization when you showed the plan. It did not matter what products you had or how good the system was if you were not out showing the plan to people. This was the work, if you can call it that. It was so incredibly simple. We could hardly wait for the dinner break to be able to talk with our friends about the seminar. Each one of our friends seemed as excited as we were.

As we left the seminar, we noticed most of the Directs were getting into nice-looking luxury cars. Many were climbing into well-polished Cadillacs, and one young single Direct got into a BMW. It was obvious that there were young people making some very good money in this business. We could not wait to get back home to get to work. I thought of a few more people to contact and wrote their names down in the margin of my seminar notes. I wished I had called them earlier so that they could have been here with us.

The night session had a whole different format. It opened up with all of the Direct couples on stage with Bob and Wendy. We were told that this was the awards ceremony to honor the achievers. Our sponsors made certain we were ready to go up. The first award was for the "Eagle Club" qualifiers. The crowd in attendance was told that over 90 percent of the people that qualified as "Eagle," would end up going Direct. Now these were the specific logistics that I had come for. Kerry and Chris would soon give us an Eagle Club sheet that we could fill out as we went along. Eagle Club qualification would take some work, but it was relatively simple. To go Eagle, you had to do several things in a 90-day time frame. We needed to personally sponsor five distributorships and ten more in depth (beneath them). The rest was basically following the system. We needed to read daily from a book on the tool list and purchase the weekly standing-order tape series. Additionally, we were to attend all functions (seminars) for which we qualified and must have 100 percent self-use of products in our home. We had come ready to run fast. We just wanted to know what direction to go in. The Business system was giving us a track to run on.

A couple that had just gone Eagle were brought up on stage and recognized with an enthusiastic applause. They were going to be the next Directs. Our sponsors, Kerry and Chris, were given the microphone and welcomed the new 1000 pins. Once again, we were unfamiliar with the semantics of The Business. We later learned that each new level of achievement in The Business was referred to as a "pin" or "pin level," due to the fact that you are given a small pin, for recognition, to wear on your lapel. We were brought up on stage and greeted warmly by each Direct couple. Our sponsors held the microphone in front of us (non-Directs are not allowed to hold the microphone) and asked our names, where we lived, and how long we had been in The Business. The crowd broke into an excited roar when we told them that we had been in The Business for just over a month. We had no way of knowing that this was unusually rapid growth. We would later work with couples for almost a year to help them accomplish the same goal. Being on the stage made us nervous, but at the same time, it made us feel good about ourselves. The goal now was to return to a seminar and have **ALL** of our people being recognized onstage.

The excitement grew as each new pin level was announced and recognized. Couples paraded proudly onto the stage to be recognized at the levels of 2500, 4000 and 7500 (PV). Some of the comments were as follows: "Now they're making enough to

really make their neighbors mad!" There were a **lot** of people making money in this business. The proof was on the stage. Some of the Direct men spoke of buying their first Cadillac and of their wife's retirement. The Directs on stage were impeccably dressed and all looked like very successful professionals.

Owning a Cadillac was nothing that interested us, but being in a position to keep Kathy home with our baby, Josh, was of tremendous importance. The awards ceremony was completed, and the hosts for the day invited Bob and Wendy back up to the podium to accept a gift. Bob and Wendy were sincerely thanked for taking a day out of their lives and away from their children to come and teach us about The Business. Their wisdom had been greatly appreciated. Then they proceeded to unwrap the gift, and it was a beautiful plaque from Walters International with their names engraved on it.

The Directs moved off stage to their reserved seats on the front row. This was another perk of being Direct. The rest of us had had to wait outside in a crowded room like cattle until the doors opened. A mad rush to the front seats followed. As we were often reminded, the *best students* got there early, took notes, tape recorded everything, and stayed late.

The night session was much more casual in nature. This was not a teaching time per se, but a time for the speakers to share their stories. This session, in Amway lingo, was referred to as "the rally." It took a while to learn this new language! The speakers each made brief references to their lives prior to becoming involved in this business. Most of the evening centered around how the speakers were sponsored into Amway as well as their initial thoughts and apprehensions.

Most of the speakers at these seminars would focus on the many intangible benefits that The Business had provided. Almost all had improved in areas such as goal setting, time management, and communication. Nearly all gave credit to The Business and the system for the wonderful marriages that they now enjoyed. Most of the men spoke of their wives with tremendous pride, gratitude, and respect. Being in The Business was not just a great financial opportunity but also a means by which you could improve every aspect of your life. The women would speak of their husbands with a reflective level of admiration and often comment on how thankful they were to be married to a **real man**. These men were heroes in their own homes. They were men of integrity and good providers.

## **A Godly Business**

*"From the very beginning ...Rich and I sought to run our sales organization according to biblical principles of integrity, faithfulness, and truthfulness. ...A business without integrity will be penalized in the marketplace."*

- Amway Co-Founder Jay Van Andel\*

Something stirred deep within me. I would have given anything to have Kathy

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\* Jay VanAndel from *An Enterprising Life*

feel that way about me. Quite a few of the speakers would give praise, thanks, and glory to their Lord Jesus Christ. Even though we are Christians, these professions of faith in a business setting made us somewhat uneasy. The children of distributors appeared to be the greatest benefactors. We learned that almost all of the women at the Direct distributor level (referred to as "Directs") were stay-at-home moms. This was an option that we had wanted to exercise until our children were of school age. Kathy had a degree in preschool education and was looking into courses at a local college. These courses would enable her to get her BA in elementary education with her teaching certificate and allow her to fulfill her dreams of being a grade-school teacher, once our children were all in school.

We learned that all the Diamonds and the distributors at the "Emerald" level were retired, making at least \$100,000 and had become full-time parents. Having grown up in a family that had not survived the many stresses of life, this would be a dream come true for me. At the core of my being, I felt that I had to be able to provide financial security for my family. To be able to accomplish this and have unlimited time with Kathy and Josh would be a blessing that I could barely comprehend.

There still were small fears and apprehensions, but the more I was in the system, the more comfortable I became. It was a relief to hear that, early on, many of the Amway leaders had felt exactly as we did now as new distributors. Many of the speakers that we would come to hear also had the preconception that Amway was a soap-selling business. We were all relieved to be in what was described as Phase 3 of Amway. This phase was described as network marketing. The evolution of Amway was well described in *The Business Handbook*, which was written by Dexter Yager and his son, Doyle. The description they gave was as follows:

"During 1959 and continuing through the 1960s, **Phase One** of this new phenomenon began, primarily in the form of direct sales. The company, with a relatively small number of pioneering distributors and a limited number of well received products, did \$500,000 in sales the first year. By the end of the decade, sales reached over \$300 million.

Looking back, we now see that **Phase Two** began emerging during the 1970s as a new term was added – "multi-level marketing"—which emphasized the long term aspects of building organizational depth. Distributors began to recognize the additional security through this new business dimension.

During the early 1980s, not only did Amway's retail sales cross the \$1 billion mark and we started exporting our marketing method to other countries, we moved into a new phase. With the introduction of numerous corporate products and services (beginning with the Amway/MCI efforts) into the system, **Phase Three** heralded the advance of network marketing – building on the then – new concept of networking, as prefaced in John Naisbett's *Megatrends*. Corporate America and Wall Street began awakening to the power of network marketing and began knocking on Amway's door."<sup>6</sup>

This development explained why preconceptions had caused some people to have

a negative, if not hostile, reaction to even the mention of the word "Amway." This was no longer a soap-selling business at all! What a relief it was to learn that even some Diamond-level distributors had that preconception upon seeing The Business. Amway Executive Diamond distributor Ed Knickman came into The Business as a successful sales professional with one of the world's leading computer companies. His initial apprehensions were described as follows in *Profiles of Success*:

"It seemed too good to be real," the Florida businessman recalls. "I even had my tax attorney look at it. When he agreed that it would work, Rose and I started figuring out what we were going to do with all the money we were going to make!"<sup>7</sup>

"The Knickmans made several excellent decisions. One of the best was to follow the proven Yager system: attending business meetings regularly, reading positive books systematically, and listening to instructional tapes zealously."<sup>8</sup>

He initially thought he should purchase a lot of Amway literature to figure out how to go sell "all this stuff". More specifically, in speaking about his initial confusion, he said the following:

I think that one of the things that you may experience that I did, having come out of a sales background, I looked at this business and I saw all of these thousands of products and services and my first instinct was to say okay, never mind all this circle stuff, somebody has got to sell all this stuff. It's probably running through your mind too. So my first order, instead of listening to what my upline was telling me, I wanted to go out and order about 50 or 60 dollars worth of literature because I figured I couldn't sell all this stuff without the literature. **I tell you that because I don't want you to make some of the same mistakes I did.** I got excited about this business, like you are. I have seen the little sparkle in both your eyes. I know you're both excited about this. There is another temptation. That is to want to run out tomorrow, go to work, and start telling all your people that you work with about this great business that you have gotten, how excited you are, **and all these great products and services ...you can buy all these things in these catalogs. I can only tell you this. I tried that too and it didn't work.** And then, finally, I wised up and started listening to a guy that you heard from...<sup>9</sup> (emphasis added by author)

We felt incredibly blessed to have a system where millionaires and multimillionaires would teach us either in person or on tape. The difference between Amway and our upline was not entirely clear yet. The more we studied materials we have been given, the clearer it became. Mr. Knickman defined the supply/support roles of Amway and our upline on a cassette tape as follows:

There is actually going to be four of us that are going to be involved in getting started in this business. One part of this four-cornered puzzle is the Corporation that is backing us and supply us. They have a responsibility to do just that. They back us up. They supply us with goods and services. They make the contracts. They run the warehouses. They keep the computers humming and they get the checks out to us on time. That is their commitment to us. There is a support organization that you have heard us talk about. And they are bringing out a lot of experience and a lot of know how, a specific business plan and a lot of tools and support materials that are going to help us work together to build your business.<sup>10</sup>

We came back from the seminar and began to build The Business in a flurry of activity. I still felt that I had far too little knowledge of The Business to make the presentation myself. Fortunately, Kerry was very confident in “showing the plan” (presenting the Amway sales and marketing plan).

This mentorship program was essential for our success as well as those we were to assist. My sponsor would show the plan for us until I was proficient. Kathy and I were very thankful that he was willing to do this for us until I could come up to speed. We were very hungry students. It was clear to us that the best students, in turn, became the best teachers. Whoever helped or taught many people to succeed in this business would then prosper as a byproduct of this servant hood. In a *Forbes* article, Amway co-founder Rich DeVos is quoted as defining his company by stating, "Amway is more than just a company; it's a movement to help people help themselves."<sup>11</sup>

The ‘people helping people’ aspect was the main philosophy that attracted us to this business. This inspired Kathy and I as much as the fact that The Business was founded and built upon principles, values, faith, and integrity. This was far different from anything we had ever experienced in the corporate world. Amway's business network Website, referred to as ABN, described some of the fundamental principles that made The Business work:

### **Freedom**

Freedom is our natural state and most conducive environment in which to live, work, achieve, and grow. It allows for our belief in God and for the opportunity to build a meaningful, purposeful life. The Amway business recognizes, supports, and expands our freedom, which is both personal and economic. Thus, it is our responsibility to insure, protect and sustain our freedom.

### **Family**

The family is our primary social structure, providing love and nurturing, heritage and legacy. The family provides us with a consistent set of values, and a framework for growth and the ability to thrive as individuals. The Amway business respects and supports the family, as evidenced by the Amway Policy Board and the prominence of "family" in Amway distributorships.

## **Hope**

Hope gives us the power to transform our lives in positive ways. It is a force that allows us to envision dreams, establish goals, and achieve great things. By offering hope, we open windows of possibility for others, and it is why Amway speaks so meaningfully to the needs of people around the world.

## **Reward**

Reward involves the shared action of giving and receiving. Reward helps us grow, either as the giver or the receiver, and there are many ways we are rewarded. At the most basic, it is to be acknowledged and loved as a person. To be rewarded also means to be recognized for one's commitments, valued for one's contributions, and compensated for one's efforts. Reward helps productivity flourish by providing both closure for one action and impetus for a new action. Reward is integral to the Amway business as we help each other grow as people and as entrepreneurs.

*These fundamental principles are preceded by Amway's corporate vision statement, which is "to be the best business opportunity in the world."<sup>12</sup>*

It made us proud to be associated in business with people of obvious integrity. Most of the many Diamonds' speeches we heard were reflective of these principles. Not only was The Business based upon a seemingly solid foundation, it worked! This was evidenced clearly by the lavish lifestyles displayed in the book *Profiles of Success* and videos of the same title.

Author Shad Helmstetter published another open letter in *USA Today* regarding his independent findings on the burgeoning success of the Amway business. It read as follows:

### ***“ An American Victory Letter #2***

(Tuesday, July 15, 1997)

### ***“An Open Letter to Amway Distributors & Friends”***

In my research, and throughout the course of writing a number of books in the field of personal growth, I have always looked for those ideas and methods that work best, and help us change our lives for the better.

A year ago, after several years of researching the Amway Distributor organization, I published an open letter to Independent Amway Distributors. Since that time I have continued my research into the Amway organization. I have met and interviewed Amway Distributors at every

level. I have traveled overseas and observed, first-hand, the growth of Amway internationally. I have studied the results in the lives of the individuals and families who are Amway Distributors.

As a result of my research, I have come to believe that becoming an Amway Distributor may be one of the best ideas for personal and professional growth I have ever found.

Here is a brief summary of what I have learned:

**1. Amway works.**

There are successful Amway Distributors today who are the grandchildren of people who became Amway Distributors three generations ago. The Amway business has proved itself by enduring and growing. I, and others, predict that as we head into the 21st century, Amway will be one of the healthiest and strongest independent business organizations anywhere in the world.

**2. Amway has won the respect of business leaders everywhere.**

Through decades of growth and refinement, Amway Distributors represent the forefront of a system of distribution that is state-of-the-art today, and is clearly the coming wave of the future. Amway has emerged at the head of its field at precisely the time when more people than ever want to be independent, work out of their homes, or be in business for themselves.

**3. Amway's success is not an accident.**

The growth of the Amway Distributor organization itself is based on solid principles and values—family, home, integrity, real goals, helping others, and honest achievement. Independent Amway Distributors are our neighbors, our families, and our friends. When I met and studied the people in the Amway business, I discovered they are people just like us, who share a common goal to improve their lives, create the best for their families, and make the world around them a better place to live.

**4. Being in the Amway business creates a winning way of life.**

There is an attitude throughout the Amway organization that is healthy, positive, and filled with belief. It is a

reminder of the same kind of determination, spirit, and strength of character that made our country great in the first place.

Shad Helmstetter, Ph.D.”

The credibility seemed to grow in tandem with Amway’s now escalating multi-billion dollar global annual sales. We occasionally received photocopies of Amway bonus checks that members of our upline had deposited. One set of these checks came from Zack and Molly Walters. There were six checks that came in over a two-month period. The grand total of these checks came in at just over \$166,000. Another set that we received came from Dexter Yager and his wife, Birdie. Once again, it was pointed out that these came in during about a two-month time frame and had a cumulative total of over \$2,132,000. This income was for only two months! Zack and other Diamonds later emphatically stated, "Many of you will earn a strong seven-figure income." Several of the Diamonds had their own private jets. Certainly, no one was going to tell us that Amway didn't work. It was working for somebody!

I was doing four out of five activities in the system. The books and the tapes were inspirational. The large group seminars helped us visualize success and picture one day having a large organization. We understood the talks on product loyalty. Over and over again, the distributors heard, "99% loyalty is 100% disloyalty." We had to use **all of our own** products. Products purchased outside of Amway were referred to as "negative" products. We were told that distributors would even look in the closets in our bathroom when they were over for meetings. We certainly could not afford to have them find a negative product and think that we did not believe in The Business. There were even little, orange, "hazardous material," negative, product stickers that you could order that had a skull and cross bones across them and said something like, "this product may be hazardous to your PV." One prominent Florida Diamond talked about having negative PV raids on the homes of his downline distributors. It sounded like it was done in fun, but they would actually run through the distributors' houses, either labeling or collecting all non-Amway products. This was serious. We purchased the products from "**OUR**" business, and consequently, they were going to lead to our financial freedom. Products like Tide were not going to pay for our kids’ college education. Brand loyalty was essential for success.

Products like the vitamins and dog food seemed outrageously expensive. However, we could not afford 99% loyalty. We were taught that the key to this entire business was duplication. Our group of distributors would duplicate what we did or did not do. We were also advised that our downline distributors would duplicate what we did wrong more often than all the things that we did right. There certainly would be no negative products found in *our* home. It would be financial suicide to do anything other than use all our own products. It would also show tremendous disrespect to your upline (who was working for you) if they saw negative products in your home. They would think that you were not serious about The Business or your future, and they could choose to help someone more committed. Our children would eventually learn to not even ask for any non-Amway purchased products. They would soon realize that products from **OUR** business were going to bring Mommy and Daddy home and take them to Disney World. This was so simple.

The critical element to success, however, was still missing in our case. Yes, we were listening to the tapes, reading the books, going to the seminars and using ALL our own products, but I was not yet showing the plan. It didn't matter if we did everything correctly—if we had no organization in which to duplicate the proper business building techniques. Kerry would get up and show the plan and let me say a few words at the end. It took a little while, but eventually, I studied it long enough to be able to show the plan on my own. When the people that we had sponsored finally saw me showing the plan, it gave them the confidence to go out and do it themselves.

Soon, we were moving many Amway kits on a regular basis. Kerry let me know that I could not continue borrowing all his tapes indefinitely. I had become a tape junkie from the ones that he had loaned to me early on. Five dollars a week for a cassette seemed like a lot, but I signed up for the standing-order tape program. The tapes would just come automatically with our Amway product order every week. We duplicated this immediately, so that all our distributors would get their tapes automatically and all the information that they needed. After all, it only made sense that they had a millionaire on tape teaching them as opposed to me.

Something happened one day at product pick-up that at first made me very uncomfortable. I was carrying boxes of tapes and Amway products from my sponsor's basement to my car. As I loaded the last box, she smiled and said sweetly, "We love you guys." I smiled and left quickly. They began to tell us this more and more, as did other members of our upline, as we got to know them. They told us we were special people and had unlimited potential with the way we were able to relate to people. It seemed strange at first, but it was refreshing to be around a group of people that were so uplifting. Over a period of years, we would eventually become closer to this group than any of our former friends or family.

In mid December, Kerry and Chris came over and described to us what was essentially the opportunity of a lifetime. It was a weekend-long seminar almost five hours away. It was early in January and was called Dream Weekend. There were several reasons we could not go. First, we were feeling overwhelmed! Although we were enthusiastic, our total involvement was all moving far too quickly. Second, we had an infant son, Josh, and we were unwilling to leave him for an entire weekend. Third, we did not have the several hundred dollars that it was going to cost for the seminar and lodging in the high-end hotel, in which it was scheduled. There was just no way it was going to happen. We would catch the next one when our situation was better. Kerry and Chris were very persistent. This was something that I would thank them for later

They explained that Josh was the biggest reason that *we needed to go*. His future could hinge on this important seminar. There were many millionaires and multimillionaires that were flying in from all over the country to teach those who 'really wanted to learn.' Money was tight for us now, but after a function like this, it probably would never be a problem again. Being strapped financially was actually another major reason to go and learn from people who were financially free. We could even bring Josh with us to the seminar and were encouraged to bring food in a big cooler to save money. After hearing all this, we felt like we had no more excuses. All the issues that caused us to not want to go were presented as the biggest reasons we needed to get there. We reluctantly agreed to put the trip on a credit card. This Dream Weekend could actually be what allowed us to become debt free. I internalized their nudging as meaning 'invest in

yourself now for a brighter financial future.’ If I didn't invest in myself, who else was going to? This concept of investing made sense to me. *There was no way for me to foresee that by utilizing these principles, I would later be used as an unknowing dupe to extract millions of dollars from many, many good people.*

By this time, we had quickly qualified as Eagle. We were well on our way to Direct. We could convince no one else in our group to attend Dream Weekend with us. That was okay. From the books and tapes, I was beginning to understand how leaders think and act. Leaders lead. With much anticipation, we made the long journey with Josh to the seminar. We arrived at the hotel, checked in, and changed into our meeting clothes... a conservative dress for Kathy and the standard suit and tie for me.

The meeting area was an enormous ballroom. I had been to many corporate functions but had never seen anything of this magnitude. There must have been at least 2000 people there. They all seemed very enthusiastic and friendly. It was the most positive, energetic group of people I had ever seen in my life. It was also a group in which you felt very safe. It was almost like a family. Speakers at these seminars often commented on the fact that this was probably the only group where a woman could leave her purse on a chair or table and not worry about it for hours. Things could not have gone better.

We learned that there was special reserve seating right up front for the Directs and new Eagles. We walked from the nosebleed section right up to a table near the stage. We were fortunate enough to be seated with two young Direct couples that gave us tremendous encouragement. They were where we wanted to be someday. They were making at least \$25,000 working only part-time. We thought what a wonderful business this was where people who didn't even know us would give us encouragement! The weekend opened with the traditional prayer and pledge. We were becoming more conditioned to this sort of thing, so that it no longer made us uneasy. As a matter of fact, we were now becoming proud to be part of it. Zack and Molly were the hosts and were greeted with a thunderous ovation immediately upon their walking onstage. We were now participants and were standing and clapping with contagious enthusiasm for them. We had crossed the line. We were no longer spectators or observers. We were "in."

The people at our table could not believe how fortunate we were to have had Zack do a meeting for us in our home. They told us of the enormous global empire he had developed. We, too, were slowly beginning to understand how very fortunate we were to be personally working with Zack. There was one perception that was firmly cemented in our minds as we attended the seminar. What was very clear was the euphoric understanding and belief that this business worked and did so in a big way. All of the speakers had come into the Amway business with some misgivings and apprehensions. Many had overcome incredible struggles and were now completely financially free. More importantly, they had no jobs and unlimited family time.

## **A New Line of Reasoning**

*“We at Empower America are interested in bringing Democracy and freedom and entrepreneurial capitalism to the rest of the world. I’ve got a great way to do it. If we want to*

***bring down astro and bring down Communism in Cuba... send them some Amway distributors... that will do it!"***

- Jack Kemp \*

Without our knowledge, an educational indoctrination process had begun that would ultimately alter and control nearly all of our fundamental beliefs. Up to that point, politics had never been a real issue of interest to me. At this seminar and most that followed, we began to learn about the evils of liberalism and of the Democratic Party. It seemed that the liberals wanted to take from the hardworking, honest producers (us) and give to the lazy, nonproductive members of society (them). Even our taxation system was deemed to be incredibly unfair. It seemed that the rich (the producers) paid the great majority of the taxes, which ultimately benefited the lazy members of society who chose not to work. They tried to explain that logically there ought to be a tax on the poor. After all, it was the lazy poor who were the ones that were constantly draining the system that was supported by the hardworking families in America.

It certainly did not seem fair that hardworking families, like ours, supported the third and fourth generations of families that were non-productive by choice. This made me quite angry, once I began to *understand*. I went from having compassion for the poor to contempt for them. This did not happen overnight or over the course of one weekend. This type of information was continually reinforced through tapes, videos, seminars and training sessions over a period of years.

Unknowingly, distributors tended to develop and embrace a totalitarian we/they or us/them paradigm. This was most clearly evidenced a few years later at another Dream Weekend held in Washington, DC. As chance would have it, another group, called the Rainbow Coalition, was having a seminar at the same location. Jesse Jackson was there to either speak or lead the conference. They, too, were a very well-dressed, sharp-looking group of people. Their group also had tables where people could buy books and support materials. In fact, our groups appeared nearly identical with the exception of one clear distinction. They were Black Americans, and our group was almost entirely Caucasian. The Diamond leadership had a field day when one of our distributors spotted a book on "their" table for sale. The topic was something to the effect of how to get social security at any age.

This became a topic that several speakers addressed with lots of emotion. Here *we* were teaching people free enterprise, capitalism, self-sufficiency and the work ethic. It was hard to believe that *they* were in the same building, promoting how to leech off the government and the producers. It was portrayed in a manner that almost made it seem like a battle of good vs. evil, strong vs. weak or the diligent working vs. the lazy.

At this seminar in Washington, DC, we learned of another great evil that had the potential to inflict great harm upon our families and the American family unit, in general. It was the National Organization for Women (NOW). We learned that they were trying to redefine the role of women in America. It seemed as if they almost wanted to make women into men. They were described as "Femi-nazis." The exodus of women from the home and into the workplace was actually tearing at the very moral fiber of what made this country strong. Amway Diamonds would often make statements, "*There is no*

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\* Jack Kemp, on Faith, Family, Freedom & The Future audiotape FED 94-7 copyright Internet Services Corporation

*amount of money that my wife could earn outside of the home that could replace the good she could do for the children within it.*" In a sense, I agree and still agree with the basic premise of this statement. Initially, this was an opinion that Kathy and I shared, but it is not a moral yardstick by which we cast judgment on others.

In our Amway experience, women who choose a career "over" their children were deemed to have a lack of values or were just plain stupid. Distributors would often hear other comments. "Why do you think she's working, because she hates her kids?" To not openly offend the un-indoctrinated, these types of remarks were often cushioned with a disclaimer such as, "I certainly understand the bad position that these women are in. Some are forced into the workplace, because they are married to a man that just isn't a man. I don't know about you guys, but I did not marry my wife so that she could pay her half of the mortgage." This would put tremendous pressure upon the men to be "real men," as defined by the system. The well-meaning husbands now had enormous psychological and emotional pressure to build this business aggressively to "bring their wife home" and prove their love, while retaining their manhood. If you could not accomplish this, it would cause a long term, psychological self-emasculatation. Rescuing your wife from the workplace was something that every **man** needed to do and do quickly.

The Diamond leadership became aware of the fact that the National Organization for Women had rented the very same facility for a national conference the next weekend. Once again, we were faced with the conflict of good vs. evil. Who would protect our families? God certainly would if enough of us would rise up. One of the leaders led somewhere near 2,000 of us in prayer against the National Organization for Women and its leadership.

The only specific of the prayer that I remember clearly was that God was asked to create confusion and dissention at the meeting and among NOW's leadership. A couple of weeks later, we were joyfully informed that the meeting held by NOW had been a disaster. We were told that the president had announced that she was a lesbian, and there was a massive power outage in the middle of their conference. Certainly, God had answered all of our prayers and had provided protection for all of us who loved our families.

Another great evil that we had been unaware of was that of organized labor. Distributors were advised that unions generally used their clout to actually protect nonproductive people and reward them with a high pay scale. This was one of the great problems with America, and one of the reasons we, as a nation, may have had challenges in competing in a global marketplace. The "union mentality" was a subject of constant derision at seminars and training sessions. This was one of the reasons for the extremely high costs of putting on a major seminar in any of the cities that we attended. *The American people "needed to be educated" on some of the fundamental principles of capitalism for the country to remain strong and survive.*

The "entitlement attitude" that unions allegedly maintained was very harmful to our country. There were countless references to lazy people who made statements like "that's not my job." Complaints were voiced that, "a lot of people seem to stop looking for work right after they get a job." We needed to develop the strong work ethic, teach it to our children, and duplicate it throughout the country to make our nation strong once again. Distributors were advised that unions wanted to extract unlimited income from

companies without any corresponding effort or benefit. This type of attitude could bankrupt companies and be the downfall of free enterprise.

It was presented that perhaps the worst of these unions was the National Education Association (NEA). This allegedly was a group determined to subvert our family values and Christian beliefs, in general. It was another liberal group that reportedly used its clout to do many bad things. First, it wanted to protect its poor teachers and non-producers by allowing them to hide behind tenure. If they were not good teachers, they should be fired! Forget tenure! This was not socialism or communism, which were topics that they were freely teaching our children. Distributors were also advised that teachers in this liberal system had free rein to teach our children homosexuality, sex education, and even Satanism, despite our wishes.

Once again, this set of beliefs was not created in one day or over one weekend. This paradigm was developed and nurtured in many tapes, seminars, and training sessions. Occasionally, a public school teacher in the organization would talk about some of these topics from firsthand experience. This caused us not only to fear public education, but also, eventually, to view it almost as a form of child abuse. As our family grew, we finally enrolled our children in a small Christian school to insulate them from this evil. Other distributors did the same or chose to homeschool.

Early on, the prayer and the pledge and all of this education about politics and unions seemed out of place in a business meeting. It was explained that we needed to be very knowledgeable in these areas to be able to vote correctly. A well-placed vote would protect the future that we were working so hard to build. Distributors were encouraged to do more than just vote; they were also to contribute financially to the campaigns of those conservative Republicans who were brought in to speak to us. It did not matter if they were not from our home state, as we were urged to get them in office in order to get the whole country right. We were thankful that our leadership had more concern for us than simply our financial success. It was refreshing to be around people that truly wanted to have their lives make a difference in the world. Once again, *Forbes* seemed to have a firm grasp on this movement when it reported:

In a world where many people find little satisfaction in the paychecks they receive from big companies or public agencies, such visions of financial independence are often compelling. But Amway goes a crucial step beyond mere money. It offers its recruits membership in a community of like-minded people – entrepreneurial, motivated, upwardly mobile people who believe in their country, in God and in their family. "This country was built on a religious heritage, and we had better get back to it. We had better start telling people that faith in God is the real strength of America!" Richard DeVos writes in his book *Believe!*

.....Amway Distributors are bound by a set of shared beliefs reinforced by myths, icons and documents. They are expected to read self – improvement books (popular titles include *Believe!* and *How To Be Happy Though Married*). They purchase and listen to Amway-sponsored inspirational cassettes (usually live recordings of their "upline" leaders' speeches and seminars). And they are expected to use only Amway products in their personal lives.

.....Amway rallies typically resemble a mix between a rock concert and a religious revival meeting. The evenings are often kicked off with inspiring music – the theme from *Rocky*, say, *Chariots of Fire* – followed by much audience hand – holding, singing, swaying and listening to testimonies. Some Amway leaders, such as Dexter Yager, are famous for working their crowds into Amway chants and for revving their audiences with inspirational speeches that last into the early-morning hours. If Amway seems like a commercial version of fundamentalist religion, DeVos offers no apologies. "For a lot of people, Amway is their only route out (of poverty)," he says. "So Amway relates right down to the grassroots, right down to where people live."<sup>13</sup>

We left our first Dream Weekend with total confidence in the knowledge that this was a good and honorable business and that we could succeed. More importantly, we could help our family and friends succeed in the process. Again and again, these words were used reinforce the all-for-one and one-for-all propaganda: "A rising tide raises all ships."

***"There are three ways the desire to control others expresses itself: manipulation, intimidation and domination."***

- Derek Prince \*

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<sup>1</sup> Getting Started Literature from Follow Up Pack

<sup>2</sup> Walter's Tape of The Week

<sup>3</sup> Getting Started Literature from Follow Up Pack

<sup>4</sup> Amway Distributor Leader 02/16/99 Open Recruitment Meeting at Hotel

<sup>5</sup> Amway Emerald (Kerry) 02/16/99 Open Recruitment Meeting at Hotel

<sup>6</sup> *The Business Handbook*, Dexter R. Yager, Sr. with Doyle Yager p. 68

<sup>7</sup> *Profiles of Success*, Copyright Internet Services Corporation 1978, 1995

<sup>8</sup> Ibid

<sup>9</sup> DBR-769 Your Next Move Copyright Internet Services Corporation

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\* Prince, Derek, *They Shall Expel Demons*, Choice Books, 1998, p. 137.

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<sup>10</sup> DBR-769 Your Next Move Copyright Internet Services Corporation

<sup>11</sup> Forbes, December 9, 1991 p. Klebnikov

<sup>12</sup> Amway Business Network Site post July 12, 1999

<sup>13</sup> Forbes, December 9, 1991 p. Klebnikov

CHAPTER 3

# Fully Committed

*“Amway distributors are dramatic proof that the American spirit of free enterprise is, and will continue to be, a vibrant force for good at home and around the world.”*

- Gerald R. Ford, 38<sup>th</sup> President of the United States \*

We came home from the Dream Weekend seminar with a euphoric mixture of motivation and exhaustion. Some of the meetings had gone until past 1:00 a.m. The odd part was that almost no one got up and walked out, even after midnight. Others must have been used to this. We did not yet have that kind of endurance. What we lacked in endurance, though, we made up for with work.

Soon, I was doing one-on-one presentations and group house-meetings almost every night. The numbers began to grow rapidly. It was not long until we had our own "open meeting" in our town. This proved a tremendous advantage in furthering the growth of our organization. In an open meeting, a very successful distributor would show the plan on a large board and easel in the ballroom of a local hotel. This was a very professional setting and added to the credibility of our now rapidly expanding business. The open meeting was held once a month and was presented by either an Amway Profit Sharing Direct-, Emerald-, or Diamond-level distributor.

This terminology of the various levels requires some definition and description. A Profit Sharing Direct was a distributor who had maintained 7500 PV for six months in the fiscal year. An Emerald distributor had not only achieved the level of profit sharing but had helped at least three of his down-line distributors accomplish this as well. We were informed that Emerald distributors made at least \$100,000 a year. Most were able to retire at this level. The standard repeated slogan was "three you're free, six you're rich." Diamond distributors were those who had helped at least six different distributor organizations reach the level of profit-sharing in a fiscal year. We were told that the lowest representation of income at this level was normally around \$250,000 a year.

It certainly was a thrill to have many young, financially free distributors show the plan, and teach us and the “leaders” we had sponsored. The most important part of these meetings was the *nuts-and-bolts* teaching sessions after the prospects had left the room. As distributors, we could write questions on a piece of paper and pass them forward to be answered by the guru *du jour*.

We ‘went Direct’ in a little under a year. This certainly was an exciting time! The real thrill was not for us to be recognized on stage, but to see distributors in our group brought up and recognized at each new level. When Kathy and I went Direct, it gave all

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\* Take Charge of Your Future; Stock No. SA-217, copyright 1997 Amway Corporation

of our friends the hope that they could do it too. A renewed, high-energy level rolled through the organization, as it began to pick up momentum. We now had an open invitation to all of the Direct meetings. We got there early with notebooks and tape recorder and stayed late. Here we began to meet the Emeralds and Diamonds that we had only known from a distance. We *felt* as if we had known many of them intimately from listening to all of their tapes. We wanted to know what they knew, and we wanted to have the family-oriented lifestyles that they described.

The teaching at this level became far more streamlined. We had heard many times about the Cardinal Rules, but they were repeatedly hammered home at this level. "**The Cardinal Rules**," distributors were advised, "**were rules that you must *never, never, never, never, ever violate.***" It sounded a little hardcore, but Direct-level distributors were advised that violating any of these principles could cause significant damage to even a large organization. At lower levels, these rules were important, but at the leadership level, they were as vital as water is to life. Our upline Diamond shared these principles with us solely to assist us in protecting what we were working hard to build.

*"When a movement requires you to lose your identity, most times the movement is a cult."*

- Billy Hornsby\*

## Never Pass Negative

The first cardinal rule is that a distributor should never speak negative words. You were not to talk negatively about a situation, a person, or product. My firsthand experience with this came fairly early on in The Business. Kerry and Chris had given us a chocolate food-bar to try that had come from The Business. The next time I saw them, they asked what I had thought about it. In **my** mind, that meant I was supposed to give them an honest opinion. I told them that it tasted okay, but it seemed grossly overpriced. They smiled and did not really make any comment at that time.

In a week or so, we had a training session for the group. One of their talks was on the topic of "never passing negative." Specifically, if you do not like a product or feel that it may be pricey, don't ever speak it. Why? Because someone in your group may like it and may determine, by their standards, that it is reasonably priced. This business was predicated upon successful duplication, and if everyone spoke about the one product they did not particularly like, a new distributor might get a poor impression of the product line. I understood the strong message, and on the surface, it actually seemed to make sense.

There were **never** any "problems." There were only "challenges" and "opportunities for growth." If there ever was a challenge in the group, you were never to discuss it with downline. We could take the limited time we had with our people to either give them words of encouragement or discouragement. It was only productive to take challenges upline for discussion and resolution. There was never a need to burden

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\* Hornsby, Billy, *The Cell Driven Church*, Kingdom Publishing, December 2000

someone with a challenge that did not affect them personally. One of the common sayings used to illustrate this very important principle was, *"Remember to only 'throw up, never down.'"* In a family, there were challenges that a father and mother handled without the children's knowledge, but for the children's own benefit. This was very much the same.

Even more important than never speaking negative words was the policy of never thinking negative thoughts. It was important to have enough discipline never to allow your mind to entertain a negative or doubtful thought. Why was this so important? It was simple.

We were taught that by nature we moved in the direction of our most dominant thought. One of the most valuable things that I learned from Zack and quoted often was this: *"Your actions will follow your thoughts, just as surely as your shadow follows you."* He spoke often of the vital importance of controlling your environment. That was brilliant! If our actions gained directional control by our thoughts, the key to success was this: We simply had to have enough self-discipline to control our most dominant thoughts. That was why the system had been so essential to the success of all those who had gone before us. It helped to maintain focus and also block out the negative.

In light of this, it was vital to avoid negative thoughts, negative people, and negative counsel. In the book *Mark of a Millionaire*, co-authors Dexter Yager and Pastor Ron Ball spoke to this issue. They explained that it was important to learn to avoid bad counsel. The characteristics of bad counsel were as follows:

**1. *Bad counsel is negative.***

Negative counsel comes from well-intentioned people who keep telling you what *not* to do. "Don't try..." "Don't do..." "Don't reach for..." they always tell you no when you need to hear a yes. I'm not saying that counsel can never tell you something that you don't want to hear – sometimes it must, but then it should provide you with a positive direction to replace the negative warning. Counsel that is always negative is bad counsel. Avoid it.

**2. *Bad counsel is almost always over-cautious.***

Bad counsel will warn you about every danger, caution you about taking any risk. It tends to be extremely conservative. It makes you afraid to move, wary of the consequences of any action. Bad counsel tells you not to build a business because of the financial risks, or not to grow too big or else you'll be a materialistic person, or don't try to accomplish something that might make someone mad at you. Again, it's not that caution can't be valuable advice, but that counsel that is entirely cautious can paralyze you.

**3. *Bad counsel is oversensitive about other people's opinions.***

If you're getting counsel from someone, and they're always counseling you to be careful of what so-and-so thinks, take it with a grain of salt. Remember that if you accomplish anything significant, someone is bound to criticize.

**4. *Negative counsel creates confusion.***

Instead of helping you think clearly and get your goal in focus, bad counsel confuses you and blurs your vision for the future. Counsel should be clear and logical.

**5. *Bad counsel violates the principles of the Bible.***

I don't make any apology for that statement because I believe those principles are basic to your life and your success. To go against the teachings of the Bible is to jeopardize everything you love and everything you hope for. If you violate the principles that God has given, then you endanger your family, your children, and yourself. You play a fool's game of high risk with God. You want counsel that's consistent with what the Bible really teaches."<sup>1</sup>

This information helped us block out the ridiculous stories we would hear about people that came into Amway and left after losing their homes, going bankrupt, or having \$5,000 worth of soap in their garage. Diamonds finished those stories by saying "if a guy lost his shirt in Amway, it must have been a pretty cheap shirt." As distributors, we often laughed among ourselves at the idiots who would believe and repeat such stupid stories. Little did we know that we also would eventually be forced into bankruptcy and face losing our own home.

## **Never De-Edify**

*"...the cults almost invariably teach their followers not to question, not to interact with outsiders (especially ones critical of the cult's beliefs) and to depend on the cult authority structure to tell them what to believe without any personal reflection at all."*

- Dr. Walter Martin \*

The second cardinal rule was that a distributor should always *edify*, or build up, his or her upline. The more you built up your upline verbally, the more effective they would become in working in your group. It would then only benefit you to give a great verbal introduction to your sponsor at a meeting or training session. This would give them more credibility, which they could use to assist you in developing your business. Distributors were often told stories of people who had all the potential in the world but had blown themselves out of the business, because they had an out-of-control ego. Part of being an outstanding leader meant that you had to have been an outstanding follower.

The distributor was never to contradict or criticize his upline openly, as this would

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\* Martin, Walter, *The Kingdom of the Cults*, Bethany House, Oct. 1997 Anniversary Edition, p. 36.

set up a pattern of bad duplication. Phony edification was as bad, if not worse, than open *de-edification*. This would involve being loyal and complimentary to your upline in person, but being critical when you were alone with members of your group. This false loyalty, distributors were taught, would always come back to get you. Specifically, if you criticized your upline, you were teaching your group to be critical of you. Once again, a marriage analogy was often used for illustration. There were times when a husband and wife would not agree on the topic involving the children. However, they needed to always show a "united front" before the children and resolve their differences in private.

## Never Cross Line

The next rule requires a basic understanding of the network or multilevel marketing structure. As mentioned before, your sponsors and the people above them were your **upline** and had a vested interest in your success. The distributors that you sponsored and those below them were your **downline** and were distributorships in which you had a vested interest. Any other distributor would be considered **cross line**. For example, let's say your sponsor sponsored you and another couple named Bob and Mary. Bob and Mary, and the entire organization that they developed, would be considered cross line to you.

*"Never cross line"* was a core principle that referred to not having business-related or personal conversations with distributors that were cross line from you. It was recommended that you had little or no social contact with these people as well. The reasoning was that this could cause confusion and inadvertently damage both of your businesses. Here was the scenario that was normally utilized to explain this situation. Bob and Mary had 10 people personally sponsored and went to their upline for advice. Their upline gave them specific, business building advice, based upon the structure of their business. Bob and Mary were told not to sponsor anyone else personally and just to work *depth* (working **depth** was a reference to helping those that you sponsored to sponsor others and then helping those new distributors do the same).

You, on the other hand, may have only sponsored one other couple so far. Your upline told you to personally sponsor five more as fast as possible. The danger of cross lining appeared when you were having a casual conversation with Bob and Mary. You mentioned that you were told to sponsor five more as soon as possible. Bob might say, "That's odd, they told me not to sponsor anyone else right now. I wonder which advice was right?" Your upline gave advice to suit the specific need, just as a physician prescribes different medications for different ailments. To compare notes and hear seemingly contradictory advice could create confusion and a loss of faith in the upline's advice.

Early on in the business, Kerry and Chris called to talk to us about a couple we had sponsored named Justin and Samantha.\* Kerry and Chris found out that Samantha had been taking walks for quite some time with a neighbor who was now in Kerry and Chris's organization. We were told to call Samantha and have her stop doing this, as they were now cross line. This all sounded a little too "Big Brother-ish" to us, and we flat out

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\* Not their real names.

refused to tell Samantha to stop walking with a good friend. We agreed to recommend that they not discuss business and left it at that. We understood the importance of the principle but figured our sponsors desired us to enforce it to an extreme that was certainly a little more zealous than it could ever be intended.

## Never Implement New Ideas

The beauty of the plan and its accompanying system was its simplicity. To bring in hundreds of distributors, and eventually thousands and tens of thousands, the process had to be kept very simple and exactly duplicate-able. To implement one small change could have as dramatic an effect as having a ship that was crossing the Atlantic off by four degrees for the entire trip. Initially, there would be no noticeable variance from the planned route. However, at the end of the journey, the ship would be literally hundreds of miles from its intended destination.

One analogy that we were all familiar with from our grade school days was that of whispering a secret to a child in the front row. This child, in turn, tells the student behind her, and this process continues until the last person in class has the message whispered to him. It is almost comical to hear the bizarre message that emerges after several permutations in the communication process. This is why we **had** to keep *the system* pure. Prospects were invited in the same manner, shown the plan in the prescribed way, followed up on with specific starter materials and started in The Business and on the system in a nearly identical manner around the world.

We were told that there was no need for new ideas. Both couples, Dexter and Birdie and Zack and Molly, had spent over two decades in developing the perfect system and pattern for success. We did not need new ideas! What we needed were new people in a system that worked. This was where the importance of **counseling** came into play.

One of the benefits of working with people who were successful in this business was that once a month you could get with your upline *to counsel*. This afforded you the opportunity to ask specific questions and to increase the profitability of your business. Additionally, if you had a challenge, your upline could provide a quick solution. This was entirely logical, because it was nearly impossible to develop a new scenario that they had not already dealt with somewhere in their organization.

We were very blessed in that we had sponsors who were already successful and were such a tremendous encouragement to us. They were terrific up-lifters and made us feel as if we were truly leaders. We greatly appreciated their efforts on the behalf of our business. In the process of building our business to the Direct level, we met several other members of our upline. All of them were extremely complimentary and helpful in developing the foundation of our business, from which a global enterprise developed.

## Kindred Spirits

*"I want you to know that I love each and every one of you"*

- Amway Crown Ambassador Dexter Yager \*

It took a while to get used to hearing the words, *"We love you guys."* Many of the speakers from stage would say they loved us, because we were kindred spirits, so to speak. We were on the same journey and understood each other. We began developing very strong emotional bonds with those in our organization as well as in our upline. It became very much like a family. This was the most loving, compassionate, encouraging, God-focused group of people that we had ever been associated with. These were the people that we wanted our children to emulate. We felt, we now had an incredible environment in which to raise our children.

There were now many distributors in our organization\* that were much more like family members than business partners. We had begun spending a great deal of time together. Rick and June were one of these great couples. They came into the business as quiet, somewhat shy people. It was incredible to watch them blossom as leaders in the organization that they developed. Like us, they saw their distributors as partners more than downline. Both Rick and June overcame their natural shyness and became very effective public speakers. Their love for The Business and particularly for their people was quite apparent. Their combination of sincerity and professionalism enabled them to build a very credible organization. In their group were teachers, attorneys, physicians, insurance professionals, a pastor, and other people from many walks of life. It was a thrill to see them recognized onstage at seminars for their accomplishments!

Then there was Kirk and Linda. They both came to The Business from professional backgrounds. In contrast to Rick and June, Kirk and Linda were extremely comfortable in leadership roles. They enjoyed public speaking and excelled at it. They became the role model for the work ethic among leadership in our organization. There was no limit to how many miles Kirk was willing to fly or drive to build their business, with the goal of ultimately purchasing 'his freedom.' The organization that they developed would eventually span many states and expand its outreach into South America. We took great joy in building The Business together. I particularly appreciated their leadership and work ethic, as I did not have to spend much time in their organization once it was up and running. They established challenging goals and pursued them with dedication.

There was another wonderful couple named Dean and Kelly. They were in their forties and were models of integrity. Their daughters often babysat for our children, as our family grew. Our children literally grew up together because of this contact. They were not bold, confident speakers but made up for this with sincerity and compassion for others, making everyone around them feel comfortable and welcome. Dean and Kelly

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\* Crown Ambassadors, Dexter & Birdie Yager Stock No. FED 94-12 Copyright Internet Services Corporation

\* I am not using their real names in this book in order to protect their identity.

were a special breed. They were the kind of friends that you knew you could trust without reserve. These qualities, combined with a great sense of humor, afforded them the ability to develop an organization that included quite a few Directs and an Emerald. This organization would include police officers, a surgeon, CPAs, a financial planner, and members of nearly every respected profession. This group grew from humble beginnings in a small, rural town, eventually extending into many states, Europe, and the Philippines.

These were just a few of the many very close friendships we developed, as we were building The Business. We spent countless hours together in open meetings, at seminars, and in cars driving great distances to do "house meetings."

Gradually, these people became our family. We all came into the business with the understanding that we could build on a *"very limited part-time basis,"* when it would fit in our schedules. After listening to the tapes daily, reading all the books, and going to the seminars, many of us found ourselves going out four, five, six, and some even seven nights a week building The Business. It was a slow, unnoticed alteration in our life. *We now understood free enterprise and the rewards that were available to us and to those we loved.* We had a new understanding, and we were no longer willing to suffer the oppression of regular jobs.

Thankfully, we had all learned quite a bit from the system and our upline. Distributors were advised that it was okay if they did not want to have a luxury home, new vehicles, furs for their wife, or family trips to Hawaii and Disneyland. Our efforts at our jobs were providing these luxuries for our bosses and the stockholders.

There were several examples that were frequently used to reinforce the group's paradigm that employers were oppressive. A rhetorical question often asked of male distributors was this: "Who do you love more, YOUR wife or your employer's wife?" Some Diamonds would remark, *"You must love your boss more than your wife, since you have decided to spend more time every day with him."*

Others would make joking comments to the effect of: "Scientific surveys have documented that your wife is peaking sexually at about 1:00 p.m., and you missed it by being at work. Had you been a retired Emerald or Diamond, you would have been home more often to capitalize on this scientific phenomenon." Another Diamond described people who had jobs as "handicapped in a sense." Having a job was referred to as the form of modern-day slavery that many of us chose to voluntarily submit to before coming into The Business.

The basic theology or doctrine that many of us would eventually embrace as our own, after hundreds of hours of tapes, training sessions, and seminars, was fairly simple. Why would a person of reasonable intelligence choose to put himself in a position where someone else (an employer) would have near total control of his time and income? The rhetorical question often asked at seminars and meetings was this, "If someone else controls your time and your income, they actually control what?...They control your life." Why on earth would you want to slave away and get paid wholesale for your time, when your boss charges retail for it? You would be at the economic disadvantage of going to the store as a consumer and paying retail for products with money from a "wholesale" income. In your own business, you get paid retail for your time and buy products at wholesale. Because you are the business owner, the fruits of your labor will be on your tree. How many professionals do you know that slave away at a career, and when they stop working, the income stops? In addition to that, they have built no equity.

In this business, you could create a permanent, residual, walk-away income that you could will to your children for the estate purposes.

In addition to the working career, you were investing your life in something that had little or no security. Don't we all know people who were faithful, hard-working employees, only to get laid off in their late fifties, just before they became fully vested in their retirement plan? They would then go to Wal-Mart and could not even land a job there, because they were totally over-qualified.

In many meetings, the acronym, **J.O.B.**, was used with great frequency. If you have a **J.O.B.**, you may be **Just Over Broke**. A member of our upline would even state that it was your boss's specific goal to keep you broke; otherwise, you would have the ability to leave. We were told that you were paid what your job was worth, not what you were worth. Your employers' objective was to keep the position filled for as little as possible. If you had a **J.O.B.**, you might not know it, but the word job was a Latin word. The root word's original meaning was "jobus operandi," which translates today into "**Jerk On Board**", or so the joke goes. An Amway Emerald would often describe the time that he and his wife both had jobs and referred to themselves as "double jerks." Knowing the above, if you chose to spend the rest of your life working at a job for a boss, most likely you were a "**Jackass Of the Boss.**" With the climate of corporate downsizing at the time, these philosophies fed the fears of many people who had legitimate concerns about economic security in an evolving marketplace.

I certainly did not hate my career, but at the same time, I did not want to be taken advantage of in any manner. Why would I continue to let someone else control both my income and my time with my family? It made a lot more sense to work for myself and have my family benefit directly from the fruits of my labor. Kathy and I decided to push ourselves hard and build 'our business' without reserve. We needed to hit the 7500 PV level to *go Direct* and make an additional \$25,000 a year!

## **On Our Own**

At about the time we reached 4000 PV, Kerry and Chris stopped having almost any involvement in showing the plan in our group. I understood this was certainly from the specific direction of upline counsel. Like many distributors, they did absolutely nothing in their business without *checking upline*. We noticed at the training session, there were very few people outside of the organization that Kathy and I were developing.

We assumed that upline had told Kerry and Chris to go work with new groups, as we were "up and running." Their function changed from showing the plan in our organization to giving us specific direction in *counseling* some of our leaders. In addition, we would still plan the training sessions together that they hosted for us. At this time, there were no problems. The business and system had functioned appropriately, and *they had successfully duplicated themselves*.

To make these counseling sessions effective, there were several things that we needed to bring. We had to bring our schedule book, a notepad, a **goal sheet planning guide** (simply referred to as a *goal sheet* see page xx), a tape recorder, our group drawn out in circles, and an accurate listing of the amount of books, tapes, and seminar tickets that we were moving. The important data that we needed to track was listed on the goal

sheet.

The goal sheet was a form that basically served as a road map to *go Direct* and help others do the same. The books, tapes, and seminar tickets were considered *tools*. We would learn that the PV, and its related income, would always follow the tool flow. Let me explain how this happened.

The more books and tapes that your organization was consuming, the more knowledgeable and motivated the distributors would be to build their own businesses. We were advised that there was a direct correlation between how many books, tapes, and seminar tickets you are moving with each PV level. Specifically, the goal sheet showed that if your next goal was 4000 PV, you should have 50 distributors in your entire organization, 12 of which you had personally sponsored. Of those, you should have had at least 25 signed up on the weekly, continuing education, tape program and be selling at least 100 additional instructional or "rally" tapes per month. Additionally, you should be selling at least 50 books, 10 Amway kits, and 16 boards and easels a month. Also, you should have at least 25 distributorships at the monthly seminar (which would usually equate to a goal of 50 seminar tickets). The seminar cost ranged from \$10-12 for local seminars to as much as \$400 for full weekend seminars. The two primary numbers to track were the tapes of the week (continuing education) and seminar tickets.

Once you and your organization had achieved the level of 4000 PV, you could then set your sights on *going Direct* by doing 7500 PV. In terms of dollars, this normally would equate to well over \$15,000 in goods and services. By following the chart on the goal sheet, it would be clear that you needed 80 distributors in your group, with 15 personally sponsored, and 40 on tape-of-the-week. You also need to be selling at least 200 additional tapes, selling at least 75 books, 16 Amway kits, 25 boards and easels. You would also have at least 40 distributorships, (which translates to 80 tickets, since the distributors were usually married couples) buying tickets to seminars monthly.

Once again, Distributors were instructed that there were two key numbers to focus on at this point. You would normally have "gone Direct" when you had 40 people on tape-of-the-week and had sold 80 seminar tickets in your group.

These representations did, in fact, work out in real life. We developed a leadership team that helped many distributors hit the magical 7500 PV level and go Direct. Some achieved this volume level with less than 40 people on the tape-of-the-week plan. There was never an instance, however, where someone had an organization with at least 40 people on tape-of-the-week that did not do 7500 PV. *This seemed to reinforce the need for the system.*

These specific logistics gave our organization and us a track on which to keep running. We did not have to be millionaire Amway Diamonds to give our leaders accurate direction. Distributors were advised not to try and go 7500 PV but, instead, to *build the organization* that would support 7500 PV indefinitely. There was a mention of customers on some goal sheets, but it was not made a priority in counseling sessions, training sessions, seminars, or on tapes.

Selling represented the old days of Amway! We were building distribution networks. The momentum continued to grow, as we developed a team of loyal, motivated distributors. The real leaders were out almost constantly in a frenzy of activities. There were continual open meetings, seminars, training sessions, special promotional meetings, and the usual array of house meetings and follow-ups/start-ups.

The pattern became fairly simple to follow. You would show someone the Amway Sales and Marketing Plan and focus on their wants and needs.

Continually referring to these needs enabled you to nudge them to build a list of their friends, family members, and co-workers for an effective start up. We would normally help them develop a list of one hundred names and telephone numbers. We would then help distributors call these names for two house meetings at their own home. They would utilize the same form that we had used from the follow-up pack to call their friends and family. The objective was to have them make the call, schedule the meeting, and get off the phone without having to answer any questions.

The longer they were on the phone, the more challenges they would encounter. So, the goal was to get them on and off the phone within a minute, if possible. We were even encouraged to use hourglass egg timers to create that sense of urgency to finish the call quickly. If they were met with difficult questions ("Is it Amway?"), distributors were taught to say, "That's a great question, my partner is right here. He can answer that for you." They could then hand the telephone to a more experienced distributor. Being more experienced, the senior upline distributor could usually dodge the Amway bullet and talk about opportunities in global distribution. It would also help to mention a few Fortune 500 companies, for which we were *wholesaling*. It was not viewed internally as deceit. Most of us acknowledged that we would never have gone to our initial meeting had we known it was Amway.

This was network marketing, not the preconceived door-to-door selling business that most imagined. We were instructed not to tell people any details on the phone, in order to *protect them from having their own inaccurate preconceptions cost them their entire future*.

The objective was to have a house meeting for a couple at their home within a week from when they first saw the plan. It did not give them much time to evaluate anything about The Business or product pricing, but they were excited when they sponsored someone new and felt as if their business was working. Many, like us, had sponsored quite a few people who relied upon our representations before they actually had any first-hand experience in The Business. In the beginning, we had not been given any time to evaluate or compare pricing, and due to the big push to sponsor quickly, we relied almost solely upon the representations of our sponsor and upline team.

Having people sponsored quickly excited us. What we did not realize was that these relationships would be one of the reasons that we would stay in The Business to our own detriment, far beyond any point of reason. We had an obligation to help these people. We had to make it work, not only for us, but also for them and for their children. Many of the Amway Diamonds would quote Dexter and say, "When you build a friendship, you build a '*direct-ship*'." This seemed to be very true!

*"They claim to direct us to the light, but they actually entice us into darkness."*

- Derek Prince\*

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\* Prince, Derek, *They Shall Expel Demons*, Choice Books, 1998, p. 121.

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<sup>1</sup> *The Mark of a Millionaire*, Dexter Yager with Ron Ball pp. 103-104

CHAPTER 4

# Big Wheels Kept on Turning

*“Rich DeVos [Amway Founder] is one of the most energetic and dedicated Christian laymen I have ever known. I am never in his presence that I don’t feel his strength of character and dedication to the things of God.”*

- Evangelist Billy Graham \*

We went Direct (silver producer), and things began to get *very* exciting! We were invited to the Directs’ leadership meetings before each seminar and Direct-only seminars hosted by Zack and his leaders. This was a thrill! We began to meet the leaders that we had previously only known from stage or from hearing on tape. Most were dynamic, friendly people, and they were a source of great encouragement.

At these special meetings, the key principles of loyalty (to your product line and upline), goals setting, and the work ethic were all reinforced but **far more strongly**. The metaphor, "you wouldn't feed steak to a baby," was often used to describe the tiers of teaching within the leadership. As Directs, we had proven ourselves and were advised that we were ready to hear it straight without any "sugar coating." Directs would often be asked questions, such as this by speakers, "You're the real men, aren't you? How many of you have jobs?" Another favorite was "How many of you enjoy spending more time with your boss than your wife? Who is going to do something about it?" They would joke about praying for those of us who still had to get up early and go to jobs.

Indeed, sleeping was becoming a major goal for many of us. I would often stop home briefly after work and grab a sandwich, kiss Kathy, and head out of town to show the plan. Many nights, I would not get home until 1:00 or 2:00 a.m. and sometimes later. I would get up feeling groggy a few hours later, kiss Kathy goodbye again, and head off to work—and the cycle continued. We kept telling ourselves that *it was going to be worth all the effort, and soon, we would be full-time parents together!* We had to 'pay the price,' as they say. I would soon learn to drive myself far past the point of exhaustion. Kathy only recently told me how fearful she was of me dying on the road on any of the countless nights that I was out showing the plan. I would drive from my home state in Pennsylvania to as far away as Maine, Michigan, or Atlanta. In some cases, I would arrive home at sunrise, just in time to catch a few hours sleep. The result was that our group was growing and freedom was soon going to be ours!

We had been expecting to make around \$2,000 a month as new *Directs*. These

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\* DeVos, Rich, [Hope From My Heart](#), (Endorsement by Billy Graham)

were the representations made in **all** the plans that the distributors see. That income representation was made in the SA-4400, an Amway-produced document that must be given to all prospects after they have seen the Amway Sales and Marketing plan. Distributors and prospects were routinely advised that that this was a "Federal Trade Commission" document. This continual representation gave an ongoing air of legitimacy. The income representation of making over \$2,000 a month was based upon sponsoring six new people, each of whom would sponsor four, who, in turn, sponsored two more. The illustration was also predicated upon each of these doing 100 PV in monthly volume. This process was described routinely as a "no brainer." One Diamond was known for saying, "*Even a blind dog with a tape in his mouth could go Direct.*"

The challenge was nearly impossible to accomplish! We went Direct with a growing organization, but it was incredibly difficult to keep that many people active. The turnover was overwhelming. We went Direct with a few growing organizations; yet we were making a net income after system expenses of closer to \$600 dollars a month rather than the expected \$2,000. I was now spending well over forty hours a week building *our business*, and Kathy was working even harder. In retrospect, I now realize that her work was far more taxing than mine. Sure, I had to go to my corporate job on little sleep and then drive to meetings. She had to take total care of the children, and our house—meals, laundry, cleaning, taking out the garbage and sometimes mowing the lawn—be a source of constant encouragement to our downline, and take our downline's orders, all the while being the perfect, cheerful Amway wife. This was far easier said than done.

***"This business is a way of life."***

- Amway Crown Jody Victor \*

I do not recall at exactly what point we surrendered our entire life to The Business, because we certainly never consciously made that choice. I do not believe that anyone consciously makes that decision. It was the specific result of an intensive, seamless recruitment and indoctrination process. After an enormous amount of indoctrination and training, we honestly believed our complete commitment to *our business* was **the only way** we could best serve our God, our family, and our country. We began to forsake all other friendships outside of The Business. There was no other way. We had no time for anything else.

There were two groups of people that we had to deal with. There were people who were in The Business and those on the outside. They were two separate and distinct worlds. People that were "*in*" understood, and you could easily communicate using business clichés. People were either "fired up" (excited) or not. They were positive or negative. They were motivated or lazy (if they did not get in). Showing someone The Business was often described as a financial or intellectual IQ test. It was all very black and white. Friends and family to whom you showed the plan were either for you or they were against you.

Unknowingly, in a gradual process, we went from casual distributors to totally

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\* Jody Victor, **It's Unbelievable** audiotape Stock No. DBR 897 copyright unknown

dedicated business owners. We were not committing to this business, but to our own family's financial future. After all, the income stream from the global distribution business we developed would be will-able to our children. It was a slow process, but after a year, we had little or no contact with anyone outside of The Business. Our schedule was one of unending training sessions, seminars, product fairs, promotional trips, open meetings, house meetings, and follow ups. I began to log tens of thousands of miles a year in my car. It was not unusual for a committed "road warrior" to sleep in his car in his suit, just out of sheer exhaustion. We were fighting for our families' economic freedom. I had to be **man enough** to be willing to pay the price.

Distributors were constantly reminded that God's Word says, "A man without vision shall perish" (Proverbs 29:18). We had the vision and had to keep it alive to endure the constant travel and time away from our families. When Kathy and I were together, it was usually only for an open meeting or seminar. And this was our only time together—with few exceptions.

In retrospect, I cannot comprehend how she made it for all those years. As our business grew, so did our family. She loved and nurtured four-year-old Josh, two-year-old Ashley and our newborn joy, McKenzie, almost completely on her own. I was gone constantly and exhausted when I was home. I had trained myself to go on very little sleep and could keep up a grueling pace for about ten or more days. I would sometimes collapse on a weekend and sleep for almost an entire day, as my body recovered.

No one in our downline knew of this, as we always just smiled and worked more and more. We were taught (by several Diamonds) not to share our schedule with the group. "They wouldn't understand it, because they don't have the big dream yet" was the usual reason that we were given. The plan was shown and prospects were told that income could be made in a 12- to 15-hour weekly time commitment. Somehow, this was just not making much sense, as Kathy and I worked that much in a single day for a combined total of 30 hours. But it was going to be worth it, as we were both going to be full-time parents soon. What a joy all of this was going to be!

Our efforts appeared to be paying off, as our organization began to mushroom throughout many states and eventually into other countries. Kathy and I achieved the rare level of Ruby direct, which meant that we had developed a personal organization that moved 15,000 PV in products and services that month (over \$30,000). Because this was such a rare achievement, Kathy and I were brought on stage at the next seminar and recognized with much fanfare. It was humbling to get a standing ovation from your closest friends. We both would rather not have had that kind of attention, but we were thankful that God was using our accomplishments to inspire others.

It seemed like the more we *succeeded*, the more people in our organization believed they could become just as successful. I use the term "succeeded" loosely. At that point, we had expected to be earning over \$50,000 a year, but in reality, our net income was nearer to \$10,000 for a superhuman effort. Your income, we soon learned, was a nearly taboo topic. You would be treated like an imbecile for even bringing it up. After all, **this was the purest form of free enterprise in America**. We were all paid on the same scale, and we completely controlled our own income. Anyone who was not happy with his or her income was advised to get a mirror and look directly at the person responsible.

When you had maintained at least 7500 PV in monthly volume for six months in a

fiscal year, with certain restrictions, you would be recognized as a Profit Sharing Direct distributor. At that point, the plan showed a monthly net income stream of over \$2,000 a month. With year-end bonuses, Profit Sharing Directs were depicted making around \$35,000 a year on a part-time basis. This was for a business that was structured 6-4-2. Specifically, you sponsored six, who each sponsored four, who each sponsored two, all of whom did a monthly volume of 100 PV.

In the mid to late '90s, the sales & marketing plan shown to prospects changed dramatically at the direction of our upline Diamond. We were now to show a 9-4-2 configuration when showing the plan to prospects. Once again, for clarity, this depiction represented you sponsoring nine, each of whom sponsored four, who each sponsored two. Now the annual income showed for Profit Sharing Directs working part-time leapt to \$54,000. This was an enormous shift in representation, perhaps used to draw in a more upscale, professional distributor. Our organization began to change in demographics to include a growing number of extremely successful professionals and business owners.

Something else of critical importance happened to distributors at the profit sharing level. They were covertly inducted into a business, in which they were already, unknowingly participating. All of our downline leaders, as well as Kathy and I, were not aware of the fact that we had been participating in an extremely secretive, secondary business. This secretive, secondary business was their upline Diamonds' book, tape, video, CD-ROM and support-material business. We were notified about our "confidential" meeting shortly after being recognized on stage as new Profit Sharing Directs.

Our sponsor called us over for a counseling session and explained that we would now begin receiving a small confidential perk. We would get a fifty-cent break in price on every tape that our organization purchased and a small percentage off every book that was purchased by members of our group. This was specifically described as **not being an income source**, but a means by which our Diamond wanted to help put more gas in our tank for traveling and to help us stock more tools in our trunk to sell.

We were advised to discuss this with no one. This seemed to make sense. It was such a completely insignificant amount of money that it did not even pay for the amount of gas my car was consuming weekly. Leaders at my level were completely unaware of the scope or magnitude of their instrumental role in this covert business. At this point, we did not have access to any information that would have led us to question this insignificant perk. Therefore, we never felt any conflict about it. This was particularly true when we helped members of our group go Profit Sharing and passed this perk on to them, thereby reducing or eliminating our own.

Somewhere between going Direct and Ruby, we got "the call" that we had worked so hard for. We were told that we had earned the right to counsel directly with Amway Double Diamonds Zack and Molly at their 10,000 square foot mansion. We were advised that this was a very rare honor and that we should consider it to be a real privilege. They were, indeed, millionaire makers. They had helped many people become tremendously wealthy. These lucky people had unlimited family time and lifestyles that most people only dream of. We were told that Zack and Molly had over 100,000 distributors in their organization and had helped thousands of them make well over \$2000 a month.

This certainly was not an opportunity to be taken lightly. We were instructed to bring a written list of questions, a goal sheet, and a tape recorder to tape the entire

session. We were both nervous and excited at the same time. This was one of the few times in our lives where we felt we were at "the right place at the right time."

Zack had my utmost respect. It was not because he had become wealthy from humble beginnings. He had my respect because he had achieved all his wealth by serving others in the Amway business. We were told again and again that his success had been predicated only upon his servant hood to thousands of other people whom he had helped succeed. I wanted to become more like him. My goal was not simply to succeed. What made this different from any other business venture I had seen was the fact that you only moved forward by helping others to do the same. Zack had certainly done this and in a big way. I was given Zack's private, unlisted home telephone number and a specific time to call to schedule our counseling session. My heart raced, as I dialed the seven digits of his telephone number. With each ring, it seemed as if my heart was pumping peanut butter.

Molly answered and was incredibly warm and gracious. She seemed to intuitively sense my nervousness and immediately set me at ease. She had done this for others many times before. Zack got on the phone and was warm and encouraging. He even told the few jokes to lighten up the atmosphere. He told me that he knew Kathy and I were going to be big in this business, and he was anxious to get with us personally to help give our business a jump-start.

We scheduled a time to get together, and he was very concerned to make certain this time would not be in conflict with my corporate work schedule. I knew how successful he was and was pleasantly surprised to learn, on a firsthand basis, how sincerely concerned he was for others. Kathy and I wanted to emulate Zack and Molly in every way.

Molly and Zack were larger-than-life heroes to me. People from literally all over the world have learned from them by listening to their tapes. Some were even fortunate enough to see them in person at huge seminars. Some flew in from Europe to counsel with them. Going to their mansion to personally counsel with them was The Business equivalent of going to Mecca. They had been presented to us as being almost all knowing.

They seemed to have a great marriage. They spoke from stage of one another with incredible respect and gratitude. Their enduring love for one another and strong marriage made them models for us. They had a wonderful family with whom they reportedly spent an enormous amount of time. We were so thankful to get their time, because we so wanted to achieve these things as well. This couple had helped many, many people improve all areas of their lives.

The great news of our counseling directly with Zack and Molly spread quickly throughout our group, giving us even more credibility within our own organization. Zack often spoke of paying more taxes in a week than he used to make as a salaried professional in a year. This made his time extremely valuable. Distributors were told that there was no way they could afford his time should he ever chose to bill them for it. We certainly had to make this meeting count.

Kathy and I were dressed in our best, as we began our two-hour journey to their mansion. It was very exciting to know that the life of our dreams would soon be a reality. All we had to do was take the advice that Zack and Molly gave to us and apply it. Not only were we well groomed, but our car was spotless as well. Kerry and Chris had made

sure that we remembered this detail, as it would be de-edifying/insulting to drive Zack and Molly in a dirty car should they decide to go out for lunch.

## You Can Trust These People

*“Rich DeVos is one of the wisest men I’ve known”*

- Charles W. Colson

Upon our arrival, it was incredibly clear to us—**Amway worked!** They lived debt free. Their home was enormous. Their fleet of luxury cars was worth several times more than our home. We walked apprehensively down the slate walkway to the large wooden entrance doors. I smiled nervously at Kathy, as I rang the doorbell above a large gargoyle-like statue. Molly greeted us warmly with a hug and invited us into their home. Zack was busy on the telephone; so Molly gave us a tour, while we waited for him. We had never seen anything like it.

The house had nearly 20-foot high ceilings in some rooms with decorations and furniture from all over the world. The incredible thing was that it was all paid for, as a result of the financial principles that they had learned in The Business. Being somewhat simple people, we never wanted a house that ornate. It was quite a showplace. However, it excited us tremendously to know that we could create any level of success and do with it as we pleased. The extreme material success that they enjoyed was not what we desired, but simply more evidence that The Business we were building worked and worked well for those willing to put in the effort.

Molly got us each a cold drink and excused herself to see how long Zack would be unavailable. In a few minutes, they returned together. Zack greeted us with a warm smile and focused eye contact. He shook my hand firmly and gave Kathy a gentle hug. He was a true gentleman. Because their time is so valuable, we anticipated jumping right into The Business counseling.

They both helped us feel more at ease by asking many questions about us, our children, and our hopes and dreams. They were extremely complimentary and went out of their way to make us feel good about ourselves. They showed a real interest in us and seemed very warm and compassionate. Zack complimented us both, specifically for not being overweight or heavy. Because we controlled our weight, it signified that we had the internal self-discipline to succeed.

Molly said almost nothing for the next two hours, except for interjecting occasionally an agreement with statements that Zack had made. He once again advised that we were going to be big in this business, and he wanted to give us the specific logistics to buy our financial freedom and help me get out of my job. We waited anxiously for this **"new"** leadership level information.

He pulled out the tool list, which is a listing of hundreds of books and tapes that were available for purchase. He asked me if I had heard certain tapes and read certain books. Zack would cringe in mock disbelief, when we would find one that I had not been through yet. He said, "I'm sorry, I have been holding you back. I should have told you to get this book a long time ago. No wonder you're not wealthy." The message was simple.

*There was no new leadership information.* The educational system of books, tapes and seminars was **THE** secret to building a profitable Amway business. It was simple! We just had to promote the books, tapes, and seminars better. The more educated and informed our group was, the more profitable they would be as well.

A great deal of time was spent in building up our sponsors as people we could look to for leadership and guidance. They were edified to a level that was almost unrealistic. We were both at the same level in The Business as Direct Distributors. Kathy and I did not feel like we had an enormous amount of business knowledge and wisdom at this level, but Kerry and Chris were portrayed as very wise, seasoned leaders. We were told to promote and edify them at every opportunity, in order to give them the credibility they needed to work effectively in our organization. This would, in turn, only benefit us, as they were working to help us get free. We were working well together at this point, and it seemed a little odd that so much time was spent on reminding us that they were our *upline*. In any event, Zack and Molly knew more than we did about how to make this work, and we trusted them completely.

Zack and Molly helped us review a goal sheet and re-emphasized the importance of moving more books, tapes, and seminar tickets into our organization monthly. In the past, distributors had been advised to stock Amway products in their homes to be able to supply their group on short notice. Because we had very little money, Zack advised us that it was more important to keep a running inventory of books, tapes, and other tools to sell to our Distributors.

He shared that the secret to his success was the fact that he was willing to stock enough tapes and other tools to supply his group adequately. When he was a Direct, he had two tables almost full with stacks of tapes 12 inches high. The organizations with the most motivation and logistical knowledge obviously were the ones that were going to succeed quickly. Every business required an investment, and this was a small investment in comparison to the return in our future. We left their house with complete confidence that we had the opportunity and the ability to earn financial freedom for our family and others as well.

Soon, we began to help people in our organization go Direct, and the excitement built, as they were recognized on stage at seminars for their achievements. At each level, we were advised that the big money was just around the corner at the next level. There was no reason to doubt this, as we were literally surrounded by wealthy people and a few young people that had retired. The level that people normally retired was Pearl or Emerald.

**“Bill Gates is responsible for helping develop 3300 millionaires, and then he said the number two company that has produced the most millionaires is the Amway Corporation. He said the Amway Corporation is an organization that is growing in leaps and bounds and they are responsible for producing over 2200 millionaires.”**

-voice mail passed on to distributors\*

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\* Jan 30<sup>th</sup> 1999 Amvox Voice mail sent to group from Zack and Molly and Dexter and Birdie Yager in which a distributor describes an (alleged) news report

Pearl was a "big money" level in Amway. We worked with a young crossline couple that had retired in their twenties at that level and had an incredible lifestyle. To accomplish the level of Pearl, a distributor had to help at least three different organizations do a minimum of 7500 in volume in a single month. This was a monumental feat to develop a part-time organization of people that mostly consume (self-use) 22,500 PV or over \$50,000 in products in a single month! We were advised on multiple occasions that one young man made well over \$100,000 a year as a Pearl in the Amway business. This was a source of enormous motivation for us.

To go Pearl, would put you in an elite category of leadership, as somewhere less than 1% of all active North American Distributors ever accomplish it. At this level, another bonus, which was referred to as the depth bonus, kicked in. This was certainly the beginning of the big league of money making in the Amway business.

I was sure all this hard work would soon bring me home with my family. I missed them so much. I was almost living in my car, spending countless hours building our business for our freedom. I would devour tape after tape on these long, lonely trips. Many of these tapes would speak of the freedom of being a full-time dad and having six Saturdays and a Sunday with your wife and children. No other business could provide that type of lifestyle.

In a traditional business, the bigger it became, the more time it required to manage it. Most, we learned, were slaves to their own business, and the business owned them instead of vice versa. Many business owners we heard on tape (and eventually sponsored) echoed these types of frustrations.

In the Amway business, your income was predicated upon helping others succeed and was leveraged by their efforts in their own business. The bigger it became, the more leverage you had and, in theory, the less time it took. It was the same principle that made Ray Kroc wealthy—by franchising and re-franchising a simple business concept that worked. He had helped, not hurt, many individual business owners (franchisees). Zack and Molly, and the other Diamonds, had helped thousands of people succeed in Amway, and they were financially free, as a result of this servant hood. *What a blessing to be able to work hard for yourself for two to five years to become totally economically and time free.* Most would not be willing to pay the price we were paying in hard work, but most would be shackled to jobs or businesses that would control them for a lifetime. What a blessing that we could help our friends as well.

I missed Kathy so much I would cry silently at times on the long drive to meetings. She was the wife of my dreams, and it was so hard to be away that much. In a twisted way, it is my love for her that was used to keep me going out night after night to put an end to this marathon of a schedule. We got a cell phone to be able to check voice mail and leave each other messages. She would often call near midnight, when I was on my way home, for a 'wake up' call, to make certain I was not falling asleep at the wheel. She feared that I could die on the road from going so long in such an exhausted state.

This was not an unrealistic, emotional thought. We were aware of quite a few accidents that resulted in broken backs or even the deaths of distributors. We had one friend who was involved in a late night accident, in which his wife was injured, and he bit his own tongue in half. This all happened during the month they were pushing hard for Direct. Another Emerald leader's own brother was killed in a car crash, and a great deal was made of the fact that when they retrieved the schedule book from his body, the next

two weeks were booked solid with Amway meetings. At the time, I remember thinking that it was a valiant manner in which to give your life. He had been doing his best for those he loved. Later, I would brag with other high-level leaders and compare our "asleep at the wheel" stories. It was a badge of courage for the fully committed road warrior. I had been fortunate to survive several close calls.

The more I missed Kathy and our wonderful kids, the more driven I became to get the job done. Many of the speakers at seminars and on tapes spoke of putting their last dollar into the gas tank or into a seminar where they made the decision to get free. They, too, had slept in their cars. Their wives and children now looked to them as heroes in their own home. We often heard stories of incredible success that came shortly after a point of utter desperation and despair. We were guided to work through these challenges that were an inherent part of the success process. After all, a diamond was at one time just a worthless piece of coal that went through intense pressure, finally emerging as something of beauty and value.

Amway Diamonds often joked about how broke they used to be. Some speakers told of leaving for a long-distance meeting and having to sell tapes upon their arrival just to get enough gas money to make it back home. We would have to do a great deal on faith, but there were times when I wondered if my faith would be strong enough.

Although we were "succeeding" and being given tremendous recognition on stage as successes in The Business, we were making a small fraction of what we had been promised. If you asked your upline about money or making more income, you knew that the topic at the next seminar was going to be on envy or jealousy. Our Diamond advised us that these things came from the bowels of hell! So did gossip! We were never to talk cross line, because this was gossip, and as leaders, we were never to discuss our tools or system price breaks.

We made the decision to do whatever it took to *go Pearl*. We were working unimaginable hours already and could not picture how we could do any more, but somehow we had to. We could not live like this any more. We had to go Pearl and make a large income, so that I could retire and be with my family. Once again, to *go Pearl* we needed to help three different people we had sponsored go Direct in a single month. Very few go Direct, as a percentage of distributors. To help three do it, and all in one month, would take some real work. Kathy and I spoke of it as we set the goal and decided to help not three but four of our organizations go Direct in the same month. We wanted to have a spare, in case one couple missed the mark and could not hit their goal.

From that moment on, we focused entirely on what The Business was predicated upon, helping others succeed. We had heard many times from Zig Ziglar and our leaders, "If you help enough other people get what they want, you'll have everything that you want." Our energies were focused on helping our people set and achieve their own goals.

## **Profess It, Confess It, Possess It**

*“Cults use Christian terminology, but redefine terms to suit their own belief and practices.”\**

Freedom was the big dream for most distributors we worked with. We talked about it constantly. At seminars and training sessions, we often related our dreams to each other, describing the joy we would feel when we handed a resignation letter to our boss. Some described smashing their alarm clock with a sledgehammer. Some young Pearls or Emeralds spoke of the day they left leaving work in either a limousine or a helicopter. We dreamed of having the lifestyle of six Saturdays and a Sunday. It was all we could think of. We had to learn to focus our mental resources in this direction. From the books, tapes, and seminars we learned that as humans, we could move clearly in the direction of our most dominant thoughts.

If we could control our thoughts and keep them positive and focused on our objectives, we would succeed. Distributors were even encouraged to keep a negative jar in the kitchen. When the husband or wife would speak any statement with even the slightest hint of negative, they would have to put 50 cents in the negative jar. We were instructed that professing only purely positive was biblical. Diamonds would repeat the phrase “what-so-ever ye sayeth shall come to pass,” a loose translation of Mark 11:23.

To speak negatively was not only harmful, it was against God’s word. The book *What You Say is What You Get!* is devoted almost exclusively to that topic. This book was strongly promoted and sold to members of our rapidly growing organization. Building the business was not easy. It was often difficult and challenging. Although I did not consider myself to be very spiritual, the principles we learned in this book seemed to help in both our business and personal life. Because I did not know the Bible very well, the following scriptures and the description of their real-life applications seemed very helpful.

**“Never Again** will I confess “I can’t,” “I can do all things through Him who strengthens me” (Philippians 4: 13 NAS).

**Never Again** will I confess lack, for “My God shall supply all your needs according to His riches in glory in Christ Jesus” (Philippians 4:19 NAS).

**Never Again** will I confess fear, for “God hath not given us a spirit of timidity, but of power and love and discipline” (2 Timothy 1:7 NAS).

**Never Again** will I confess doubt and lack of faith, for “...God has allotted to each a measure of faith” (Romans 12:3 NAS).

**Never Again** will I experience weakness, for “The Lord is my light and my salvation. Whom then shall I fear?” (Psalm 27:1 NAS) and “The

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\* Smith, P.W., Hayes, C. P., McRoberts, K. D., (1977) *In Search of Truth*. Springfield, MO: Radiant Life

people that know their God will display strength and take action” (Daniel 11:32 NAS).

**Never Again** will I confess supremacy of Satan over my life, for “Greater is He who is in you than he who is in the world.” (1 John 4:4 NAS).

**Never Again** will I confess defeat, for “Thanks be to God, who always leads us in triumph in Christ...” (2 Corinthians 2:14 NAS).

**Never Again** will I confess lack of wisdom, for “But by His doing you are in Christ Jesus, who became to us wisdom from God, and righteousness and sanctification, and redemption” (1 Corinthians 1:30 NAS).”

Not to agree with these principles is to disagree with God. The author further explains this:

*“We must agree with God that we have what He says we have: His name, His nature, His power, His authority, His love. Through His Word, we own these things already – but we must take possession of them by our spoken words. We possess what we confess. Like Joshua and Caleb, we are the rightful owners of what God has already given us in His Word – but we have to take possession of our “promised land” by faith.”<sup>1</sup>*

It was exciting to learn these principles. We got into this business simply to make extra money, and now even our spiritual life was benefiting. It amazed us that people criticized the Amway business and its leaders. These were the godliest people I had ever personally known. It was no wonder that they are so successful. They were living by and applying God’s laws, weren’t they? We taught these principles not only to members of our organization, but to our children as well. Our children were not allowed to say the word “can’t.” In challenging situations, they learned to say, “I’ll try.” Kathy and I were even becoming better parents, as a result of the business. We were both very thankful to learn godly principles that we could teach to our children.

An event was about to occur that would forever alter the direction of our lives. Our sponsors, Kerry and Chris, spoke often of freedom. We had met Pearls, Emeralds, and Diamonds that had developed extraordinary lifestyles with their Amway businesses. Zack and Molly lived a life that was beyond description. They seemed to travel the world at will. We had not seen anyone that we knew personally come up through the ranks and retire young. Kerry and Chris were Profit Sharing Direct Amway distributors the day he called me. I will never forget it. Kerry called and said he had some incredible news. He shared with me that he had retired from his job. Zack had not only given his permission for this, he had helped craft Kerry’s resignation letter to a tyrannical boss.

Kerry certainly did not leave quietly. He went out in blazing glory. He had planned his exit carefully with Zack. From his description, Kerry had worked for a terrible boss who had asked him to do things that were unethical. Kerry had an arrogant streak at times, and there was no love lost between him and his boss. Kerry gave no

notice and simply did not show up for an important staff meeting. He let his boss frantically page him several times.

Eventually, he showed up at the staff meeting, which was already in progress, and interrupted his boss. He handed his boss his resignation letter and a gift. The man did not know what was happening and asked to discuss it with Kerry later. Kerry insisted that he read the letter immediately, in front of the rest of the staff. From what we were told, it was far from complimentary. Kerry then insisted that his boss open his gift, which turned out to be a gift-wrapped copy of the book *How to Win Friends and Influence People*. This story was repeated again and again to the glee of distributors, working hard to obtain their freedom.

This was another crossroads in my life. As Kerry told me the story, my heart began to race. I can tell you the exact tiles I was standing on in our kitchen when I got this call. My life was changed forever in a moment. I had no idea you could make enough money as a Direct in Amway to retire! I vowed to work at an almost inhuman pace to get my freedom. There were no excuses now. We had living, breathing proof that this business was working. Kerry soon began speaking often of the joys of freedom. He talked about sleeping in and having the whole day with his family. He had obtained the lifestyle of six Saturdays and a Sunday; we had until then only heard of. Now it was real.

He would later go on to buy a gorgeous white Mercedes SL from Zack. No one would ever again tell me that this did not work or that there was no money in Amway. If we could just do what they had done, we could be together every day as a family! Kathy and I were elated and energized by these events. Kerry was incredibly loyal to Zack and became more so as time went on. All we had to do was remain loyal to the business be teachable, and our dreams were soon to be realized.

*“On encountering a cultist, then, always remember that you are dealing with a person who is familiar with Christian terminology, and who has carefully redefined it to fit the system of thought he or she now embraces.”*

- Dr. Walter Martin \*

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<sup>1</sup> *What You Say is What You Get!*, Don Gossett

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\* Martin, Walter, *The Kingdom of the Cults*, Bethany House, Oct. 1997 Anniversary Edition, p. 30.

CHAPTER 5

# Going for Broke

*“Helping people to help themselves is what Amway and Easter Seals are all about. Amway’s independent business owners are united in their goals and dreams by the Amway business opportunity.”*

- Jim Williams, President & CEO National Easter Seal Society\*

It was around the sixteenth of the month when Kathy and I set our new plan in motion to have not three, but four leaders go Direct in our downline. We never discussed our objective with our downline leaders, as our focus was to help them bring their own businesses to the next level. We helped each leader set goals with each of their key people. I met with one couple, Keith and Linda, late on a weeknight; we set their goal with them, and we prayed together that God would bless them and guide their efforts.

Within just a few days, nearly everyone in the organization had a goal that was his or her own. This focus electrified the group with energy and direction. We all put on our track shoes, so to speak, and ran hard every night and weekend to help all our people achieve their objectives. It was a thrilling time, as one distributor after another called with the news that they had hit their goal and were going to be recognized on stage at the next seminar at 1000, 2500, or 4,000 PV.

On the last day of the month, after all the orders were totaled, four different organizations (referred to as "legs") had gone Direct! We had never heard of anyone breaking in four Directs in a single month. That was thrilling! The organization that we had developed had just done over 30,000 PV, which was somewhere near \$70,000 in one month! We were new Pearl Directs and could almost taste the freedom for which we had worked so hard.

No one in the group knew our own goal had been met as our focus had been on their goals. Of course, because of the rules regarding cross lining, they would not know that each other had gone Direct until the awards ceremony. Oddly enough, this was even true of close friends or co-workers. You were never to discuss any details of your business. It would be economic suicide to do this, or so the experienced leadership in our upline had taught us. Therefore, the success of our entire organization was almost a secret, which Kathy and I joyfully shared only with each other. Our freedom and family time were just about in sight now!

Because of the no crosslining policy, the general recognition for each of our people would come at the next seminar. That event finally arrived; couple after couple came proudly across stage and were congratulated publicly for their efforts. It was a wonderful celebration. This was another aspect of The Business that made us so proud to

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\* Jim Williams, President & CEO National Easter Seal Society, April 1999 Amagram

be part of it. People were built up and their accomplishments celebrated. In the corporate world, a promotion usually resulted in hidden jealousies and behind-the-back sniping, because only one person could get the raise. Here, not only was success unlimited, but the more others succeeded, the easier it was for you to succeed. This came about because of the credibility built into each new success story, as one couple after another moved across the stage. It wasn't socialism, but instead, it was a wonderful win/win cooperative effort, where you determined your success by the amount you helped others.

All the new Directs, wearing corsages and boutonnieres, were brought onstage to the theme of a loud *Rocky* soundtrack. The crowd of hundreds went nuts. They began clapping and chanting, "**Fired up! Fired up! Fired up!**" The people in the audience now had their belief level elevated, as they saw others they personally knew beginning to succeed. **Nothing inspires confidence quite like success!** The host commented something to the effect that "*it looks like Amway works here...*" to the crowd's glee and burgeoning enthusiasm. In their own way, each couple looked like Ken and Barbie. The men wore freshly pressed suits, and the wives all looked like queens in the new dresses they had purchased just for this occasion. They all seemed closely bonded as couples and also as a group by the experience. There was camaraderie and a respect among those who had paid the same price to move ahead.

As if our pride in them had not made this exciting enough, what happened next thrust us into a world that we were not prepared for. We were brought on stage as brand-new Pearl Directs, and the crowd went wild. This was the *big time!* The standing ovation and yelling seemed like it would never end. The triumphant music track blared on loudly, as people ran forward to take pictures of us. Men hugged their wives closely and whispered promises in their ears. You could see the excitement, belief, and hope on all their faces and in their eyes. Some of the women cried. Every man wanted to make his wife queen for a day, and every woman wanted to feel that special. Kathy was my queen, and I was so proud of all the work that she had done to help us succeed. She had become a literal wonder woman to pull it all off. This congratulatory experience bonded our lives together, and we felt even closer than before.

We were once again thankful that God was using us to inspire others to better their lives. We were allowed to speak for a few minutes. As we had heard many others do, we praised our upline and gave credit to them and the system for our success.

## **"Is This the Big-Time or What?"**

*"But you look at this business... Where there is people praying for you, loving you, hugging you, encouraging you. In what other business would the people care?"*

*- Amway Crown Jody Victor \**

The next step was a big one. We bought a tuxedo and gown to wear on stage for the larger seminars. It wasn't long before we were being invited to do full-day seminars

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\* Jody Victor, **It's Unbelievable**, Stock No. DBR 897

as Pearls. This was incredible to us! Once, we had been brand-new, awestruck distributors, attending our own first seminar. Now, we were the speakers at the all-day seminars.

At the Pearl level and above, there was an almost cult-like hero status. Weeks prior to a seminar, Kathy and I began receiving many cards and letters from those who would be in attendance. These came from a diverse group including truck drivers, physicians, single mothers and many, many others. Most notes were brief, but some folks poured out their hearts to us, even though we had never met them. Almost everyone spoke of being thankful for our time and looked forward to having us share our wisdom with them. Both their upline and the system had taught them all very well. It is of *paramount* importance for distributors to be thankful for their leaders' time.

The organization was constantly reminded that the leaders speaking onstage had willingly chosen to take a day away from their own business and their family to "help" them. Many spoke of this duty as their only way to *give back to the system that had given so much to them*. Tapes were made of the speeches that Kathy and I had given. Our enthusiasm made us a very popular drawing card for our upline. We would later learn that Zack was marketing thousands upon thousands of our tapes both domestically and internationally.

We received two letters in one month from distributors in our ever-growing organization to thank us for giving them hope. Both letters shared about how they had been on the verge of suicide before coming into our organization. Being in The Business and hearing us speak gave them hope for the future. We felt humbled that God would be using us to serve His people. How could we feel anything but gratitude for such a mission.

Our organization began to grow exponentially. We now had monthly open (recruitment) meetings at a local hotel. Normally, a Pearl, Emerald, or Diamond would come in to do this presentation. This gave The Business more credibility as young, "retired" speakers rotated through our town. We had to travel almost two hours to the monthly seminar early on. Now that we were pulling large numbers out, the seminar was moved to our city. We had to rent out the local high school auditorium or another large hall to accommodate the growing crowd of distributors.

In light of the results we were getting, we were afforded the opportunity to counsel more and more with Zack and Molly. We discussed these letters with them and Molly told us that she and Zack received letters like that almost constantly. This further fueled our desire to become Diamonds. We would more positively impact an even larger group of people. Zack was very clear in letting us know that we were now more accountable to God than we had ever been. It was a powerful responsibility that we needed to take very seriously. Now, we fully understood why there was a prayer before every seminar and training session. We were God's messengers. The Business was just a vehicle we used to improve people's finances, while we reached them for Christ. It was a bait and switch situation, but in a good sense.

Many speakers spoke of being "tricked" into getting into The Business to make money. Now they said their finances were great, they had a closer walk with the Lord, they were better parents and had a strong, loving marriage, all as a result of the teachings in The Business. They joked about what a terrible trick we [*upline*] played on people. This was described as one of the main reasons why Amway and Amway distributors

received criticism and bad press. Whenever God was going to use people to do His will or something good, Satan would do all in his power to try to destroy the efforts. We had to stick together, stay faithful to the system and our upline, and not think negative thoughts. Optimism and positive thought came from God. Fear and doubt come from the depths of Hell itself.

To doubt was a sign of weakness and demonstrated a lack of faith. For our own benefit, we were trained to shut these thoughts out immediately upon recognizing them. Leaders throughout the system spent a great deal of time training us to program our subconscious mind with positive affirmations. Satan wanted us to doubt and not reach more people for God. He would make us feel too tired or lonely when we were away from our families. He would tempt us to quit just before we achieved the Diamond level and won the ultimate victory for the ones that we loved the most. All of this was happening on one level of our lives. On another deeper level, I felt as though things were falling apart. Oddly enough, the doubts rushed in a few weeks after that moment of our first great success in achieving the Pearl level

I was tired and frustrated with myself. Things just weren't adding up, and it was harder and harder to banish those negative thoughts. Here we were at a level that very few distributors ever reached, doing an enormous monthly volume, but only making a small fraction of what we had been told to expect. Exhausted from that last month's efforts, we hoped that our first Pearl check would bring the promised rewards. Meanwhile, we continued at a pace beyond belief, and we did not complain.

During the month we had gone Pearl, our organization moved somewhere near \$70,000 in goods and services in a one-month period. This was where "the big money" was to kick in. At this point, a new bonus, referred to as a depth bonus was added. Zack had reminded us that this would be our biggest income source. We could not wait to get the check that month. With tremendous enthusiasm, we carried the mail in to our kitchen and opened the envelope together.

We were shocked at what we saw. Our huge depth bonus for doing nearly \$70,000 or more in volume was (if my memory is correct,) **exactly \$64 dollars**. There were other bonuses that we received for that volume that brought our income for the month near \$2,000, but we were crestfallen.

We had worked incredibly hard to get to this point. How were the other Pearls making over \$100,000 annually and retiring? Because of the rules regarding cross lining, that was a dangerous question to ask. It was a dangerous question to even think. From all the representations we had heard for years, we had anticipated making \$80-100,000 at this level. Combined, Kathy and I were involved in business activities and, combined, were working well over 100 hours many weeks just in The Business. I also hadn't yet been able to quit my job, so we were physically stretched to the max. There just weren't enough hours in the day. We were doing tens of thousands of dollars in monthly volume, but our income after expenses was not \$80,000 or \$100,000. It was closer to \$20,000 for a superhuman, all-consuming effort. When you figured it out as a per-hour wage, with the taxes we had to pay, we'd be better off flipping burgers at McDonalds.

We knew from all we had been taught that *we* were the problem. There was success all around us. Again and again in leadership meetings, Amway Diamonds would mock the "idiots" who complained about not making enough money. Like taped messages the slogans ran through my mind:

*“Who is in charge of changing your income?”*

*“Be a man.”*

*“You can make excuses or money but not both.”*

*“A real man gets out of debt.”*

*“A real man solves the money problem.”*

*“A real man focuses on his business and doesn’t concern himself with the business or income of another.”*

*“A real man keeps his wife home to enjoy her freedom.”*

*“If you don’t like your income, look in the mirror.”*

*“We are all paid on the same schedule.”*

I cannot tell you how many times I heard this type of message...

This is the purest form of capitalism and free enterprise on the planet. We are all paid the same based upon performance, not skin color or office politics. If you don’t like your income, go perform. You are morally obligated to your group to make a lot of money to build their belief. You are an example and only you can decide if it is to be a good one or a bad one. Don’t you love your wife enough to get the job done? Somebody is taking his or her kids to Disney World this week, why not you? I don’t think they would hate you for taking them there. Back yourself in a corner where you have to perform and tell your kids when you are going. Faith is seeing and believing in the unseen. How will your children ever learn to have faith if they never see you step out and proclaim it? Be a leader. It is what America needs the most. America needs men who are men, not wimps but leaders who can lead. You can be that great husband, father and leader that your wife, your children, your church, your community, your country and your God needs.

Believe me, the propaganda and moral blackmail were very effective. We were taught that if we were concerning ourselves with the success or income of another, it was no wonder that we were not making what we wanted to make. According to the teachings, it must be that my focus and my heart were all wrong. Jealousy and envy do not come from God. They were tools the devil used to distract us from our own victory. Someone that concerned himself with the income of another would never make much himself, due to that character flaw. It was socialism to want to have something that someone else has earned. Socialism has never worked in a single country, because it steals the incentive from the producer. We were instructed that Socialism only worked in theory, on the liberal college campuses, where misguided philosophers taught it. Here,

when you produced, you reaped the harvest. It was not like a job where someone else controlled your income. You were in complete control and *should* be both elated and thankful to have unlimited opportunity to live your dreams.

I felt so conflicted. Here, we were being held up as heroes and successes on stage at large seminars. Tapes of our seminars were being made and sold by the thousands. Inside, I felt like such a failure, because my income did not match what we were told other Pearls were making. I really felt like we were living a double life. Something was missing. I read many of the faith books promoted and sold by our upline. Books by Robert Schuller and Norman Vincent Peale made me think that I had to strengthen my faith to truly succeed in all areas of life. At a large Dream Weekend seminar for Amway distributors, there was an emotional Sunday service that ended with an altar call. Hundreds began to move forward. I wanted to go up, but at the same time, I felt paralyzed by fear.

At the last minute, I left my seat and went forward and recommitted my life to Christ. I was working so hard but something was wrong, because I seemed to be the only person not making a strong income to help my family. From the indoctrination, I believed that I had a spiritual problem: a lack of true faith that was blocking me from being the husband, father and provider that I was called to be.

This was to be the first of several trips I made to the altar over the next few years. Each experience was more emotional than the last. I felt completely drained, not knowing why I was not succeeding. I was desperate to find the solution. Surely, God would hear my prayers. I was spending far more time serving His people than with my own family.

## **Running with the Big Dogs**

***Cult characteristic - "Despite the claim for honesty there is use of intimidation or deception on both members and outsiders... despite the claim for openness, there is secrecy."***

- John Ankerberg and John Weldon \*

The training or indoctrination at the Pearl level became far more intense and demanding. None of us at this level questioned anything. By this point, most of us had unknowingly lost all ability to utilize critical thinking. As a leader at this level, you had to be completely in line philosophically with your upline. **No dissension was allowed.** We began to hear horror stories of Pearls, Emeralds, and even Diamonds who had lost it all and even had *jobs* now. They had all gotten their ego out of control and thought they knew more than their upline. They were not team players. Some had decided to cross line and counsel each other. We were told that some former Diamonds wanted to serve alcohol at the seminars.

Alcohol use was taboo with this group, as was smoking. Very few leaders smoked, and you would never see one consuming alcohol. There seemed to be a very

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\* Ankerberg and Weldon, *Encyclopedia of Cults and New Religions*, Harvest House (Eugene, Oregon), 1999, p. xxiv.

high moral standard set in most areas. The alcohol prohibition did not bother Kathy or me, because we were not drinkers. We might share one or two bottles of wine in a year. I would not have more than a six-pack of beer in the same time frame. The only time I would have one was on the rare occasion that we met with friends outside of Amway. I would not purchase it but would have a beer socially, if offered. It did not seem like a big deal to either Kathy or me. We rarely spoke of it, but we both resented what were to become more frequent invasions of our upline's rules into what had been our private life. This was just a business.

We were told of some former Diamonds that were now broke and working jobs. They had broken another "rule" of success. Some of them weren't real men and listened to their wives "bitching" and complaining. It was a paradox. On stage, men were implored to love their wives as Christ loved the church. Christ loved the church so much that He gave His very life for it. However, in person at high-level leadership 'men-only' meetings, we were directed not to listen to our wife's complaints. We needed to be strong enough to overlook their feelings for now, and they would certainly thank us for it later. If you loved your wife, you would listen to your upline instead of her and provide well for her. She would be thankful later that she was married to a real man, not a wimp. I would not recognize this skillful manipulation of loyalties and values until far too late.

Some former Diamonds, we were told, had committed the ultimate sin of disloyalty to their upline. Zack told us how years ago, he had had a group of Diamonds that got together and decided that they knew more than Dexter. They represented a large portion of Zack's organization and came to his house for a meeting. They had decided to split off from Dexter and create their own system of seminars, etc. They told Zack his choice was to come with them or lose most of his organization, or so we were told. He remained loyal to Dexter, and they did their own thing. Eventually, they lost nearly their entire organization and now had jobs (the ultimate degradation). Zack told us, with a smile, that they could have their own Dream Weekend now in a phone booth. We all got a good laugh out of their stupidity and could not understand how they could be disloyal to an upline who had helped them so much.

High-level leaders were also told that these former Diamonds weren't really ever leaders. Their upline had built almost all of their organization and had allowed them to take credit for it. Since they were not the builders, their businesses died when removed from the Yager *system* and the influence of a seasoned upline team. Disharmony and egos out of control had cost thousands of people their futures, as this organization fell apart. We had to stick together, in line with our upline, as many futures beyond our own were at stake. Zack had a global organization and was a multimillionaire, because he remained loyal to Dexter. He advised me personally that he made over a million dollars a year. One hundred per cent unquestioning loyalty, he taught, was a non-negotiable element of success.

Zack and I spent more and more time together, as our organization became a good-sized percentage of his enormous business. Zack had slowly begun to replace the other men in my life, becoming a father figure to me. In fact, I wrote Molly and Zack a letter telling them that he was the father I had always needed. He guided me and counseled me. More than anything, I wanted to go Diamond to make him proud of me. No one wants to let his father down. Several other men at leadership levels expressed this same bond. Molly related that many men had told her that Zack had become their "father

figure.” I was so thankful to have him as a mentor and coach. I wanted to emulate him perfectly by being the perfect family man, husband, father, son, and loving servant to many.

Those of us, who were Zack’s protégées, studied his every gesture and mannerism and could do his presentation and teaching sessions almost identically. Perfect duplication meant perfect results. This whole business was predicated upon the theory that ‘if you do what I do, you’ll have what I have.’ I would tell the same jokes with the same verbal inflections and facial and hand gestures. I had listened to his tapes so many times that we would joke that I would open my mouth and Zack would come out. I handled challenges exactly as he would with principles he had taught.

I kept telling myself that it was exciting to be part of something great that was making a difference in the lives of others. To have successful Christian mentors was the icing on the cake. Zack and Molly had helped many become wealthy. We just needed to stop doubting and questioning in our own minds and submit fully to their leadership. After all, one routinely reinforced principle was this: Your upline can never make any money unless they first helped you to succeed. It had to be a win/win scenario. They would never give you bad advice, because it would hurt them and their business as well. One typical analogy that was utilized to reinforce this was that of a financial planner. The philosophy touted went something like this:

*They (financial planners) are not paid on the quality of their advice but based upon selling you something regardless of results. If they were truly wealthy and understood financial principles they certainly would not be at your house trying to sell you something. The Diamonds had mastered financial success. You can only learn from someone who has done what you want to do. A man with experience is never at the mercy of a man with an opinion.*

One more “perk” of being at the Pearl level was that we were able to attend high-level leadership meetings with the Diamonds. Usually the first night of a large weekend seminar, there was a Pearl and Emerald meeting with all the local Diamonds, and those brought in to speak. As Pearls, we were often assigned the duty of hosting these visiting Diamonds. We were to dress very well and pick them up at the airport in a limousine. By now, Zack and another Diamond in his organization had purchased their own limousines for this purpose. We were to greet visiting Diamonds at the airport, carry their luggage, and get the doors for them. They literally were treated like visiting dignitaries. We felt proud to be part of an organization that showed that much respect for others.

As hosts, our responsibility was to make them feel welcome and to attend to their needs for the weekend. Part of this included getting them to the backstage area ahead of time, so that Zack could greet them and brief them on what he wanted them to speak about.

Another duty was to get them to the Pearl and Emerald meeting, which took place after the normal seminar and often went until 1:00 in the morning or later. Usually, we were all physically shot by then, but were thankful, despite being extremely tired, to be around the leadership. Once again, Zack would often give visiting speakers very specific coaching as to what to emphasize at this leadership level. The talks here were normally very hardcore and nothing that the general populace of the organization would hear. We

were told at this level that we would have to work at least six and seven days a week to get the job done. Too many people were counting on us to succeed for us not to do exactly that.

At these late night to early morning leadership meetings, the Diamonds spoke of the incredible lifestyle that they and their families shared, since making the decision at Pearl and Emerald to “give it all they had” and move on to Diamond. They spoke of now retiring their parents and taking them on incredible cruises or trips to Hawaii. Some spoke of buying homes and cars for their parents, and one spoke of funding an orphanage.

There was a whole new performance standard expected here. One hundred percent total commitment was the only acceptable example we could reflect as leaders, particularly if we wanted to stay on the speaking schedule for seminars. As Pearls, we were paid \$600 for doing a seminar, and this extra income certainly helped out. The most important aspect of speaking at these events was the fact that you were clearly acknowledged as being part of the “plugged in” leadership. This gave you more credibility when you went to work within your own organization. People were very excited to invite their friends to a house meeting that I was doing, if they had just seen Kathy and me speak at a seminar to hundreds or thousands of people.

On three separate occasions, different Diamonds taught us how to keep our hectic and chaotic nonstop schedules from our organizations. The justification was that we were working this hard by choice, and they would never have to if they did not personally decide to do it. Zack himself said that we should never let our group see our schedule book, because it might scare the average distributor, who did not yet have a big enough dream or understand the big picture. Another Amway Diamond advised us to be like ducks going across a pond. They are calm, collected, and effortless on the surface and are paddling like mad underneath.

Another one of Zack’s Diamonds advised us on how to make lifestyle representations. He instructed us to do things like golf one morning and then talk about it for a month. This gave the impression that you were golfing constantly and would motivate the golfers in the organization that wanted time to play. After all, most of the people in these leadership meetings were “retired” from their jobs. If they chose to work their business day and night, it was their option. No one else **had** to work that schedule.

## **Movin’ on Up!**

The process of edification or building up was taught and reinforced over and over to entry-level distributors. Showing proper respect to upline was **required** of leaders. Distributors were taught always to be both thankful and respectful of their upline’s time. We should even buy gas for our upline when we were out together to demonstrate our respect for their time. We were expected to buy our upline’s meals as well. The reason given for this was the fact that you would benefit more from this time together than they would. The analogy used was this: “when a broke guy and a wealthy guy get together and talk, who will benefit the most?”

We accepted this as simply showing respect for mentors. Distributors were reminded constantly that their upline *could* be with his family or anywhere else in his

organization but chose to ‘invest’ his or her time in **you**. We never saw Amway Double Diamonds Zack and Molly buy a single meal of their own in the nearly ten years we were in business with them. When Kathy and I hosted seminars, we had the speakers’ cars taken out and cleaned while they were on stage. We would also send their children a bouquet of balloons to thank them for loaning us their mom and dad for a day. It seemed comforting to be part of an organization that showed such a high level of respect for people.

A strange shift began to occur after we went Pearl. People in our own organization began to treat us very differently. These were not just faces in a crowd or people that we knew casually or from stage. Our closest friends began to treat us in an unusual manner. It was with a reverence that made us uncomfortable. It was not anything like the near-worship given the Diamond-level distributors; yet, it was similar in nature. People that had been like family to us now made certain to tell us how thankful they were for any time we would share with them. They became even more anxious to “counsel” with us.

They always took special care to be on time and insisted on buying us soda, coffee, and our meals when we were out together. They began to share more intimate details of their lives and struggles with us. People outside of our organization did the same. Many knew us from stage and from the seminars we had started doing, and others knew us because our tapes had gone out to thousands on the “tape of the week” program. Distributors, from as far away as Canada, called to tell us they had been inspired by our example. We had a friend who had a distributor from England call to tell him the same thing. This building up seemed more like “deification,” and we had become the recipients of the adulation.

It made us very uncomfortable, as this hero system gave distributors an almost cultish respect for leaders and an unquenchable thirst and desire to become one of them. We soon had business people, surgeons, pastors, an anesthesiologist and many others wanting to get advice or counsel from us. There was a sudden perception that we had more wisdom than we actually did. Indeed, we had read and studied an enormous amount of the system materials regarding time management, communication skills, goal setting, and motivation. We had begun to accomplish levels in the business that a very small percentage of distributors achieve, despite tremendous effort.

The bottom line was the fact that we were just a hardworking couple in our late twenties, and we did not yet have a great deal of life experience. We would later have professionals willing to take a day off work to spend a few hours receiving our counsel. Strangers would walk up to us in airports and greet us. Although the recognition initially made us feel a little uncomfortable, we felt good about what we were accomplishing, and it certainly fueled the motivation in our organization. Fame and recognition were never our motivation, so they quickly grew old. We were somewhat private people and began to feel like we were living in a fishbowl.

We counseled more frequently with Zack and Molly and were now invited to what was considered the Mecca for distributors. As I said before, we were *invited* [attendance was mandatory] to the Pearl/Emerald/Diamond leadership meetings. Here we began to meet and develop relationships with those we had once only admired from a distance. We were now able to learn directly from these millionaires and millionaire makers. These were couples that we had come to respect and emulate. The work that we

had done to achieve this level was incredible. Having shared similar challenges to get to this point gave us all an *esprit de corps*. There was an incredible sense of camaraderie and mutual respect to be one of the few who made it this far.

We received a warm welcome from this group, the inner circle. We were told that over \$100 million dollars of Amway's annual volume was generated through this small group of Zack's leaders. These were the best of the best. The leaders at this level were very family-and- faith-oriented and spoke often of our business as fulfilling the great commission to reach others for God. Many often quoted Scripture. They were always impeccably dressed and appeared extremely wealthy. The real motivator for us was that they had each helped many, many others succeed as a prerequisite for their own personal success. The greatest servants had become the greatest leaders, and we were among them. Prodding at us in the background was our very real desire to be well-paid servants. We had yet to see much of the promised income.

Therefore, the wealth that the Amway Diamonds openly displayed put us off and motivated us at the same time. The Amway Diamond-level distributors had an enormous amount of jewelry, particularly diamond jewelry. This was a visible outward sign of their economic success and symbolic of their achievement of the Diamond level in the Amway business. Most Emerald-level distributors wore diamonds. Coming into the business, I did not think it was a manly thing to wear diamond rings. It certainly had not been a goal of mine, but in The Business, it was a symbol of manhood. It was a symbol of servanthood. It symbolized reaching your full potential for your God, your family, and the people in your organization that you loved.

The high-level distributors would often take off their diamonds and other jewelry and pass them around for us to try on. Molly had a six-carat diamond ring, and Zack sported a ten-carat ring. We were told that it was a nearly perfect investment grade stone valued at over \$100,000. He also sported a presidential Rolex with a face, bezel, and band nearly completely diamond encrusted. Molly had a large collection of gowns, shoes, and furs. Zack often spoke of getting into The Business, wanting to have a good car, and at one point owning over a million dollars in vehicles alone. They lived in what was described as a 10,000 square foot home, appraised at over a million dollars. It had been purchased from a non-believer. (Speakers would teach us from stage that God made these sorts of things for His kids, not Satan's.) It was very important to know that there was no mortgage on this home or on any of the other homes that Zack and Molly owned. If we just followed the principles we were taught, we too would one day live debt free and stress free. What a joy that would be for us!

The gaudy or ostentatious displays of wealth motivated me in that again and again it demonstrated that this business worked. It was not necessary for me to have worked as a Federal Government Auditor to document that Amway worked and worked in a big way for those willing to put in the effort and take it seriously. We saw the evidence all around us.

Zack and Molly were not an aberration. We were beginning to meet many, many Diamond couples who all spoke of the same incredible lifestyle. Some even had lifestyle videos made professionally that were available to sell to our distributors to help "build the dream." They were a source of tremendous motivation and encouragement to us all. Building this business was not an easy thing to do and required an enormous amount of physical, mental, and spiritual perseverance. When people from "the outside" told us that

there was no money in Amway, we thought they were idiots. Some would even tell us that they never knew anyone that made money in Amway; yet, we knew of well over a hundred millionaires. Some would say that it was a small percentage that ever succeed, and I would ask them how many people, where they worked, retired in their thirties and became wealthy. The answer was always ‘none.’ Here, in this business, we were repeatedly told there was a “100% success rate” for those who plugged into the system and did the work.

One fundamental principle taught in The Business, as a requirement for success, was the ability to ‘dream build.’ This was one habit that our upline exposed us to on a regular basis until it became our own. Family, security and time together were nearly our sole motivations upon entering the Amway business. These remained intact, but others were systematically added as time progressed. One of Dexter Yager’s, oft-repeated quotes was, “When the dream is big enough, the facts don’t count.” The dream, as defined by the system and our upline, could not be just freedom or family time. It had to be something physical or tangible. We had to experience what was out there to know why we were working so hard.

We never had an interest in owning a Cadillac; yet that was the car that leaders were *expected* to drive. We began to take them out and test drive them and soon *needed* one. This was not just a comfortable car to buy. Again, it was an outward display of loyalty, success, and *manhood*. After counseling with our upline, we got an inexpensive, older used model, and it motivated our group tremendously. Soon, each of them *needed* one. Many went Direct and eventually ended up purchasing Cadillacs or Mercedes.

On one occasion, Molly took Kathy and other leaders out to a furrier. Many tried on minks. Kathy had never worn a mink, but the picture they took of her wearing a beautiful white and brown trimmed full-length fur that matched her dark-blonde hair perfectly gave us a new goal. She looked like a princess in it and said it felt incredible. Male distributors were often told that they didn’t have to get a fur for their wife. We were encouraged to remember that their efforts at work bought a fur...just for the boss’s wife or that of a stockholder. That old question haunted me: “Who do you love more?” I began to hate my employer and wanted desperately to succeed in my business to provide these things for Kathy, as opposed to someone else’s wife.

Zack took me for a ride in his newly purchased Ferrari. It was appropriately Ferrari Red and handled well even on country roads. He and I went out in his turbo diesel Mercedes SDL and other assorted Mercedes in his personal fleet of luxury cars. After one counseling session, just Zack and I went out in his Prevost coach. Distributors were told it was worth over half a million dollars.

I had never been in a home that had an interior as nice as this coach. It was a luxury coach and had marble floors, a mirrored ceiling, and indirect lighting. We spent some time in his limousine as well. One of his more flashy acquisitions was a Lamborghini Diablo. Those cars cost well over \$100,000 and literally stop traffic with their sleek design. All the while we were together, he would counsel me and give me a combination of business, personal, spiritual, and financial advice.

Much of the advice he would give me would tie back into a scripture relating to faith or servant hood. He would jokingly describe his purchase of luxury vehicles, homes, and resort-like properties as minor purchases. Minor purchases were defined as purchases that you could write a check for; major purchases required a loan from the bank. To some

people, buying a refrigerator was a major purchase. To Zack, buying a private island was a minor purchase. There was no money stress in his life. What I wouldn't give to have Kathy live like that!

I felt incredibly blessed to have someone this successful mentor me. It was as if I owned a new McDonald's restaurant and had founder Ray Kroc to mentor and coach me. Success was inevitable. No one was willing to work as hard as I would work! I was coached to laugh at people that told me this business did not work. Such critical people usually slaved away for an oppressive boss, who controlled both their time and income. What morons! My entire perspective and fundamental beliefs had begun to change dramatically. Kathy and I were thankful for having been enlightened and rescued from a lifetime of employment slavery. We were going to become wealthy and spend all day and every day together.

If we could just work a little harder, I could retire from my job and begin life as a full-time dad. Thank God! That was the dominant thought that kept me going. Kathy and I were both so tired and were now used to living in a nearly exhausted state from lack of sleep. I remember barely being able to concentrate at work from being nearly brain dead after days with minimal sleep. On one occasion, I was on the telephone in the office at work, waiting on hold, and I remember thinking they'd better speak loudly when they get on the line, because I was going to sleep. I stared at my computer screen and drifted off until a voice on the line startled me back to consciousness.

This was not uncommon for a leader. Amway Superstar Diamond Randy Haugen related the story of being in a management meeting at work, falling asleep, and actually rolling out of his seat onto the floor. It got to the point where I pushed myself so hard I continued to drive until I hallucinated for the first time. I was driving home from an out-of-town house meeting at about 3:00 AM on a weeknight and had almost made it home. The exhaustion was catching up to me, but home was only a quarter mile away.

Suddenly, before me in the middle of the road was the back end of an elephant that I was about to slam into at full speed. I stood on the brakes with both feet and skidded to a screeching, violent stop. In my now fully awake state, I realized that the gray elephant I had slammed into was actually a thick bank of fog that looked solid in my headlights. I went home a little shaken but more determined than ever. It never felt so good to kiss my sleeping children and Kathy goodnight, as I collapsed into bed for a few precious hours of sleep before work. I knew that I just had to quit my job soon.

As leaders, we were getting counseled to build The Business seven days a week. In a private session with Zack and Molly, this directive was strongly reinforced. Kathy did not like the fact that I worked on Sundays. That was almost our only family time, if I was home. Zack counseled Kathy for almost an hour on getting over this "challenge" in one counseling session. We were told repeatedly that all we had to do to make \$100,000 a year was to go Emerald. Get the job done. No excuses! IF you were a distributor that was not happy with your income, you were advised to look in the mirror to find the person controlling it. This wasn't like a job where you could blame your situation on your boss, office politics, or the economy. This was the "purest form of free enterprise."

We continued to 'dream build,' as we were encouraged to do, by going through luxury homes and driving expensive cars. However, the one thing Kathy and I desperately longed for was time together as a family. It was all I could think about all day long. I had to do more to retire. A real man got his freedom.

## What's Your Goal?

*"I figured it out folks. If this business didn't work, I would know by now. I would have figured it out. This business works and in a big, big, big, big, big, big, big, big, way."*

- Amway Crown Jody Victor, \*

"Freedom" was the one big dream for which most of the distributors in our organization toiled many hours. At the profit-sharing level, most of the women in our organization retired from their jobs. Some were picked up in limousines for their last day of work. This was a tremendous source of motivation for the working moms in our group. The Business promoted the idea that it was stupid for a woman to have a career, whether she had children or not. At a Directs' meeting, Birdie Yager referred to any job-holding woman in the room as an "idiot!" Such women could be helping their husbands build a multi-million dollar business but instead choose to build equity in their employer's business. It showed a woman's lack of belief in both her own business and in her husband. If you do not believe in your business, how did you expect your downline to believe in it? There was tremendous system and upline pressure to "fire your boss!" Distributors were advised to actually write their resignation letter, no matter what their current financial condition. They were not to give it to anyone but to read it daily to stay focused. You moved in the direction of your most dominant thought. Distributors were led to chant things like **"Freedom!" "Freedom!"** or **"I'm going Diamond"** again and again late at night at seminars.

We studied *the system* and taught its principles well. We became very adept at getting distributors to visualize, using all their senses, what their last day of work would be like. They took tremendous joy in visualizing the look on their boss's face when they handed in their resignation letter. They were often told to plan on sending him half a post card from Hawaii and writing on it "you never could see the whole picture." We helped them visualize the limousine pulling up in front of their workplace to whisk them off to freedom and family. They would imagine the look on the face of their stupid brother-in-law (the one who had told them that Amway didn't work).

Revenge against those who had laughed at you was a motive that was repeatedly reinforced. One Amway Diamond spoke of having his luxury coach polished to tow his Rolls Royce to a high school reunion, to the glee of the audience in attendance. Zack spoke of having his driver take him in his limousine to school to straighten out a teacher who had maligned his son. Power and revenge seemed to be forces that the Diamonds enjoyed dwelling on.

Another Diamond related the story of a friend who had laughed at him and said, "Come back when you get rich in Amway." He drove to his friend's place of business and leaned on the horn, then got out of the car, and leaned on the emblem of his newly purchased Mercedes. His friend came out and said something to the effect of "Oh my

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\* Jody Victor, **It's Unbelievable** Stock No. DBR 897 copyright unknown

God, you're rich!" The crowd exploded into applause with a vicarious sense of victory and retribution.

By this point, Kathy and I did not only *want* to be free. We **had** to be free! It was all we lived for. Beginning at the leadership level of Direct, there was tremendous pressure to leave your job and "walk the beaches of the world" with the people you loved. Believe me, this sounded better and better the harder we worked.

*"...four components of mind control: 1.) Behavior control (2.) thought control (3.) emotional control; and (4.) information control."*

- Dr Walter Martin\*

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\* Martin, Walter, *The Kingdom of the Cults*, Bethany House, Oct. 1997 Anniversary Edition, p. 49.

CHAPTER 6

# The Dawning of a New Day

*“In Compassionate Capitalism, Rich DeVos tells you how you can make your dreams come true by centering your life in love of God and country and an authentic desire to help others.”*

- Robert Schuller \*

The pressure to retire from this nonstop, exhaustive schedule was intense. It literally was a matter of survival at that point. I could not go on much longer on this little sleep. It was only a matter of time until I had an accident. Distributors were told to cut out all distractions from their lives. Any distractions could keep you from becoming a Diamond. If it took you even one more year to go Diamond than it should have, this delay would have cost you \$250,000 or more. Distributors were told to cancel their cable TV. Some were actually advised to sell their TVs to raise money to attend seminars.

There were other distractions that could hold you back. Distributors were informed that having any “plan B” constituted a lack of faith. Specifically, if you had investments or another business to fall back on, you must not believe in your heart that you could become a Diamond. Before the large bull market hit, distributors were told that somewhere near “97%” of investors lose money in the stock market. We did not know otherwise, and by that time, we were nearly totally isolated from outside sources of information. Zack stated on multiple occasions that he and Dexter did not have any other investments outside of their Amway businesses until they each went Double Diamond. They could not afford to be distracted.

The credibility and financial magnitude of the business continued to grow. Robert Schuller, the famed founder and Pastor of the Crystal Cathedral Church in Garden Grove, California, and the host of the Hour of Power television ministry, was the author of many books that we bought and sold in *the system*. His books reinforced the principles of the system helped change my life in a manner that I perceived to be good. *Life's Not Fair, but God Is Good; Move Ahead With Possibility Thinking; Tough Times Never Last, but Tough People Do* and *Self Love*.

Pastor Schuller shared at one of our large seminars that had many thousands in attendance. He spoke, both on and off stage, of Amway and its leaders with great respect and admiration. “I want to say what an honor it is for me to be at such a great assembly of one of the greatest organizations ever conceived on planet earth... to give everybody a

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\* DeVos, Rich, Compassionate Capitalism (Endorsement by Robert Schuller)

chance to make it. I think the world of the Amway Corporation,” he said, “I have been a friend of Jay VanAndel and Rich DeVos almost from the time they started this business.”<sup>1</sup>

As leaders, we got to spend some personal time with Pastor Schuller backstage. He was very tall and very gentle. It was such a thrill to be able to meet some of our real-life heroes. These were the kind of people we wanted to model ourselves after. He had made a difference for God by serving many others. We felt so fortunate to be part of this incredible organization. There seemed to be an unending number of confirmations that we were at the right place at the right time.

Author, researcher, and lecturer Shad Helmstetter published a third letter, touting Amway’s virtues and promoting his web site to distributors. His web site was and is a forum to promote the success story of Amway and its distributor force. On this web site, which can be located at [www.firedup.org](http://www.firedup.org), distributors can review his American Victory letters, learn about his seminars, and read success stories of others like themselves. It gave our efforts more credibility, because he was an outsider. On the site, he published an interview of himself regarding Amway.

*“The Shad Helmstetter Interview:*

**The Real Story of Today's Amway**

Dr. Shad Helmstetter is the author of nine best-selling books. He is respected worldwide as a leading authority in the field of personal growth. His books are published in more than 64 countries around the world.

Dr. Helmstetter has been a repeat guest on Oprah Winfrey, ABC, NBC, CBS, and CNN News. He has been featured on over 1200 radio and television interviews in every major city in the United States.

Dr. Helmstetter spent more than five years studying the Amway business as an outside, independent researcher. He is not endorsed, paid, or financially remunerated by or associated with the Amway Corporation or any of its affiliates. The following comments are based on Dr. Helmstetter's independent research and are entirely his own....

**Q: You have been one of the most outspoken public supporters of Amway Distributors. Why is that?**

**SH:** In my field I study people who work at improving their lives. I spent more than five years studying Amway Distributors, and I was impressed with what I found.

Most Amway Distributors are people who are trying to do something worthwhile with their lives. They understand positive values, they support marriage and families, they're willing to dream and they take

their dreams seriously, they work hard to reach their goals, and they believe in helping other people do better.

Amway Distributors are the families who live next door to us. They are people who are trying to keep their kids off drugs, make their marriages work, improve their lives, and take responsibility for themselves. They also tend to be positive and hardworking.

That's the kind of attitude that gave this country its freedom in the first place. How can you possibly criticize that?

**Q: Then why do some people criticize them?**

**SH:** For the same three reasons most people criticize someone else for doing something different than they are—they criticize other people because of their own prejudice, ignorance, or misinformation. And that's unfortunate, because people who criticize others, without knowing the truth, can hurt a lot of good people.

**Q: What would you say is the greatest problem that Amway Distributors have to overcome?**

**SH:** The first problem is that many people are either uninformed or misinformed about the Amway business. If I could wave my wand and make every false rumor go away, people would suddenly be calling their distributor friends and asking them if they could join them in the business. By the way, I predict that will happen. The overriding positive facts about the business are becoming public knowledge.

The second problem is that anyone who wants to get ahead—in anything—has to stay motivated. Motivation is often a problem for any of us because it's human nature for people to let the day-to-day problems of their lives get them down. I've spoken and written a lot about that in the past, and with this web site I've decided to offer a more direct form of help to people who could use some additional motivation from time to time.

I often send personal motivational messages via e-mail to people I believe in. That kind of uplift can really make a difference. Now, anyone who is reading this site can participate, and I will send them personal e-mail encouragement and motivation on a regular basis.

**Q: Some critics say that some Amway Distributors sell dreams. What would you say to that? Are they dream builders?**

**SH:** The distributors aren't selling dreams, they're encouraging people to be willing to dream. That's important! That's something everyone needs to do!

As I wrote in *The Achiever's Bill of Rights*, people who aren't dreaming aren't growing. Without dreams we go nowhere. With the ability to dream, there's no telling what we can do!

Look at the facts; our nation was founded on dreams. Marriages are built on dreams. The day you start college, you start with a dream. Every new idea, every invention, every improvement you and I enjoy right now, started with a dream. Name one thing that makes your life better, and if you research it, you'll discover that it started with a dream.

No one who is truly a quality person will ever question your dreams—people of quality encourage your dreams. They know that if you do not dream, you cannot really live.

**Q: What about the old criticism from years ago that said Amway was a cult?**

**SH:** Working in the field of human behavior, I've studied the cults for many years. The Amway business is the opposite of cult psychology. As an example, cults practice a system of separating their members from their families and friends. Amway is the opposite. The basic concept behind Amway Distributors is designed to build stronger relationships, not weaken them.

As another example, cults always control what their members are told. Once again, Amway does the opposite. As a case in point, I have been asked to speak to dozens of Amway audiences, but never once have I been asked by anyone, in advance, what I was going to say.

The old myth that Amway is a cult is supported only by people who are either misinformed or uninformed. I would like to examine their research. Amway Distributors are independent; they are building their individual lives, and they are working freely to build better lives for themselves, their families, and their futures. That's not a cult; that's America.

**Q: What about the sometimes criticism that Amway Distributors have to invest in business materials and they have to attend meetings and seminars, in order to succeed in the business?**

**SH:** That shouldn't be a criticism, that should be a salute to good business sense! The fact is that Amway Distributors do not have to buy

training materials and they do not have to attend training seminars and business functions. But I have studied their business "tools" and I've attended their seminars and functions. The bottom line is that, on average, Amway Distributor business support materials are superior to most of the training and motivational tools that are available from many of the top corporations in the US today.

When was the last time your company offered you training and motivational materials that got your family involved and excited about what you were doing? My outside recommendation is that distributors should take advantage of every tool they have access to, and attend every business function available to them. The point is not how much of an investment they will make. The point is how much value they place on improving the rest of their lives.

**Q: What about the people who say the Amway business doesn't, or can't, work?**

**SH:** If there is anyone who is willing to say the Amway business can't work, I'd like to see his research. During the past five years, I've interviewed, met, or talked to more Amway Distributors than any other researcher living today.

The fact is, for people who apply themselves and apply the plan, the business works. What critics of the business ignore is that the business is successful because it works at different levels for different people.

Some people just want to be surrounded by friends and associates who think like they do. Some people want to earn some extra income, but not treat the business like a full-time job. Some people want to quit their regular jobs and build a full-time business. And of course, there are those men and women who want to create long-term financial independence.

I've met a lot of people in every one of those categories, and according to them, not only does the business work, it has added to their lives in many positive ways. Why would so many good, solid, intelligent people stay in the Amway business for ten, fifteen, twenty years or more, and say that it's the best thing that ever happened to them?

Think about that. And why would so many second and third generations of independent sons and daughters of experienced Amway Distributors follow in their parents' and their grandparents' footsteps and choose the Amway business for themselves?

The only answer is, because it works—it meets the needs of a lot of different people, and it helps them grow.

(EDITOR'S NOTE: See Fired-up! Letters on this site, for individual distributors' comments.)

Editor's note: Dr. Helmstetter's comments are presented in The Helmstetter Report without approval, support, or endorsement of the Amway Corporation or any of its affiliates. His comments are entirely his own."<sup>2</sup>

These comments helped to reinforce all the beliefs we had about Amway and our chosen career as distributors. We were impacting the world for the better. It was powerful to feel as if you were part of a strong, positive organization that could eventually impact world peace. There was camaraderie among distributors everywhere we went. We all *understood* one another. Mr. Helmstetter's comment on Amway not being a cult was helpful as well.

We would, on occasion, run into a prospect or family member of a distributor who thought Amway was a cult. Amway a cult? That was the most moronic thing I had ever heard. I could not even understand why someone would say something so stupid. Here is a business where people open every seminar with a prayer and a pledge to the flag. I had never been around more godly people of integrity. These people, particularly the Amway Diamonds, worked tirelessly as servants to their organizations to help them succeed. Here we have former Presidents of the United States and key religious figures endorsing Amway with glowing praise, and some nuts want to call us a cult. It was ludicrous, but it is a fact that this topic came up on occasion. (Several years later, I myself would have to spend days with a renowned cult expert and over a year in recovery to *begin* to be deprogrammed from my involvement in an Amway motivational cult.)

We were taught how to address this issue. In one leadership training, Zack spoke on this subject. He mocked anyone stupid enough to even repeat something this foolish. He explained that in a cult, everyone does what the leader says to do. If that were the case, we would all be rich! We all laughed and took the point well. If we all could follow his direction more closely, we would be wealthy. In spite of the automatic cultic response, I could not comprehend why someone would even mention cultism. It must be some perception of Amway from 20 years ago that followed it around like an urban legend of sorts. We were constantly reminded that the average person would criticize above average achievement to justify his or her own laziness and lack of success.

The media was routinely blasted as an enemy of sorts. We learned, and later taught our group that the media was a business. What sells, the truth or the sensational? Sensationalism sells, even if it is completely devoid of all truth. The media, with its liberal slant, was an effective, powerful tool in destroying the efforts of conservatives, who wanted to make this country a better place for our children's future. Key players in the media were often maligned as idiots.

In one talk, Geraldo was referred to as Geronimo, Rikki Lake was called Wikki Wake and Oprah was called Dope-rah. These derisive terms were ones that I would later repeat, as I taught large organizations around the East Coast on the evils of the media. We

needed to control our psychological environment. Our minds were very much like a computer - garbage in, garbage out. We move in the direction of our most dominant thought, so we had to control what we thought about on a regular basis. This is why *the system* was so vital in keeping us focused. We needed to listen to at least one tape every day.

We could *never* afford to miss a monthly seminar, even after nearly a decade in the business. Your group would duplicate what you would do. The entire organization was constantly reminded to follow and work with their *plugged in* upline. *Plugged in* is a reference used to describe a distributor who was completely loyal to the system in listening to the tapes, reading approved books, attending all functions and in line with his upline. There was no room for ego here. If you missed a seminar, someone in your organization could later duplicate your bad example. Not a good idea!

No leader would ever miss a monthly seminar for any reason. The standing joke was, the only legitimate reason you could ever miss a seminar was for a death in the family or... your own. As a matter of fact, in a talk about commitment, Zack related the story of Arnold Schwarzenegger missing his own father's funeral, because he had a very important competition he had prepared for. His mother *understood* his dedication and now was now proud, as Arnold was a hero who could provide well for her. Winners instinctively understand *total commitment* and losers question it and make excuses.

## Getting with the Party Line

*"Some of the greatest growth experiences is when we were late with our mortgage payment because we were covering our orders. We didn't understand it at that time. We thought, "Hey we're not covering our mortgage payment, we're covering our orders. What's this all about?" I'd rather owe the bank than my upline. I'd rather not ever, ever have my upline unhappy with me."*

- Amway Crown Jody Victor \*

Kathy and I had worked hard before our Amway involvement to accumulate some rental units to build equity for a retirement nest egg. We were only in our twenties but knew we had to begin to plan and invest early in life. However, we eventually became convinced that these properties were simply a distraction that would keep us from becoming financially free. The many Amway millionaire Diamonds could not all be wrong. They, too, had dumped all distractions and focused solely on what would give them the greatest return on investment (Amway). Many repeated the same basic philosophy in their own way. Once again, they had the lifestyle to back up the success of this business principle. I was a "broke" guy with a few rental properties and a lot of ambition. We soon sold these properties and used this money to pay off all of our debts.

Outside of our mortgage, we were debt free. We had paid off our car loans,

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\* Jody Victor, **It's Unbelievable**, Stock No. DBR 987

college loans, credit cards, and consumer debts. We certainly were now getting closer to our freedom! The magical day was approaching. I'll never forget the excitement I had when I went into our bedroom, closed the door, and called Zack for his permission to retire from my job. Zack is a very detail oriented man. We discussed my current income from my profession, my Amway income as a Pearl, our monthly expenses, the number of distributors we had personally sponsored, the total number of distributors in our group on the tape-of-the-week program, and the number we had attending monthly seminars. I will never forget the excitement I felt when he told me I could retire from my job. I was going to be a full-time dad! He had me schedule it so that he and Molly could come and speak at my retirement party.

I hung up the phone and let out a yell that Kathy heard at the other end of the house. We had both worked so incredibly hard to get to this point. We were Pearls on the way to becoming Emerald. We were not making a very large income as Pearls but had almost no debt, and soon we were going to be making well over \$100,000 as new Emeralds! We could hardly contain our excitement. I typed up my resignation letter dated September 25, 1992. I gave my employer over one month's notice and made arrangements to part on good terms. This gave us plenty of time to plan my retirement party.

Our family was finally happy. This was the moment that we all had worked so hard and so long for. Even our children had sacrificed for this moment. They had learned not to ask for any product that did not come from *our* business. They were willing to eat off-brand, Amway-purchased cereal that they did not like. They had learned to eat vitamins from Amway that they hated taking. Our son Josh had become accustomed to my almost complete absence from the home. He and our young daughter Ashley were good little troopers and almost never complained. They knew that it was going to be worth it. We were going to play baseball together, go on picnics, and travel as a family now. My resignation was to be effective October 30, 1992. Each day seemed to be an eternity, as we all anxiously anticipated the arrival of my actual retirement date.

Word got out and the group seemed to be as electrified by this event as did our own family. *The dream was real!* We had heard this phrase again and again at seminars and on tapes. Our distributor force was energized by the clear belief that each of them could earn his or her own freedom. They were literally as excited as Kathy and I were. That was the beauty of this business. Success breeds success. In the normal corporate business world, if one person succeeds, it is because he took the place that, now, no others could fill. In *our* business, the more people succeeded, the easier it was for those who followed to succeed. No one in our organization, to this point, had been willing to work as hard as we did. Now, many were both motivated and had the faith to go do *whatever it took* to get the job done.

We began making plans for the big celebration. A large hall was rented, as Zack and Molly were coming to speak at our retirement dinner. A limousine was rented to pick me up at work on my last day. I had pictured this scene in my mind's eye 1000 times, during all those lonely, late nights driving home from meetings. Thank God, I was finally going to be able to get some sleep. I missed my beautiful wife so much. What a blessing it was going to be, to be able to spend time together! This was all going to have been worth it.

It was our hope that this event would not bring glory or light upon us but that it

would shed light to our group on the incredible possibilities that their own futures held. We were going to press on to Emerald and then Diamond and bless thousands in the process, just as Zack and Molly had. This was like a fairy-tale dream come true. I felt sorry for those poor, misinformed people, who had criticized our participation in this great business. They were relegated to a lifetime of servitude to an employer, who would forever control both their time and their income.

We could hardly sleep on the night before my last day at the large, insurance company where I worked. Kathy and I felt like kids at Christmas. An incredible, wonderful life was about to begin in the next 24 hours.

We woke early, hearing this enormous commotion outside of our home at about 5:00 a.m. It was a surprise party, being thrown by a whole group of our distributors. We quickly got dressed and went downstairs and talked about freedom. We watched videos of trips to places like Hawaii and Australia. All the distributors there had, in their own minds, a clear vision of what their freedom was going to be like.

The big goal of more sleep was a huge motivator for many of us that were driving ourselves to near exhaustion. We videotaped an event that would later be described to thousands of distributors. My alarm clock was put on an extension cord and placed on a stump in our back yard. The alarm was set and the camera zoomed in as it went off. As it sounded its annoying wake-up call, I hit it with a single blast from a shotgun that a distributor had brought for the occasion. The clock literally vanished. Playing this tape and recounting the story would bring cheers from crowds of distributors, who all were visualizing their day of freedom. This was a powerful, symbolic act that I had dreamed of for years.

I went to work as usual. My coworkers were very kind and gave me a small going away party with gifts and a card that I treasured. I worked in a very large glass building. I knew that the limousine must have arrived when I looked up from my desk and saw about 50 people pressed against the windows on one side of the building. I quickly changed into my tuxedo and began to walk from my desk towards my family and the freedom we had fought so hard for. One wonderful surprise was the reaction of my coworkers. Understand that it was not easy for them to see someone my age retiring and walking out to a waiting limousine. As I walked from my desk towards the door, like a scene out of a movie, they each slowly stood up and began clapping. Some had made fun of us for being in Amway. Now they were willing to cheer for our victory. I was overwhelmed by their kind response.

As I walked nearer to the door, I could see out the second story window down to the parking lot area. It was an incredible sight. There was a large white limousine and a huge number of our friends, all holding large helium filled red, white and blue balloons. The sight literally took my breath away. I walked down the stairway and took a moment to compose myself. A loud cheer went out from the group, as I walked out of the building towards the parking lot. Video cameras were rolling everywhere. Someone opened the limousine door and out stepped Kathy, looking more beautiful than I had ever seen her before. She was absolutely radiant. She was holding Josh's hand and carrying our daughter Ashley. The large crowd parted in the middle to make way for them. Josh broke free from Kathy's gentle grasp and ran to me with a bear-hug tackle that literally knocked me over. Someone yelled, "Free at last, John!" Someone else set off fireworks, and the crowd simultaneously released their freedom-colored balloons into the waiting

powder-blue sky. People were laughing, giving hugs and high fives to each other and to us. Many eyes were filled with tears of joy. This was truly a miraculous day. We got into the limousine and pulled out of my place of employment for the last time. Dad was going home. I was a free man—or so I thought.

A parade of our Direct distributors and others in Cadillacs followed us to our home for a celebration party. Every moment of the day was recorded on video, so that we could use this spectacular event as a motivational tool to help others realize the unlimited potential in this wonderful business. It was clear that God had honored the desires of our hearts, as we saw not only our own lives, but also the lives of our many friends transformed that day.

Kathy did not know it, but I had a very special surprise prepared for early that evening. We celebrated with all of our friends. All of our friends were, by now, only people in The Business. We enjoyed a great party that, of course, did not have any alcohol. Alcohol was for people that had no hope. We shared tremendous hope and an unlimited future. None of us had a need to dull our senses. One by one, each of our friends eventually left the party. What Kathy did not know was that they were all reuniting at another location for one of the most important moments in our married life.

I had told Kathy that a couple in our group was having their baby baptized that night. We dressed for the occasion and headed over to our church with Josh and Ashley. Kathy was pregnant with our third child, McKenzie, at the time. She looked beautiful. Both sides of the street were nearly filled with cars parked top to bottom, but we found a parking spot and headed quickly toward the steps of our church, as it looked as if we were late. I reached down and grasped the brass door handle, my heart pounding, and I opened the door for Kathy.

The church was completely filled with all of our friends and family. Unbeknownst to Kathy, they were all gathered there to share in our re-exchanging of our wedding vows. We were beginning a whole new life together and wanted to do so in the presence of God and all those we loved. It was an incredible moment in time. Here we were surrounded by a large group of people, where each seemed like a member of our family. We stood together at the same altar where we had originally exchanged our wedding vows. This time Kathy and I held each other's hand and the little hands of our children.

It had all been worth it. It was incredible to tearfully and emotionally re-affirm our love for one another. What a blessing it was to know that we would now be able to spend each day together. It was hard to believe that all our dreams were finally coming true. We felt very fortunate and blessed. This certainly was the happiest day of our lives. It is difficult to even describe the euphoric feeling that we shared as we nearly floated from the altar down the aisle to our new life.

## Just Exactly Who Are You Anyway?

*“Amway is an equal opportunity for everyone in this room regardless of what your background may be.”*

- Dick DeVos \*

We were soon enjoying the fruits of our newfound freedom. It was incredible to be able to sleep until we were both rested. What a concept! We had both gone on very little sleep for years. It was a true joy to begin to spend time together as a family. We had missed each other so much in the years that I had worked both day and night. It actually felt odd to not be *completely* exhausted. It was wonderful for Kathy to have me home, and she was no longer single-handedly taking care of our entire household.

The training that we had received and continued to absorb in the Amway system was powerful, in several ways. We had developed very strong interpersonal and management skills. We had become effective motivators. We had become good time and money managers. We have learned to seek out and see the solution in every challenge. As a matter of fact, we learned that there were no problems, only challenges. Challenges were simply opportunities for greater personal growth. We had trained our minds by now to instinctively block out nearly all negative thoughts. Our spiritual beliefs and faith grew in tandem with the above skill sets.

We received very specific training on how to identify and motivate each of the different personality types. A company named Personality Insights, Inc. was brought in to help train distributors in recognizing, communicating with, and motivating each of the four personality types. We were reminded that a carpenter has many tools within his toolbox and that each tool is effective for a different use. He would not use a hammer to do the job of a saw. Likewise, you would not attempt to communicate a message to two entirely different people in the same manner, using the same “tool.” Personality Insights, Inc. broke down the four personality types into a model they referred to as DISC.

The “D” personality type is known for being strong, dominant, task oriented, and decisive. They tend to be very businesslike and to the point. They do not enjoy socializing too much or wasting time on anything frivolous. With this personality type, we needed to be very quick and to the point if we were to sponsor them.

The “I” personality type is highly social. They are extremely friendly and not often detail oriented. They tend to be both emotional and enthusiastic. They enjoy having a lot of fun and being around a group that is full of positive energy. They tend to be the life of the party. Their weakness is that they can often lose focus on objectives. This personality type makes friends quickly and can often make others feel very comfortable.

The “S” personality type is extremely people oriented and somewhat reserved. They are very concerned with stability and have a strong aversion to risk. This type of personality responds well to a very friendly, logistical approach. This group may tend to be followers and want to feel as if they belong to part of a group. They want to discuss things like credibility and long-term benefits. They’re not very concerned with having a good time but will be open to developing a close personal friendship over time. They

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\* Amway Special Guest Speakers D. DeVos, B. Kerkstra Stock No. GDL 96-21

need very full, specific explanations to their questions.

The “C” personality type is extremely detail and task oriented and not very social. They will respond to a very conservative, patient approach. A “hard sell” will not work with them. This group tends to be extremely analytical and looks for specific, accurate answers. Quality and value are of the utmost importance to them. They, too, have an aversion to risk. This group will not respond well to a hyped-up presentation.

Below are “True Motivational Statements for Each Type”<sup>3</sup> from a resource purchased at a seminar for Amway distributors. The directions on how to utilize these statements effectively in motivating and influencing either the “D”, “I”, “S”, or “C” personality are as follows:

The words we choose when speaking to others can have either a motivating or demotivating result. You can pick “positive phrases” that appeal strongly and predictably to specific personality styles. Using such phrases creates a feeling that you understand what is especially important to your prospect. Here are some suggestions that are both *motivational* and *true*. You may find them helpful as you think about sharing our Business opportunity:

**“I can tell it’s important for you to be in control of your life, isn’t it?”**

### **D**

- You can be in control of your life in this business!
- You can make this plan work for you!
- You will get credit for what you do in this business!
- In just a few minutes, you can demonstrate the practical advantages of this business.
- This is something you can call your own.
- This plan sells itself!
- It is about opportunity of a lifetime.
- You are on the cutting edge of where all business is headed.
- It’s great to be your own boss!
- In this business, the advantages far outweigh any disadvantages.”

**“I can tell you really enjoy being around good people, don’t you?”**

### **I**

- The people you’ll meet in this business are great!
- There is no end to the exciting, new products/tools you can use.
- Our meetings are a lot of fun.
- You have the opportunity to travel and Go places in this business.
- We have several weekends that are incredible... and life changing.

- You'll learn everything you wish they had taught you in school.
- With your entrepreneurial spirit, these ideas are a great combination for future success. There are lots of product choices – there is something for everyone!
- I can tell you would like to expand what you are presently doing.
- You can “captain” your own team.

**“It’s important to you to be involved with people who care about people, isn’t it?”**

**S**

- Many people have found this to be a very reliable system.
- I’ll help you every step of the way.
- I’ll be available for you.
- You can come along with me, and I’ll show you what to do.
- There are many options – we want to find what’s right for you.
- This is how others have become successful – we follow their lead.
- These methods have been proven over and over.
- It’s real “security” for your family.
- Your steadiness will work well.
- You’ll make and keep new friends for life in this business.

**“If you were going to involve yourself in a project, you would want it to be legal and moral and ethical, wouldn’t you?”**

**C**

- Your decisions today will minimize your risk in the future.
- This program’s high standards “shine” under careful evaluation.
- Many people have already proven this system’s effectiveness.
- This system will succeed for years to come, based on past experience.
- We are expanding while other businesses are cutting back.
- You are in a position to examine the facts and clearly see the obvious benefits.
- A company this successful must be doing many things right.
- We’re committed to the highest standards of business ethics.
- We guarantee our quality.
- Our success is documented.”<sup>4</sup>

We received this personality-type training from Dr. Rohm, who onstage was a charismatic, humorous, brilliant educator. Off stage, he revealed himself as a very kind,

compassionate, Christian businessman. We essentially attended to all his needs for a weekend, and he was a joy to work with. Dr. Rohm brought tremendous credibility to The Business and its related *system* of success. His open praises of *the system* and its success were extremely powerful, because he was an outsider with a great deal of business acumen. The fact that he was very well known in Christian leadership was icing on the cake.

## Direct Contact

*“We don’t care what your faith is. We don’t care if you claim to have not faith. Build the business... you’ll... change to what God wants you to be.”*

- Crown Ambassador Dexter Yager \*

As Pearls, we began to have direct contact with Dexter and Birdie Yager at high-level leadership meetings once or twice a year. Spending any time with Dexter and Birdie was the Amway business equivalent of going to Mecca. We knew that they had helped hundreds of people become millionaires and multi-millionaires in the Amway business. We were advised that they had helped thousands of people go Direct that were not even in their own organization. Because of the incredible success of the *Yager System*, many outside of his organization had requested permission to plug into his *system* of books, tapes, and seminars. While Dexter had actually helped thousands go Direct in other organizations, he never received a penny for it—or so we were informed.

This type of story was repeated often and reminded us of how fortunate we were to be part of his organization and teachings. Distributors were told that Dexter was the most successful distributor not only in Amway, but also in the global history of all multilevel marketing businesses. The percentages changed at times, but a common representation was that as much as 90 percent of Amway’s multibillion-dollar revenues came from Dexter’s Amway distributorship. We were truly at the right place at the right time.

Once a year, Zack and Molly would have Dexter and Birdie come in and speak at a large “Yager Spectacular” seminar for thousands of distributors. Zack was a multi-millionaire but remained humble and always stressed his total loyalty to Dexter. Zack told us often how important it was that he still counseled with Dexter. He was making a million dollars a year and still sought wise counsel. If Zack did this at his level, we all certainly needed to counsel with him on a regular basis. Dexter was often referred to as the master teacher.

Kathy and I were very excited about our first high-level leadership meeting with Dexter. Zack began what we would come to know as a ritual about a month before Dexter spoke. Zack explained that not everyone understood Dexter, because he was so incredibly intelligent and successful. It was described as difficult for Dexter to come

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\* Dexter & Birdie Yager Stock No. FED 94-12 Copyright Internet Services Corporation

down and speak on a level that the average guy may understand. Consequently, he was often misunderstood. One frequently used anecdote that kept people from questioning Dexter was this. As Zack often told the story, some *broke guy* was questioning why Dexter was wearing a polka-dot shirt in his picture in the *Profiles of Success*.

To agree with or even acknowledge a comment like that would be de-edifying to Dexter. Zack told the guy that polka-dot shirts were in style at Dexter's income level. He told the *broke guy* that Dexter owned several hundred apartments like the one he lived in, so he would not expect him to understand the style that Dexter had been accustomed to. Another common phrase was used if anyone questioned the fact that Dexter sported a beard. Facial hair was another taboo in Amway. No leaders were permitted to have facial hair. If others questioned Dexter's beard, we were to tell them that when they were as big in the business as he is, they could grow a beard too.

The bottom line is that anyone who questioned upline, but particularly Dexter, had to be either stupid, broke, or both. We heard these stories repeated again and again every time Dexter was about to join us. We had been well indoctrinated by then. We had listened to over 1000 hours of tapes and seminars. We questioned almost nothing by this point and were amazed that anyone would even think to question someone as successful as Dexter. After all, he was a great Christian servant who had succeeded only as a result of helping others succeed all over the world.

The big day of our first leadership meeting with Dexter soon came. Our sponsors, Kerry and Chris, had gone Pearl and had gotten to the meeting just before us. They sat right in the front row. None of the four of us had any conception of what we were in for. As it turns out, you never sit in the front row at a meeting with Dexter. You never knew what was going to happen, as Kerry and Chris were soon to discover. Thank God, Kathy and I sat in the second or third row from the front.

Zack warmed up the group of about 30 Pearls, Emeralds, and Diamonds. He was very solemn and almost reverent as he spoke of Dexter and his undying loyalty to him. Experienced distributors around us chuckled at the fact that our sponsors had sat in the front row and advised us that it was going to be a long night. We thought that was great. The more time we got to spend with Dexter, the better. After all, he was a millionaire maker and could be anywhere in the world right now but had chosen to be with us.

Dexter started to speak at about 10 p.m. that night. It was exciting, as he was warm and friendly. He seemed very at ease and spoke to us with compassion, almost as a father would to his children. But we soon moved into an area of his talk that I could only describe as bizarre. He began to speak of the many, many steady girlfriends he had had in high school. I think the highest number of steady girlfriends that we heard about was 100. He began to tell stories about his childhood and then more stories about girlfriends. These accounts seemed to go on endlessly with no point.

I looked around and people were smiling and nodding, and some were actually taking notes. What could they possibly be writing down? From the atmosphere in the room, it was obvious that he was a very powerful man. There was almost a sense of fear present, or at least a feeling that went well beyond normal respect. Somewhere after midnight, Dexter stood directly in front of Kerry and Chris and looked at Chris closely. He bent over and stuck his face right in front of Kerry's and asked him if Chris was his wife. The room went silent. None of us knew what was coming next. Dexter commented that Chris was attractive and got eyeball to eyeball with Kerry and asked if he could kiss

her.

You could have heard a pin drop. Time seemed to stop as Kerry hesitated to answer. We did not know what the correct answer was. Would it demonstrate loyalty to let Dexter kiss your wife? The tension in the room was electric. The silence seemed to go on forever, as Kerry seemed to begin to perspire. Kerry finally blurted out, “No!” and the room went silent again. Dexter acknowledged that Kerry had given the right answer, and we all breathed a quiet sigh of relief. Dexter then went off on some long tangent about respect or love or commitment. Who knows? It was now nearly 2 a.m., and he was still droning on about nonsense. Our eyes were rolling up in our heads.

We were all struggling to stay awake. There were no notes that he worked from, and it was often difficult to even identify the topic in your own minds. However, we knew better than to question this in either public or private. Zack closed the meeting and reminded us how fortunate we had been and hoped we had all grasped “the message.” We were too tired to even begin to wonder if there had been a message. We just wanted to surrender ourselves to the pillows in our hotel room as soon as possible. Several years later, I learned about the effects of deliberate sleep deprivation, in which the senseless seems to make sense, and the bizarre becomes acceptable.

Dexter himself seemed to possess an unusual mixture of bizarre idiosyncrasies and credibility. He told of having Ronald Reagan speak at the seminars. He spent a great deal of time talking about the occasions when former presidents had had the opportunity to meet *him*. He often spoke of the presidential tie tack that former president George Bush had given him. It was surprising to hear how well connected Dexter and many other of the high-level Amway distributors were. Dexter spent a great deal of time talking about religion and his ultraconservative political agenda.

He seemed incredibly hardcore in most of his beliefs. We were soon to learn exactly why Zack had prepared us psychologically not to question Dexter. We later would also teach other distributors to do the same. The majority of our active distributors showed up the next day for the general admission seminar. Dexter and Birdie were brought onstage with tremendous fanfare and applause. You would have thought from the crowd’s wild reaction that they were greeting a rock superstar. They stood and cheered in a rousing standing ovation for what seemed like five minutes. We were extremely excited that our organization was going to learn from the one who had been described to us as *the master teacher*.

Dexter started out slowly and seemed to be relating rather well. He told many stories of the old days when he and Birdie struggled. His talk soon shifted with incredible force into his political agenda. This was a pattern we would soon become accustomed to. At one of these meetings, with thousands of distributors in attendance, Dexter informed the audience that he had distributors in The Business in high levels in the government. He even told the group present that he had connections with Secret Service agents that worked in the White House. These agents had advised him that Hillary Clinton was a *lesbian* and that she slept in her own private bedroom—separate from Bill’s. The agents, he said, had told him that our tax dollars were being used to shuttle Hillary’s lesbian lovers in and out of the White House. We would hear this saga repeated often by both Zack and Dexter at other leadership meetings.

At this meeting, and many others, Democrats were often characterized as mindless idiots, bent on socialism and the destruction of the moral fabric of this country.

We lost a good amount of distributors after this seminar. If you did not eventually change your way of thinking from Democrat to Republican, there really was no room for you in Amway. To stay in Amway and remain a Democrat would subject you to almost constant derision and mockery. I do not ever remember hearing any Amway Diamond speak who was anything but a conservative Republican. It almost seemed like a requirement.

The conservative Republicans seemed very eager to rally around Amway. Former president Gerald R. Ford said,

*“Amway distributors are dramatic proof that the American spirit of free enterprise is, and will continue to be, a vibrant force for good at home and around the world.”\**

We were not strongly tied to one political party or the other upon entering Amway. Kathy and I were very proud of the fact that this many important political figures fully endorsed, with their own reputations, The Business that we were now staking our family’s future upon.

There seemed to be an endless parade of very important political, religious, and business leaders that were anxious to endorse the Amway business. R. Craig Hoenshell is chairman and CEO of Avis, which has been described as one of the largest and most respected car rental companies. He related about Amway:

*“Everyone knows that at Avis, ‘We Try Harder’ for the customer. It’s the way to be the preeminent car rental company. Same thing with Amway. Independent Business Owners are part of a great enterprise. They can count on Amway to be there --- always working harder to make it as easy as possible for individuals to succeed in a business of their own. Avis and Amway have a lot in common.”<sup>5</sup>*

Jerry Falwell came in and spoke at an Emerald and Diamond-only meeting for Dexter. He was charismatic and well spoken, despite the picture that the media had painted of him as someone on the religious lunatic fringe. It seemed as if any of us that were going to do something good for our family, our God, or our country were going to be subject to criticism. My respect for Mr. Falwell grew tremendously as he spoke. He talked of enjoying talk shows where it was just him, Jesus, and a bunch of liberals slugging it out. He spoke highly of our Amway business leaders and the foundational principles that Amway was built upon. He described socialism as “shared poverty.”<sup>6</sup> We epitomized the exact opposite of that.

The credibility of the business began to increase at an incredible pace. Distributors were advised that Amway’s global estimated retail revenues were growing at a rate of almost a billion dollars a year. There was talk of Amway becoming a trillion-dollar company. Billionaire founder Rich DeVos was featured on the May 1996 cover of *New Man* magazine.

An Editor’s note in the article stated that: “this section tells the stories of businessmen who are fervent in spirit, serving the Lord. Each man has used his platform of success in business to proclaim the love of God and salvation in Jesus Christ.”<sup>7</sup> The

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\* Take Charge of Your Future brochure SA-217 copyright 1997 Amway Corporation

article gave a glowing review of Rich DeVos' business and philanthropic efforts. This was a wonderful article that gave us even more credibility within the Christian community. It went on to say,

“Now at the age of 70, with a record of achievement and a reservoir of riches nearly unmatched in the 20<sup>th</sup> century (his net worth is estimated at \$4.3 billion), DeVos is living with a renewed purpose and a heightened gratitude...”

“Amway has grown into one of the world's largest and most lucrative privately held companies. It manufactures and sells household products directly to consumers, marketed by distributors who are widely known – and sometimes scoffed at - for their intensity and persistence...”

“Former U.S. Surgeon General C. Everett Koop says he regards DeVos as one of his heroes. “Rich's love for people and his vision to help them be the best that they can be has deeply affected me and my personal outlook,” says Koop. A long-time friend and confidant, Billy Zeoli of Gospel Films, Inc. where DeVos has served on the board of directors for 30 years, has a more personal perspective. “Many people know that Rich is one of the finest business leaders of his generation,” says Zeoli. “Many people know that he practices what he preaches-that he backs up his words with real action, putting his money and talents where his heart is. But few people know what a tender spirit and loving heart he has. He is one of history's greatest motivators, precisely because he is motivated by the love of God and a desire to be faithful to his Lord.””<sup>8</sup>

“DeVos' resolute optimism, salted with a wholehearted embrace of the Christian gospel, has taken him through many doors and helped create moments not only for him but for the people he has inspired through his books, speeches and businesses.

“In every achievers life, they must make a conscious decision to make something of themselves, to take responsibility for that that decision and too be willing the price,” he says. “The most important lesson I have learned is the same lesson Winston Churchill illustrated famous three --- word graduation speech: “Never give up!””<sup>9</sup>

This was one concept that distributors would hear echoed again and again in different words at seminars and on tapes. *Never, never, never give up, never quit. Quitters never win, and winners never quit. Your greatest victory is just beyond your greatest challenge. Persist and win. Your God, your family, your group, and your country are all counting on you.*

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<sup>1</sup> “Strive” Tape CE-83 Robert Schuller Copyright unknown

<sup>2</sup> From firedup.org

<sup>3</sup> Copyright 1998 Personality Insights, Inc.

<sup>4</sup> Copyright 1998 Personality Insights, Inc.

<sup>5</sup> Achieve Magazine October 1999

<sup>6</sup> Author’s Notes Yager Emerald leadership conference 1998

<sup>7</sup> May 1996 *New Man* p. 27

<sup>8</sup> May 1996 *New Man* p. 27-28

<sup>9</sup> May 1996 *New Man* p. 30

CHAPTER 7

# I Think I Can!

# I Think I Can!

*“Having known many successful individual who are practitioners of free enterprise, there are few as successful, as committed to the basic tenets of capitalism and especially ‘compassionate capitalism,’ as Rich DeVos. It is a mark of Rich’s commitment that he shares his ‘personal credo’ with us and with generations yet to come.”*

- Alexander Haig, Jr. \*

Despite the locomotive-like force of credibility and Amway’s burgeoning billions of sales, we had *challenges*. Problems did not exist. Winners only have challenges or opportunities for growth. We had some serious *challenges*, however, that would not go away. Soon after we went Direct, our sponsors, Kerry and Chris, seemed to pull away from us. They no longer did much at all in our organization in terms of showing the plan or follow-ups. They began to treat us almost as if we had done something wrong when our organization took off in terms of growth.

We soon found ourselves being corrected constantly for the most minor infraction of the rules as prescribed by the system. When we counseled with Zack, he seemed to know intuitively what our challenges were. It was uncanny. He had a deep penetrating stare and seemed almost to be able to *read our minds*. These counseling sessions became more and more intense in nature. He now reminded us at nearly every session that Kerry and Chris were *our* leaders, and we needed to be humble and follow them. We could not expect our group to follow our leadership if we were renegades or even appeared to be out from under their leadership. Kathy and I did not care about who was considered the leader, as we were always team players and did not have any concern for who got the credit. We just wanted to build a big business to help our friends and take care of our family.

When we went Ruby, which was a pin level that Kerry and Chris never achieved, some more serious problems began. We then went on to develop a large organization and went Emerald before they did. Kerry later, half jokingly, told us that he wanted to send us a dead fish when we did this. Our success should have been a feather in his cap. It was a testimony to their having taught us the system so well. Instead, it appeared that we were in competition and a threat to them. They went from being great friends and encouragers to bosses who kept us at a distance. Their leadership talks, which had once been

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\* DeVos, Rich, Compassionate Capitalism, (Endorsement by Alexander Haig, Jr.)

inspirational and motivational, became incredibly hardcore. They seemed to move from just being loyal and committed to bordering on the lunatic fringe in relatively short order.

As Speakers that had once uplifted the group they now blasted them for not doing more or not being loyal enough. Training sessions dissolved into a McCarthy Era-like search for the disloyal. Kerry made many talks stating things like ‘you have not been loyal until you have had the chance to be disloyal but have remained faithful.’ He was the most loyal to Zack and wanted everyone to know it. He even said on multiple occasions that he would gladly take a bullet for Zack. This was nuts. The rest of their own organization dwindled as a result of this shift in perspective. Soon, there were very few people at all left in their organization outside of our group.

We were beginning to lose people as well. We had begun to recruit many credible professionals into our organization. We were sponsoring physicians, surgeons, accountants, financial planners, attorneys, teachers, police officers, and others. We even had some millionaires in our organization. When they heard our presentation, they were impressed enough to join. One of the keys for growth was to sponsor at your level and above in terms of credibility and social standing. The logic was simple. The greater the credibility you had in distributors in your group, the easier it was to recruit other like-minded people. We were moving quickly beyond the old door-to-door stereotype of the past.

However, our training sessions had to be led by Kerry and Chris, as they were the upline leaders for our area, even though they had lost most of their personal business because of their management style. This became progressively worse. At one training session, Kerry dictated that to succeed required *absolute* commitment to the system. People needed to listen to two tapes a day, every day, including Christmas, according to him. This was insane. This was a faith based business, and here he was telling my organization that they all had to listen to two Amway business tapes on Christmas day, or they weren’t going to cut it.

He then continued his talk on total loyalty. The example he used we would eventually hear many times. His entire family had planned for a long period of time to gather from several states to have a family portrait done as a special get together and gift for the parents. This was planned months in advance to assure that all could attend. At the last minute, Zack called and invited Kerry and me to a secretive, leadership meeting in Charlotte, North Carolina, with Dexter Yager and some key Diamonds. Kerry cancelled on his family and left them all to gather in our town. His wife took his place in the family picture. The rest of his family was furious. With pride, he said “My own brother thinks that I am in a cult.” Total commitment and an unquestioning loyalty *to your upline* were required to win.

We had successful professionals actually get up and walk out while Kerry was talking. I was in a state of disbelief. What about loyalty to your family? Isn’t that what this was all about? Kathy and I had gone to Zack and Molly again and again on this issue. We needed help desperately. Here we were sponsoring success-minded people from all walks of life by describing a secondary income source that they could develop into a six-figure residual income stream. They could develop a permanent income stream that could be passed on to their children. They then go to a training session and hear someone raving about taking a bullet for their upline and listening to business tapes on Christmas day. What was this becoming?

At first, we felt these challenges could be overcome. Zack had promoted himself as a problem solver. He had told us from stage that if we were uncomfortable with anything, to come to him, and he would help us resolve it. Kathy and I decided we needed to bring this situation up tactfully, right after we went Ruby. Zack and Molly were now like parents to us, and we trusted their counsel without reserve. In any event, they would only benefit if they helped us succeed. We prepared for the meeting and went to their mansion to counsel with great anticipation. We could resolve this and move right on to Diamond.

We were dumbfounded and very much confused by what happened next. We began talking and going over our goal sheet as usual. Zack was a detail man and always wanted to know how our business was doing. We needed to have our numbers ready to show him how many tapes-of-the-week our group was buying and how many seminar tickets were being sold for the monthly meetings. These figures and the number of Amway kits sold in a month were described as the pulse of our business. The volume of goods and services a group purchased always trailed behind the sale of books, tapes, and seminar tickets. The more educated and motivated the group, the more of these products they would eventually move.

We finally got to the end of the normal counseling topics, and Zack asked if there was anything else we needed to ask him. We confided that we were having a challenge with people being offended by Kerry's now almost militant talks and that some were actually quitting over it. We gave quite a few specific instances in a very respectful way. For some reason, it had become very easy for Kathy and I to relate to the masses both in person and from stage, but Kerry and Chris seemed to be struggling. Zack smiled and with a penetrating stare gave us nearly a two-hour lecture using analogies that we would become far too familiar with in the coming years.

First, Zack assured us that there really was no problem outside of our own perceptions. A couple of people may have misunderstood Kerry. We always needed to protect our upline in situations like this. You **never** agree with downline. It was like in a family, Zack explained. A husband and wife should always support one another and show a united front to the children. This benefits not only the children but also the family as a whole. Most people were not mature enough to put their own ego aside to do what is right for the team, which is ultimately what is right for them as an individual. An individual team member could not win if the team lost, right?

Zack asked us if anyone had ever misunderstood anything we had ever said in our lives. Of course, the answer was "yes." Would we like everyone in our group criticizing our every move and action? Of course not. Were we perfect and above making mistakes? There was only ever one perfect man (Jesus), and look what they did to Him. We should treat and protect Kerry and Chris, as we would like to be treated and protected by our people. They, after all, were the ones who had given us a chance to be free. We needed to work harder to build them up better and to shut off any distributor that might criticize them. Some people are just stupid and look to nit-pick or criticize any achiever in life.

The biggest thing that we needed to do was show a united front to our organization and praise Kerry and Chris for our success. That was the type of winning team mentality that we wanted infused throughout our organization. Zack and Molly told us that they loved us very much and were only telling us this for our own good, as they wanted to see us win. They did not want us to do anything that could harm our own

business or our future. Our group and our own kids were counting on us. They loved us like their own children. They asked if we had ever had to say anything to our kids that they did not want to hear. Yes, of course, and we were motivated out of our love for them. This love for us, they explained, was why they so sternly insisted we correct our own perceptions and begin better protecting our upline.

They reinforced over and over that Kerry and Chris had been in The Business longer than we had and were seasoned leadership. They had also spent a great deal of time with Zack. Talking to Kerry, because he was so incredibly loyal and *plugged in*, was in most cases like talking to Zack directly. Kerry did not make a single move without Zack's prior approval. We needed to learn to appreciate them as people and focus on their strengths. That is what God would have us do. Satan would like to see us separated and divided in leadership, in order to confuse the group and prevent us from reaching and serving others.

We stung a little from the talk but were thankful for the correction. Part of us thought that Zack did not truly fully understand the magnitude of the challenge, but he did help us refocus on the positive. Zack and Molly ended the session with praising us, our future, our potential, and our growing organization. They again reassured us of their love for us and embraced Kathy and me warmly as we left their house.

We were a little shell shocked on the way home but realized the apparent error of our ways. We had always been team players and had continuously given Kerry and Chris the credit for our success, even though we had built our group on our own from around the 4,000 PV level. We needed to be better downline members and to be better leaders, setting a strong example for those who looked to us for leadership. We were growing in many areas, and perhaps this was one that we needed to work on.

Mega-successful Crown Distributor Jody Victor explained this leadership principle at a high level Emerald and Diamond-only meeting. At this meeting he said,

*The thing about it is, you guys, you can't go on the defensive. It's biblical, you know. It's worse to take offense than it is to give offense. Our upline might sometime make errors. If they are financial they should bear them. But if they are other kind of errors we shouldn't rent a billboard and light it to tell the world about their errors. I think we should dig a hole and help bury it. Why would we want to illuminate it? Because if you live by the sword you will die by the sword. Someone someday will illuminate yours. But if they see you quietly put it ... put it aside, help bury it, eliminate it, then I think that same thing will happen to you.*<sup>1</sup>

The Business was obviously working. Zack and Molly purchased a private island in the Thousand Island area of Canada. We heard about it in great detail and were eventually invited for a weekend with our leaders. One of Zack's island employees picked us up in an antique wooden boat. It was one of several showpiece boats that had come with the island. We motored for about a mile and were mesmerized by what we saw as we approached his island. It was incredible! What a beautiful piece of paradise! We did not know that places like this existed. The island had three separate homes on it. One was the main house and had about seven bedrooms. The other was a guest cottage, and the third was a home that the island staff lived in.

Zack announced that he and his family would be spending most of their summers there. We were all asked to sign a guest registry, as we went into the main home. As a former Federal Auditor, I knew that this was to document business use of the property for tax purposes. I mentioned to Zack that he must be able to write off a good percentage of this secondary residence-private island, since he used it on occasion for trips like this. He informed me that this was not a secondary residence. This was a business conference center, according to Zack. I knew that Zack had quite a bit of business savvy, but I would hate to defend a luxury island in the middle of the St. Lawrence Seaway to an IRS field auditor.

In any event, we were all extremely motivated to see the rewards this business offered. Zack talked and encouraged us by stating that any of us could have a place like this for our family. We just needed to work harder, be loyal to our upline and the system, and stay positive. The couples broke up later at night and all retreated to different parts of the island to talk about what it would be like to have their own place like this. Kathy and I knew our kids would love this vacation spot – the water was crystal clear and full of game fish.

The Directs were sent back to the mainland on a boat to stay at a local hotel in Canada for the night. Only Pearls and Emeralds were allowed to stay on with Zack and Molly for extra counseling.

## **Go Get 'Em, Tiger!**

*“The purpose of the tapes, of course, is to understand the Amway business.”*

- Amway Diamond Bonnie Howard \*

The training that we were beginning to receive in terms of time management, sales, communication, and goal setting was incredible. We received this training, in person, from Zack and Molly, from tapes, from training sessions, and large seminars. I went from being somewhat shy to speaking to crowds of thousands with ease. I learned to contact strangers at malls and convenience stores to prospect them for The Business. The more we pushed and stretched what we thought was possible, the more we were able to do. We learned how to meet people and develop an immediate rapport with them. We actually got good enough to meet and sponsor complete strangers into our organization. They would later become good friends.

One particular skill set that was a necessity in communicating effectively was learning and remembering names. This did not come naturally to me. However, we learned that the sweetest name a person can hear is his or her own. It creates a feeling of value and respect. As I was doing Amway recruitment meetings nearly every night in hotels and homes, there were lots of opportunities to practice. Like any muscle you develop, the memory gets stronger, the more you use it. Eventually, I was able to walk into a room and meet ten or twelve strangers and refer to them individually by name, in

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\* Amway Diamond Bonnie Howard **Ladies Session Saturday Morning** Stock No. GDL 95-1

any order, in the course of an hour and a half presentation.

This amazed people, because it showed that I cared about them as human beings, not just as prospects that I wanted to sell on our business. We learned not only to develop rapport, but also to quickly bond with people, as they came into The Business. We wanted them to feel more loved and accepted with us than anywhere else in their life. The whole organization became an incredibly close group of friends. They were like a family, a perfect, accepting, loving family.

This created total loyalty, unity, and a team that was so unstoppable, it actually became a problem at one point. At open recruitment meetings in hotels, all the distributors would arrive early and wait for their prospects to show up in the lobby. We would all arrive in our crisply pressed suits and dresses, looking like a very sharp group of business people. We could not wait to see one another. There was a lot of hugging when men and women greeted one another. It was always appropriate, but it seemed odd to the prospects to come to a business meeting and see so many people hugging one another. For years at seminars, we had to ask distributors to stop embracing each other around public meetings. It was all right to greet one another that warmly at seminars, as everyone there was *in*, and we all understood the bond we shared. Many of us became closer to our friends in The Business than we were with any of our own extended family members.

Many active distributors had gradually, unnoticeably shed nearly all relationships outside of the group. It seemed like a natural progression. Many of us had become so busy with work, training sessions, leadership meetings, trips, and showing the plan that we had no time for any social life outside of The Business. The Business was our social life. We felt more comfortable with people that were in The Business than with anyone else.

We thought critically of former friends and even our own family members, condemning them as being lazy. They were on a crash collision with failure and did not seem to care. We were doing something wonderful with our lives by owning our own businesses and helping others succeed. The more criticism others heaped on us for being Amway distributors, the more committed we were to the cause. We had learned that criticism was the death rattle of the lazy. There never was a statue erected for a critic or a non-achiever.

The cumulative effect of over a thousand hours of tapes, videos, and seminars in the system was gradual but powerful. We had now unknowingly internalized most all of the prescribed businesses paradigms. *'All Democrats were evil, stupid people. Attorneys were truly bad. Anyone who used an attorney to sue someone else was a socialist, wanting to take what someone else had earned. Lawyers were bloodsuckers, and the only lawyers that were good were ones that had gone Diamond and had now renounced their former profession.'* There was a serious problem in America: As a nation, we had developed a lottery mentality that caused people to want to sue over anything to hit the jackpot, instead of earning it themselves. How sad that they did not have any principles of value to pass on to their children. This paradigm, that only losers ever sued anyone, was continually reinforced at seminars and training meetings. I had no idea I would eventually become one of those "losers".

We had now been thoroughly programmed to believe that having a job made you one of the lowest life forms in America, especially when you could choose The Business

to be free, succeed, and spend unlimited time with your family. Only a moron would choose to work for a lifetime at a job where he was building no equity. You could work at a job for twenty-five years and be laid off, due to office politics or a downturn in the economy. There was no security in any job. Even physicians were getting into Amway to develop long-term residual income that they could enjoy in early retirement and later pass on to future generations. Horror stories of successful fifty-year-old middle managers being laid off were repeated with great emotion. Companies were maligned who would consider doing such things to valuable people.

Many distributors actually began to detest their employers for taking advantage of them and reaping the harvest of their employees' labor. People often spoke of how hard they worked for years with little or no respect only to have the owner and his wife go to Hawaii, while they stayed back to watch his business. Who do you love, your wife or the wife of your boss? Where should your priorities be? Should they be in his business or in yours where you could reap tremendous rewards and take *your* family on wonderful trips? One of the most often repeated slogans was in reference to walking the beaches of the world together.

This shift in perceived business ownership caused several of our Direct distributors to get fired or quit their jobs under bad circumstances. In their minds, they were choosing between supporting their family's future or their bosses'. One Direct could not get the weekend off for a Dream Weekend seminar and decided *his* business was more important than his employer's. He gave his employer an ultimatum and was promptly fired. Another one of our Directs was fired for using the company vehicle, business contacts, and the cell phone for his Amway business. He lost his job, his company truck, and his self esteem all in one day. To us, it made him more loyal and committed. Another Direct quit his job under extremely poor circumstances. A Ruby Direct of ours, I have been advised, had all but completely destroyed his career from developing a hostile, defiant attitude and verbalizing it at work.

## **A Dream Come True**

*"We are going to control the World economy from this business."*

- Jeff Yager\*

While these things were happening, we actually were taking many "lifestyle-type" trips with the same people. We began to travel and literally walked many beaches of the world with our new friends. Our group was now our family, and we loved traveling together. At the Direct level, there were trips sponsored or organized by both Amway and Walters International. For a small fraction of all distributors who qualified, Amway launched what was called Q-12 trips for having achieved certain volume levels for twelve months out of the fiscal year. These trips were all-expense paid. All we had to do was tell them which airport we wanted to fly out of. There were also promotional trips that we

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\* Jeff Yager, **Tuesday Evening** Stock No. GDL 97-27 Copyright InterNET Services Corporation

qualified for at the Emerald level.

Here, we began to get a taste of the good life. The company paid for these annual, Amway-sponsored trips. (Directs' trips, put on by Zack, were mandatory, leadership training trips that we paid for out of our own pockets through a travel agent that Zack knew. More on this later.) We went to Disney World in Florida several times. On one Amway trip, we were flown into Orlando. Amway provided our transportation. Employees of Amway greeted us as we got off the plane, and we never touched our own luggage. It was tagged and later brought to our room in a luxury hotel.

When we checked in, we were given special clothing and handed a box overflowing with gifts, Disney dollars, and passes to whatever park we chose to visit. There was an itinerary for the week, but we had almost all day to ourselves with lavish dinners and entertainment at night. On one occasion, we were all put on large buses and brought over to Disney World for dinner.

What none of us knew was that the park had been closed to the public that night and rented *just for us*. We were overwhelmed, as we were escorted through the back service entrance of Tomorrow Land to see the enormous feast and entertainment that greeted us. This was incredible! None of us had ever worked for an employer that would do this. The lavish hospitality helped anchor many positive emotions within us in relation to any thoughts we had about our upline or Amway. We were so grateful that someone had given us a chance.

What a night to remember! We ate delicious food, and then hurried like little kids to enjoy all the rides awaiting us with no lines! Can you imagine? We would get off Space Mountain and immediately get back on to ride it again. There was an enormous building that housed a giant arcade filled with countless pinball and video games. All of these games were set to the free mode. We couldn't spend a cent! We witnessed a couple hundred adults immediately revert back to a huge group of tall first graders. There was an incredible DJ playing music loudly, and many of us were actually dancing in the streets of Tomorrow Land. We were with our Diamonds and the closest friends we had in the world. It was a magical, warm night of fun and memory making that none of us would ever forget. How would we ever come home and describe this to the rest of the group? Easy – Amway videotaped it for us to show to the group. This helped reinforce the dream building all of us had been encouraged to do. For a moment, we participated in the opulent lifestyle. We just had to bring the rest of our group with us next year!

On another occasion, we were bussed over to Universal Studios for an evening of magic. We had no idea what to expect but tingled with anticipation, as we got off the buses. It was obvious that this, too, was closed to the public and had been rented exclusively for us. We heard a very loud clamor, as we began to walk into the park. We were herded down the main street and sidewalk. Police-like crowd control barriers directed us all onto the center area of the street, and we rounded the corner to see a huge, frenzied group of people on both sides of the street. Did you ever have a moment when you just stop, because your mind is racing through all four quadrants of your brain to process information, but you just cannot quite understand what is happening? We did not comprehend all the screaming and yelling as we moved forward. Some took flash pictures and ran out at us.

A strange sensation suddenly hit our heads and shoulders, as an enormous amount of confetti began to float down upon us out of the warm summer night. We were at a

parade. We **were** the parade!!! The huge number of people on the sidewalks taking flash pictures and running up for autographs were actors hired to make us feel like celebrities. We laughed and signed autographs until we almost cried. It was an exciting, emotional moment that anchored our total loyalty and commitment in this business. Our reactions were videotaped, and we were implored to press on and help many more people succeed to the level where they could have experiences like this with the ones they loved. This was why the Diamonds were so respected. They were wealthy beyond their own needs, yet still worked to help nobodies, like us, enjoy life to this extent. We were truly blessed.

Events like this emotionally and psychologically bonded us to The Business, our upline, and our dear friends in our group. I hated to even refer to them as *downline*, because we saw them as partners. We knew all their hopes and dreams. We knew their struggles and pain. Their children and ours were growing up together, all with an incredible future to look forward to.

The trips that Zack put on for his Direct distributors were exciting as well. Distributors **could** qualify to go for free or at reduced rates, but most could not meet the demanding criteria established for this. (These were labeled “lifestyle trips,” and since we normally had a couple of business dinners at night, we could write it off as a business trip.)

This, we were told, was another advantage of owning your own business; in that, you could write off a portion of your home and your travel to exotic locations as a business expense. It was a great motivator to be able to travel and come back and tell the group you had spent a few hours with Zack and Molly. When they went to Europe to speak to their organizations over there, 40,000 people showed up for multiple sessions. They felt fortunate to learn from Zack and Molly from a hundred yards away; yet we could actually go to their Presidential Suite in the Hotel and learn directly from them. Wow!

Loyalty, leadership, team effort, the four cardinal rules, and edification were the normal topics covered very, very directly at these meetings. We learned things at this level that the group as a whole would never be aware of. Again, we were reminded of the former Amway Diamonds that had been disloyal to Zack and had lost everything. They had also cross lined and shared inappropriate information with one another. The men had been foolish enough to take counsel from their wives. They had all gotten their egos out of control and wanted alcohol at seminars.

Their upline had actually built their organization for them, and they had developed socialistic thinking. None of us could understand how anyone could be that stupid. The worst thing, we were told, was that thousands of people had their dreams and futures stolen, as their groups eventually dwindled to almost nothing. Zack and Molly had remained loyal to Dexter and Birdie and rebuilt their organization to a huge global empire. If we would follow their advice closely, we would never have to make costly mistakes like this.

We were good, loyal distributors and continued to build our organization. In fact, it began to stretch out across many states and into other countries. We went on some trips that our sponsors, Kerry and Chris, did not qualify for. We did not want this to create hard feelings and were always careful to thank them for giving us the opportunity. We also praised them publicly whenever we spoke of these adventures.

On one occasion, we qualified for a near weeklong, all-expense-paid, Caribbean

cruise. Although it would have been the trip of a lifetime for us, after much thought, we declined it out of loyalty. Otherwise, we would have had to miss a one-night Emerald leadership meeting that Zack was having. We had to be loyal to the people who had given us this wonderful opportunity to live a full, meaningful life.

We continued to build our Amway business, but some changes began to take place that were difficult for us to understand. First, Zack and Molly counseled us on how to go Diamond and went over every day of my schedule for a month. In his boardroom for this counseling session, I had to account for every minute of a full month, using my schedule book. I went over every appointment, meeting, training session, open meeting, follow-up session, call session, and seminar that we either spoke at or attended. Combined, we had put in nearly a hundred hours a week. But then Zack explained that seminars and travel time did not count as work. Seminars, which started at about 10:00 AM and continued until midnight, were not considered productive work time. Travel time did not count either, as commuters do not count their drive to work as productive effort. Yes, but I was averaging almost 2,000 miles a month, driving through multiple states to recruit prospects.

In any event, we were made to feel ashamed of our 'lack of effort.' I was humiliated, as Zack verbally attacked me for not being more productive. Zack asked in a friendly way, "How many children do you have?" We responded three. He smiled and said he thought we would have had a lot more and then said, "Well, what do you **do** all day?" The implication was rude—that we must be at home doing nothing but having sex with all this free time. I felt angry that he would even suggest something so vulgar in Kathy's presence. He could see that he had pushed us to the limit and then became friendly again. He asked us if we thought it was his objective to help or hurt us. How many correct answers are there to that question? We were becoming almost fearful of him, as were others.

He showed me how to go Diamond. He explained that I needed to book my schedule from 10:00 AM straight through until midnight seven days a week, with an exception on Sunday morning for church. Kathy did not speak but bristled slightly, and he picked up on her body language. He could see that she did not want me leaving the family on Sunday. We had usually spent Sunday afternoons relaxing at her parents' house. He spent the next half-hour convincing her to accept this strategic plan.

She wanted the Diamond Lifestyle for our kids, didn't she? Pastors work on Sunday, right? We're serving God by helping His people. Did we think that God's people only needed help six days a week? Police officers work on Sundays. If she was home alone, and someone was breaking into our house, wouldn't she be glad that there was an officer on duty on Sunday? If one of our children became deathly ill, would she be glad that there was a physician at the hospital, or would she feel it was better to wait until Monday? If we needed help, would we be glad that he would be willing to come serve us on a Sunday?

This began what would evolve into years of nearly non-stop work. I was willing to push on, because we could no longer live like this. The occasional Amway-sponsored trips were wonderful, but they didn't pay the household bills. We had to develop an Emerald or Diamond distributorship to enjoy freedom and the residual income. We thought we were close to that \$100,000 income that came at the Emerald level, even though we were working inhuman hours to have a joint net income of about \$25,000 as

Pearls. There wasn't really anyone we could ask about the differences in income, because anyone who complained about his income was maligned as an idiot. The Diamonds reminded us that we were all paid on the same schedule. They were happy with their incomes and business. This put me in the terrible position of having to assume that I was somehow at fault. Everyone was making terrific money at this level [or so I thought], and therefore, I must be making some gross error.

This constant fear was reinforced when Kerry reminded me, while we were out driving to a meeting in his white Mercedes, that he had purchased the car from Zack with a personal check. Other Pearls spoke of making \$100,000 a year. Craig and Kara Loupelle had gone Diamond in nearly two years, but he had somehow created enough Amway income to leave his job almost immediately. I felt like such a failure, like I was letting my family down. I felt as if I was letting Zack down, too, and part of me desperately wanted to make him proud, to know that I was a team player and a leader that he could count on.

Kathy and I wanted not only to take care of our own finances, but also to have a surplus to bless the small Christian school our children now attended. We wanted to be able to take care of our parents and take trips with them. We read the book *Just Wait Until We're Diamond* over and over to our kids. It was children's book that talked about the lifestyle they would enjoy as Diamond kids. They were very excited about all we were working for. They would look at the book while we were both off at late night meetings and gone for weekends to seminars. They, too, put off and delayed many parts of their life, because we were so busy working to get to Emerald and Diamond for them. They had spent a great deal of time with babysitters. We had learned the principle of delayed gratification from the system and taught it to them. A couple that we were friends with went Diamond, and they brought their kids on stage and recognized them as part of their team. There were thousands in attendance and not a dry eye in the house when they played a tape of the young daughter's voice mail message to her dad saying that she believed in him and knew that he was a Diamond. He had used his cell phone and listened to that over and over on the way to meetings.

The Diamond ladies would often warn the women in the group not to let their children make them feel guilty for going out so much to meetings and training sessions. The Diamonds would recount stories about their leaving for meetings while their children were crying. They would then call home from a cell phone at the meeting only to hear the kids laughing and playing in the background. They needed to make adult decisions that would benefit their children's entire future.

*"People come up to me all the time and say, "Oh Birdie, I just love your wisdom. I wish I had wisdom like you. I wish I had your wisdom..." And I'm like ... It's not mine. They look at me kind of funny and they went..."What do you mean?" It's not mine. It's God's. But He told me I could have it whenever I asked for it. So He gives it to me."*

- Amway Crown Ambassador Birdie Yager \*

It was very hard to be gone so much. Josh once tackled me as I was leaving for a meeting. He was only about five years old, but he missed me very much. I had on my typical plan outfit, which consisted of a freshly pressed dark suit, white shirt and red tie. He knew I was leaving for a long time when he saw this. He had thrown a red tie around his neck and clutched my leg, begging me to take him with me. He was crying, and it was all I could do to wrench him off and push him away as I left. There was no consoling him. I got in my car and cried as I left our driveway and drove off into the night. But times like this made me more determined. Family was the reason to persist.

One new Diamond spoke of the trip to Hawaii he had taken his mother on just before she died and the precious moments that they had shared, because he had earned his freedom. He could not only take care of her financially but had the time to be with her at the end of her illness. He praised God and Zack for this wonderful, blessed life. Another Diamond recounted how his elderly mother, on a luxury trip with him, had stated that she had tried to talk him out of the Amway business and thanked God he had not listened to her.

Seminars with recognition ceremonies and stories like these often ran late at night and involved bright, blasting strobe and laser lights that functioned in harmony with loud patriotic, religious, or motivational music. This was combined with these incredible, emotional testimonials and even the chanting of phrases like “Go Diamond, Go Diamond, Go Diamond!” or “No Excuses! Five and Six Nights a Week” (a reference to showing the plan). The crowds were revved into a peak, euphoric emotional and psychological state, and these feelings were then anchored with the phrases chanted, the music, and sometimes just the feeling of sheer exhaustion. As we would later be running the roads for our freedom, listening to a tape of that seminar, a certain song or a return to the exhausted state could trigger the euphoric feeling again.

Did you ever hear a sound or smell a fragrance that instantly transported you to a crystal clear memory, such as a sunny day in your childhood? All your senses were involved, especially if it was an exhilarating event or memory; your heart rate would actually increase. The seminars and the teaching and music tapes did that for us. As crazy as it sounds, the sensation of total exhaustion would trigger the feeling of euphoria. After the non-stop tapes, containing teachings we had absorbed, it felt great to be on the road at three in the morning with yet another tape playing, and have an hour until you reached home. Not many people would be willing to do that. I had begun to think only in slogans or clichés. The best fruit was out on the limb. We were not going to be in the 95% of people, who worked their whole lives only to be broke at retirement. We were living the principles of success and would be able to teach them to our children. We had to pay the price and learned to live in a near exhausted state.

Perhaps because of this, we developed an incredible love and bond with the people in our organization, who were going through the same struggles to achieve their own success. It was a deep, loyal bond that I had only felt once before. The Marine Corps Officer training that I had attended in Quantico, Virginia, molded a group of total strangers into a powerful, strong unit. In all our tests and challenges, if even a single

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\* Birdie Yager **Ladies Session Saturday Morning Part II** Stock No. GDL 96-2

member failed, the whole platoon failed. We each had to give 110% and help each other. The group was more important than the individual. We did exceptionally well as a team, graduating as the Honor Platoon after grueling tests. I understood the principle of unity and team effort immediately from this training. We came as strangers, and in a relatively short period of time, we were willing to lay down our lives for one another. This is the type of powerful relationship we built in The Business.

We had these friendships cemented when our daughter, Ashley, became very ill with pneumonia. She was only an infant and dehydrated to the point she had to be hospitalized. An intravenous tube was placed in her wrist, and she was fed fluids through a pediatric needle taped to a small board on her hand. She pulled it out again and again. She looked so weak and helpless. Her eyes were sunken in, and she was miserable, but she needed to get those fluids into her system. Kathy and I quickly became exhausted by an around-the-clock vigil at the hospital. Word got out and friends from our group came and sat with Ashley 24 hours a day. This allowed Kathy to get some sleep, and I went into their groups to do meetings. The vigil continued until Ashley recovered and came home. It was like God's community looking out for one another. We were so fortunate to have friends that were there for us when we truly needed them. Thank God for Amway.

The corporation, itself, was growing at nearly a billion dollars a year. There was more and more talk of it becoming a trillion-dollar company. We had expanded into over seventy foreign countries and territories. We were going into China. After a little over a year in Japan, we were doing over a billion dollars a year. Success was everywhere. Going Diamond was going to be worth all the hard work. Some of the Diamonds had upgraded from \$500,000 coaches to private jets. Zack bought an incredible ranch in Colorado with 3,000 acres of land. It was loaded with bear, elk, deer and turkey. He built an enormous log cabin-mansion on it, and his leaders all paid their own way there for multiple "leadership" visits. We then were required to chip in funds for gifts to properly thank Zack and Molly for taking time to teach us. There was no doubt that Amway was working and in a huge way.

We were invited to do a fairly large seminar for John and Sue Walters. John is Zack's brother, and he was an Amway Emerald at the time. It was an honor to go there and speak, as he and Sue had been two of our heroes and teachers as we had come up through the ranks. We spoke at a large high school auditorium and had a great day. The group was alive and motivated and excited to be there and take notes. For dinner, John and Sue took us to a small restaurant away from the crowd, so we could talk. They were both a lot of fun, and we enjoyed each other's company very much. During the course of conversation, John mentioned that as Emeralds, he and Sue got a break on the cost of each seminar ticket that their group purchased for these monthly meetings.

This seemed odd, as we had never heard of anything like this and had been working with Zack directly, since we started in The Business. The next week, at product pick up, I asked Kerry if he knew anything about this. He said "no" and quickly changed the subject. I let it drop, as I knew that I didn't need to think about anything that did not affect me directly. I just needed to stay focused. A few days later, Kerry called with good news. Zack was free later that week and had some time to counsel us to help us move on to Diamond. I was beginning to feel a little more nervous than excited, but I still looked forward to getting together with Zack.

We spent over an hour going over the normal business of our numbers of books,

tapes, Amway kits, and seminar tickets moved in the last few months. He was very warm and engaging. The conversation slowly moved into a realm of somber, quiet communication. Zack confronted me very directly that I was never again, under any circumstances, to discuss the tool break on tapes and books with anyone else. This was a small perk to cover our expenses as leaders and was not an income source. The group might not understand this. For us, it did not even cover the amount I was putting into my car's gas tank and food on the road most months, so this was not an issue. We were also told never, ever to discuss anyone else's tool break with them. He then mentioned the contents of the conversation I had had with his own brother, who, he said, "should have known better."

This began an hour-long talk about cross lining. Many, many examples were given of people who had destroyed their own businesses simply by discussing the details of it with someone other than their upline. He was interested in our success and had invested a lot of time, energy, and valuable teaching in Kathy and me. He informed me that it would be disloyal to risk an investment that he had made in our business for us by cross lining with anyone, including his own brother. This talk literally went on for an hour. He excused himself once to use the restroom, and I was glad for the break.

I thought it was over, but he came back and launched immediately into a tirade from where he had left off. He explained that good, well-intentioned people had destroyed big organizations by getting a little sloppy on this one point, and we needed to teach it and be on guard for it among our own leaders. We were a little overwhelmed but thankful for the direction. He really did seem to care and once again repeated how much he and Molly loved us and wanted us to go to Diamond Club in Hawaii with them. We were beginning to regard him with mixed emotions of warmth and total fear.

We were motivated and working hard. However, our finances began to spiral downward for a couple of reasons, which were hard to identify or comprehend. We had been counseled to sell our rental properties, as they were distractions. We had gotten totally debt free outside of our mortgage. But soon we started to accumulate small and then larger amounts of credit card debt. There were more and more mandatory leadership seminars and trips to attend. If Zack called a meeting at his Ranch in Colorado, *you had to be there* on the date you were told. It was a privilege to learn from the master. If he called a Directs' trip to Florida, you went, and you brought all your leaders with you. If he called a meeting on his private island in Canada, you were there, no questions asked.

Leaders could not ever afford to miss a single upline event. They would look disloyal and not *plugged in*. (All of our groups were constantly told to follow their upline *plugged-in leader*.) A plugged-in leader, again, is someone who is completely loyal to the system and in line with his line of sponsorship's leadership. A plugged-in leader would **never** break the cardinal rules by passing negative, de-edifying upline, implementing new ideas, or cross lining with another leader. To do any of these things could destroy the whole business you had worked for.

We received great news when Paul, the best man from our wedding, called and shared that he had met a beautiful, special lady. I could tell from every word he uttered that she was *the one*. He was the first person we had sponsored in The Business, and he had since moved to Louisiana. She happened to be in The Business in another leg of Dexter's organization. What a small world! They knew how committed we were and needed to make plans.

All of their families were actually going to travel all the way from the upper East Coast clear to Baton Rouge for the wedding. They wanted to know if I would be the best man. They also needed to know what my seminar schedule was for the summer. They knew if it was on a seminar weekend that I would not be able to attend their wedding. They actually booked the wedding date around our seminar schedule. They understood how committed I was to our organization and my family's future.

The bomb dropped a few weeks before the wedding. Zack called a special Directs' meeting for my organization on his private island in Canada. I considered calling and telling Paul that I could not make it; in my heart, I knew he had time to find another best man. I think Kathy convinced me that I needed to go to the wedding. I nervously approached Zack backstage at a seminar. I knew I should not be asking this. Someone truly loyal and a real leader would not do this, but part of me knew I should be there at this important event in my friend's life.

I asked permission to attend the wedding and explained that it had actually been planned around his seminar schedule. He looked at me as if in disbelief and then just told me to go. He seemed disgusted. I could tell that this decision was going to cost me. He had more than one family member plan their wedding around his schedule. He would rather serve his group, his family, and his God than be part of a crowd at someone's wedding.

I went to the wedding, and it was spectacular. What an incredible couple Paul and Tammy made. They had a wonderful, loving church group and family with them. I felt so honored to be part of their special day. On another level, however, I was stricken with guilt for putting my personal pleasure in this moment before my loyalty to the group and my own family's future. They were all with Zack on his island. Kathy went with them in my absence, but it was not the same. I was afraid, after nearly seven years of never missing anything that my upline would think that I was not plugged in. This was a terrible example to set for my leaders.

We were coached to book most major life events around The Business. Molly actually had a baby at a distant city, because she went into labor at a seminar where she and Zack were speaking. At another seminar, just before they were about to speak, they got a call and were told that Molly's mother's husband had just died. Zack counseled her and told her that she needed to speak on stage, because they had to keep their commitments. They both went on stage and spoke and then went home after the seminar.

That was commitment and servant hood to others. At another time, we had learned that Zack's father was near death. He did not know that we knew of this. Here he was on his island, counseling a group of us, and asking if we had any problems that he could help with. What a selfless example! His own father was passing away, yet he was so committed to us that he spent a couple days encouraging and directing us. We viewed him with an oddly evolving mixture of admiration, respect, and love, but also with the more frequent emotion of fear. He was becoming more hardcore in his demands for total loyalty.

Not only were we in this new bizarre world, it had become a part of us! We scheduled everything around business events. We ordered our Amway products on Sunday night, and they would come by truck on Wednesday. We would open up the cases and sort the many hundreds of pounds of Amway products, and then our downline would come and pick them up from us. Every Wednesday, like clockwork, our

distributors would show up at prescribed times to pick up their tapes, books, and Amway products. Because this day was so vital to our tool and product flow, we scheduled Kathy's caesarian section for our daughter Ashley on a Thursday. Her birth date was actually chosen to avoid conflict with the distribution of Amway products.

One year, we called Ashley from Puerto Rico to sing happy birthday to her. We were there on an Emerald trip and had made arrangements for the family that was watching our kids to have a cake for her. We celebrated it a different time. We had been taught well. The Diamond ladies would always warn the women that their kids would try to make them feel guilty for being away so much. The women leaders needed to get it in their mind's that being with their husbands, building their financial future, and serving others was the best example they could set for their children.

Personally, we had a hard time with this. Distributors were counseled to celebrate wedding anniversaries and birthdays around The Business schedule. Diamonds often talked of these as minor sacrifices early on in their business. The big payoff now was an annual trip to Diamond club in Hawaii! They pointed out that they now celebrated any time they wanted, because they were totally financially and time free. Kathy and I had to work harder, and we would get there too. Kathy deserved it. I was exhausted constantly but could do more.

***“In Financial planning you trust no one, in Amway, you trust everyone.”***

- John Sestina, Amway Diamond & past Financial Planner of the Year \*

Our finances continued to worsen, as the leadership meetings became more and more frequent and expensive. The Amway Corporate trips were all expense paid by the company – perks for all our hard work. The seminar meetings that Zack ran were another story. We were expected to be there without fail, but we had to pay our own way. The tape-of-the-week that we all religiously purchased went from \$5.00 to \$6.00 a week plus tax and shipping. The tape-of-the-week program then went from one to two tapes-of-the-week. The extra tape was only for the truly committed who wanted to learn more material faster. All of our plugged-in distributors, which included almost everyone on the system, began this tape-of-the-week-plus-one program. That raised the weekly cost to \$13.20 with tax and shipping. Later, a book-of-the-month and a video-of-the-month started. This was in addition to the regular monthly seminars and other training sessions.

We were reminded that God's own word said, “My people are destroyed for lack of knowledge” (Hosea 4:6). We were business owners and needed to invest in ourselves. This was far cheaper than most people spend on a year on college tuition, and we were learning from self-made millionaires and multi-millionaires. We effectively taught distributors to change their thinking pattern from that of employees to business owners. There was a 100% success rate within the system and a zero percent success rate outside of it. The *Profiles of Success* was living proof of it. Who would argue with Zack or Dexter? Their wealth documented that the system worked and worked well. You could discuss a new idea with the Diamonds, once you were making what they were making.

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\* Sestina, John. [Profiles in Success](#) Copyright American Multimedia, Inc.

We were routinely advised that we needed new people, not new ideas. This was like a franchise, so why waste time reinventing the wheel? Nevertheless, our credit cards started showing an increasing balance, as we had to foot the travel expenses.

Our finances also continued to plummet, due to the increased costs of the system and our inability to sponsor large numbers, retain them, and grow our organization. Our upline was becoming almost maniacal in their zealous approach to leadership. We had Artistry training sessions for the ladies in our organization. These were sessions that were scheduled for a weekend to give the ladies a background in our high-end line of cosmetics. The cosmetics and vitamins were astronomically expensive, in comparison to anything we had ever purchased prior to The Business. However, this was from *our* business and was going to pay for our kids' college. We had to be 100% loyal to our product line if we expected our group to be loyal as well. Many distributors would quickly have well over \$1,000 invested in a cookware set, a water treatment system, and a heavy vacuum cleaner that we marketed. All the loyal distributors had these items in their home. How could they promote a product to their group if they did not have one of their own?

I did not know the other advice that the ladies were given until years later. The women in our organization were told what they needed to do to become Diamond ladies was support their husband and be a good Proverbs woman. Each woman was told never to refuse her husband sex, for any reason. These women were even told to dress up and put on fresh make-up to greet their husbands when they would come home at one or two o'clock in the morning. At two different meetings, a member of our upline told the women that they were to always look good, as they were their husband's "best ornament." This offended all those women who still had the capacity to think clearly—but what could they say?

*"...almost all systems of authority in cult organizations indoctrinate their disciples to believe that anyone who opposes their beliefs cannot be motivated by anything other than satanic force or blind prejudices, or ignorance."*

- Dr. Walter Martin \*

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\* - Dr. Walter Martin

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<sup>1</sup> GDL 97-20 Emerald Directs- Part II audiotape Copyright 1997 Internet Services (tape count 116 side 2)

CHAPTER 8

# Invasion from Above

*“Few people are as well qualified as Rich DeVos to share with us the lessons for life, for he has demonstrated a mastery over many more of life’s problems than most.”*

- D. James Kennedy, Ph.D. Senior Pastor, Coral Ridge\*

There seemed to be no level at which they would stop invading your personal life. A fellow Emerald told Kathy and an Emerald in our group that she and her husband would ask a couple they were counseling how many times a week they were having sex. A couple needed to really have a good relationship to sponsor effectively. Privately, Molly told Kathy that if Zack came home at three in the morning and wanted sex, he was going to get it. After all, look how he provided for them.

It sounded far too much like a business deal when Kathy later revealed this to me. At the same time that the women were getting this advice, Zack was holding a men’s leadership meeting and advising that he did not know how a woman could want to have sex with a ‘wimp.’ A ‘wimp’ was defined as someone not doing all he could to further his Amway business and financial future. One Diamond jabbed the crowd at a large seminar by saying in a half-joking manner, “You may not really love your wife if you don’t go Diamond.”

Our finances continued to erode, as our Amway income was nowhere near what we had been promised. This, coupled with an ever-increasing number of required “tools” and leadership meetings, drew us further and further into debt. By the time we were tens of thousands of dollars in debt, Zack counseled us to get a second mortgage to pay off the credit cards. We did that but were soon accumulating more debt. We had been blessed with a beautiful baby girl, but it was impossible to live on \$25,000, before taxes, with all the business expenses and volume of Amway products we were required to purchase to remain clearly loyal. We had to move forward. There was no plan B. There was no other way. We pushed and pushed and did an inhuman amount of work and finally hit our next huge goal of Emerald! Surely, this would solve our financial problems.

A very small fraction of less than one percent of all distributors in North America in any given year ever achieve this level. This was almost like winning the Olympics. Amway called and interviewed us for a story. This, along with our picture, was for publication in their national magazine called the *Amagram*. They also gave us a free web page with our pictures and biographical information on it. We qualified for more trips and new bonuses. This was an exciting time. It had been an incredibly hard journey.

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\* DeVos, Rich, *Hope From My Heart* (Endorsement by D. James Kennedy, Ph.D. Senior Minister Coral Ridge)

Finally, we would have the six-figure income and, therefore, the freedom we had slaved for. All this hard work would have to pay off. It was all going to have been worth it now, and we would have time for the family and each other. At the seminar, we were brought on stage to the applause of somewhere near 7,000 screaming, clapping distributors. God was once again using us to inspire others. We delivered a powerful speech that was later made into a tape-of-the-week and sold internationally. We did not get paid anything for this tape, as it was an honor to speak on a Walters/Yager stage. Our credibility in the organization grew. People treated us more and more as if we possessed a large amount of wisdom.

We were invited to speak at other leadership functions. We would get paid \$900, as Amway Emeralds, to do an all-day seminar. We would do this only two or three times a year. It was wonderful to be able to inspire people and teach them principles of success. Public speaking had been my greatest fear, but I had studied the best speakers and became good at entertaining an audience and drawing them in emotionally while I taught them. I could paint a vivid picture of what their future looked like without The Business. I could also paint a compelling vision of the limitless possibilities that their futures held if they only persisted. They needed to have staying power and keep their eyes focused on the prize. The word ‘quit’ had to be erased from their vocabularies. It did not exist, and it was not an option.

Kathy was always nervous about public speaking, as she was, basically, a very private person. I would help her organize her notes ahead of time in an effort to ease her mind. She was so scared but when she spoke, yet she was incredible. She was not slick and didn’t use practiced techniques, but she spoke from her heart. She seemed able to communicate in a few minutes what I could not in an hour. I always sat on the side of the stage, right behind the curtain, so I could see and hear her. I was so proud of her. When she finished speaking and was recognized with a standing ovation, it was difficult for me to compose myself to speak next. I was in awe of her heroism and what she was willing to go through to help others.

We anxiously waited for our first big month of Emerald income. We could finally back off a little and have some time together as a family. The day our bonus check from Amway arrived, we opened it with great anticipation—only to find there was almost no reward. Our check had remained virtually the same. Our income went up to near a paltry \$30,000 a year. We were shocked. I had left my corporate career for the \$100,000 income at this level. This was so confusing. What could we possibly be doing wrong, when everyone else was making so much money? We had to get with Zack and Molly and sort this out. Our financial situation was getting worse and worse. Going Emerald was supposed to have solved all of our economic worries.

Kerry and Chris summoned us for a counseling session. This was another secret meeting, where we were told that whatever was shared at that meeting could not be discussed with anyone else. They talked about what we had already accidentally discovered. There was a small price break given to Emeralds for each seminar ticket sold in their organization. It was once again stressed that this was a small perk to cover our travel expenses and to help us stock more tools to have on hand for our group. It was not income to be used for lifestyle. Big deal, I thought. It didn’t cover much of anything. I couldn’t share this, however, with Kerry and Chris.

Since we had gone Emerald and they had not, their attitude became more hostile

towards us. We had started out as friends and partners in Amway. Now, their talks became more and more hardcore at training sessions that I was forced to have my group attend. Not only were we targets, but our leaders soon were singled out as disloyal. Kerry and Chris were no longer relating well. They seemed to have become ‘Amway zombies.’

They cut off nearly all information sources and bragged that their TV was only hooked up to a VCR. They boasted that the only TV they watched were Amway motivational or instructional business videos. We would speak first at a large training session and try to bring normalcy. We would describe The Business as just a vehicle to bring about the lifestyle we wanted. We were also as active as we could manage to be at the small Christian school that our children attended, and I had been elected president of the parent-teacher fellowship. A balance was important in life, even though we didn’t display this too much ourselves; yet Kerry and Chris would then get up and close the meeting by stating that this business was their **whole life** and drone on and on about *total loyalty*. They just had a handful of distributors in their business outside of what we had built. Most of the rest had all quit.

It was odd that we were bringing almost 95% of the distributors to a meeting, yet had no control over the topics to be covered. They were upline and used the meetings as a forum to discuss abortion or whatever topic they wanted. This was getting out of hand. They had lost almost their entire organization from this overzealous, nearly rabid conviction to our upline and Amway. We called Zack and Molly and asked to counsel with them. We got on their schedule and went down to visit them at their new office building.

We arrived a few minutes early and brought a small food tray as a gift to show respect. They greeted us warmly, and we went up into the boardroom. Zack had a way of taking over the entire conversation, and you sometimes would only get to listen to him and never get to the questions you had. We had to discuss our over \$70,000 shortfall of income at the Emerald level, as well as Kerry and Chris’s increasingly destructive behavior. I began to discuss our finances. Other Pearls and Emeralds openly spoke of their six-figure incomes. What could we possibly be doing wrong? Zack immediately launched into a talk that we would soon find all too familiar.

First, he made it clear that he was not a bank and did not make loans to anyone in his group as a policy, and we should have the same policy. This went on and on, and he made us feel stupid. He made it look as if, in a humiliating way, we had come to ask him for money, when we had the greatest financial vehicle in the world in our own hands. We did not want a cent of his! We simply wanted to make the income that we had worked nearly 100 hours a week for eight years for, without it being destroyed by an out-of-control upline.

The next speech was about jealousy and envy. If we were worried about his money or what other Emeralds or Pearls were making, Satan had put envy in our hearts to confuse us. Only a socialist or a loser would concern himself with the income of another. No wonder we weren’t making a lot if our focus was on what other people were making. God would not reward envy. He rewards work and a pure heart. The person responsible for my income could be found in the mirror in our house ..... blah, blah, blah, blah.... What a bunch of crap. We just wanted to know how to make our business profitable. What was going on? This verbal rampage made it very clear that income was not something we could talk about with him. This was our hero, my father figure. I not only

wanted to succeed but to make him proud. He made us feel like morons for asking any questions.

He then lambasted me for not being prepared to counsel by not having my group drawn out on paper. Having your group drawn out is a schematic of your organization with each distributor represented by a circle and connected by lines to their respective upline and downline. The group had gotten far too big to do that, and he had told me that it was not necessary about a year ago. There was no way he could counsel me to move a “blob” forward. He needed to see the way the group was structured to give us accurate advice, he advised. We had wasted his time as well as our own. In a later counseling session, I brought our group carefully drawn out on several large pieces of poster board. This time, Zack lambasted me for wasting my time with such a project.

On this occasion, he left the room to use the bathroom. Molly could see from our shell-shocked look that something was wrong. She asked if Zack had told us to come with our group drawn out. We replied that we been following his directions. She just said not to bring it next time and got quiet when he got back. She seemed fearful herself, and we realized that no one questioned Zack—not even his own wife. This was hard for us to even understand for reasons that would not be clear to us for years to come.

Despite how the meeting started, we had to bring up the situation with Kerry and Chris again. We were having people quit The Business over having to deal with them or even listen to them at meetings. Kerry seemed to become more and more arrogant as time progressed. People from outside of our organization came and complained to us. Others said that they would get in The Business if we promised that they would never have to deal with him. We had very gently apprised Zack countless times of this situation.

His response was almost always one of the following. There is no problem. You are the problem. You need to be more positive. You need to edify better. Who among us is Christ-like and without fault? Didn't we solve this? You're a leader, and we are still dealing with this? Do you really want to go Diamond? What kind of example do you want to set for your group? Do not ever let your group know you disagree with anything the upline does. This is going to cost us a lot if we don't get over it. No wonder we're not making more money if we are so hung up on the negative. We need to read more books. We needed to promote, edify, and protect Kerry and Chris better. We needed to develop more respect for them as our leaders. Only losers nit pick, complain, and find fault... blah, blah, blah, blah...

They told us, as they had many times before, that we could double our income in the next three months. It was harder when they started. Near the end they would always let off on the verbal assault and then shift to becoming supportive, warm, and compassionate. They told us that they believed in us, loved us, and saw us as Diamonds. We just needed to rise above our challenges. They told us that next year the Emerald bonus would come in from Amway and that would help out with our growing debts.

We left in shock. We loved, respected, and also now completely feared Zack. It was a strange mixture of conflicting emotions. He was not at all the man we saw on stage. He was beginning to reveal a side of himself that the public never knew. We felt very sorry that Kerry and Chris were sabotaging their own business. We had thought that Zack would address the situation. For some reason, he was determined to turn a deaf ear to these shortcomings. Part of the reason for this could be that Kerry was totally, unquestioningly loyal. He would do almost nothing without Zack's counsel. Kathy and I

joked that he must call Zack to find out how many squares of toilet tissue to use. It was getting pretty crazy.

***“We could never go to war, you’d have to check upline first.”***

- Amway Crown Jody Victor\*

Kerry began to carry a gun in a fanny pack to almost all functions. He spoke of taking a street gunfight, survival course. We were now entering a whole new realm of strange. I came backstage after giving a motivational talk to the group and found him openly brandishing a loaded revolver with a large group of my closest friends thirty feet away on the other side of a portable wall. This violated all safety standards for handling a firearm. I have a gun. I am not afraid of firearms, as my father was an NRA instructor. Because we couldn’t call Zack on this issue, we called Kerry’s sponsor, who was a Direct distributor and also happens to be his brother-in-law. I informed him that Kerry had openly displayed a loaded revolver at an Amway training meeting and was carrying it at other seminars. He responded, “A lot of guys up there carry guns.” I was dumbfounded. There were no rules that applied if you are upline, *period*.

***“Even though I understand, some people have to be killed. It would be a lot easier for me to pull the trigger if I thought someone was killing you than to pull the trigger if I knew they were trying to kill me”***

- Dexter Yager, Part II Tuesday Evening \*

We helped a couple in our group go Emerald, and they unfortunately experienced the same hostility from Kerry and Chris, and then the same wrath from Zack for discussing it. The four of us seemed to have been branded as disloyal. For reasons we would not understand until years later, we still very much believed in Zack and the integrity of this great business. We decided we would both go Diamond, and then the truth would be clear to Zack and Molly. We would be free to build our organizations without interference. In the meantime, we wrapped our people in a protective cocoon of silence. We let no one in our organizations know of the challenges we were facing. Maybe this was just the trial that God would use to mold and shape us, as we became Diamonds. However, we needed to make sure that all people in our organization would be treated with dignity and respect.

Kerry had been running security at the large seminars for Zack. He recruited some of my Direct distributors to act as his informal police force. Some carried guns in ankle holsters or fanny packs. We found out that they were in charge of counting large

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\* Jody Victor, It’s Unbelievable, audiotape Stock No. DBR 897, copyright unknown

\* Dexter and Birdie Yager, **Tuesday Evening Part II**, audiotape Stock No. GDL 95-29, copyright Internet Services Corporation

quantities of cash from the door sales of leadership tickets. They did this in a secret location, loading the cash into a briefcase or suitcase, and then getting it onto Zack's coach. A volunteer staff of Direct distributors, who were thankful to serve the group, ran these large seminars, which had thousands in attendance. Some of my leaders would pay over \$400 as a couple to get to a seminar, and then they would work the entire weekend, missing almost every speaker.

Zack entrusted me with the job of running the backstage of these seminars. I would coordinate with the hosts assigned to each speaker. We would ensure that a limousine was at the airport to pick them up on time. The hosts were also responsible to get the speaker backstage a half-hour before they were to speak. This gave me direct contact with many of the Diamonds as well as the highest level of religious and political leaders in the country. It was an exciting duty, but it was also grueling. I'd be on my feet from about 8:00 a.m. until 2:00 a.m. each day. We, too, had paid over \$400 to attend, but Kathy would sit alone at a table up front reserved for Emeralds and Diamonds. Now, we did get a break on ticket sales for these seminars. For some of these huge events, Kathy and I would have brought 10% of the entire crowd. For that, we received about a \$400 break for ticket sales. So it was a wash for us financially rather than an income source.

Some of my Directs really needed to attend the seminar meetings to build their confidence. It bothered me that, being on duty, they missed the entire seminar, and their businesses were not growing. I asked Kerry to rotate different crews through this duty, but that did not ever happen. He had developed a few that were totally loyal to him, and they would do whatever he asked. Some, despite terrible financial condition, were even asked to use their own funds to purchase high-end, handheld CB radios to run Zack's seminars. I told them not to buy their own; after all, Zack could afford it. This seemed like taking advantage. Things that I spoke out against like this further branded me as being disloyal. *I was loyal, very loyal*, to my upline and my downline both. Why was it wrong if I tried to help? I was beginning to get confused.

Now, after a couple thousand hours of tapes, there was no limit as to what I would do for my business or my organization. I developed kidney stones one day and barely made it to the hospital emergency room. The medical staff administered morphine several times, but this gave me no relief. I had never experienced pain like that before. I thought they were giving me a placebo, because the pain did not subside. They finally hit me with a harder narcotic that gave me a merciful numbness.

What a relief! I had to get out of there! I had committed to doing an open opportunity meeting in Zack's group, to be held at a large hotel several hours away in Philadelphia. I left the hospital in a very weak, but pain-free state. I found a couple distributors who could drive me down. After a quick shave and shower, I slid into a fresh suit and eased myself gingerly into the car. I was in relatively good shape by the time we arrived.

The host was in the lobby waiting to greet us. I did not initially mention the day's events as that would be "passing negative." The host went to the podium and began my introduction. As was my habit, I said a silent prayer and prepared to reach anyone in the room that wanted to make their life better. By the time I walked to the podium, I was fully energized. The meeting went well, and I spoke with great enthusiasm for about an hour and a half. I was really starting to hurt by the end but was able to mask the pain. After the meeting, we greeted guests and answered questions. Once all the prospects left,

we got together with the distributors for a late night teaching meeting called a “nuts and bolts” session. The pain was intensifying rapidly.

Fortunately, I was able to make it though and fulfill my responsibilities. How could I teach my leaders commitment if I did not live it? Thank God, the host for the evening was a dentist. He drove us to an all-night pharmacy and got me some pills to knock me out for the return trip. We headed back up the long, dark highway with a tape playing, and I drifted off to sleep. I felt content in knowing that I was doing all I could do, and we would soon be at the Diamond level.

On another occasion, I had committed to fly to Baton Rouge to do meetings for Paul and Tammy. They were ready to get their business going. I bought the ticket, cleared my schedule, and coached Paul on how to invite people, so we would have some successful meetings. A day before I left, it began to rain unceasingly. It was one of those heavy, drenching rains. It rained all day and throughout the night. The creek across from our home had risen alarmingly, but there was nothing that I could do to stop it. I’m not Moses.

I could, however, keep my word to my family and a couple far away, who were counting on me. I went to our airport and settled into a window seat. I peered into the gloom as we took off, noticing that as we circled to gain altitude, we actually flew directly over my neighborhood. My home was completely surrounded by dark, muddy floodwaters that had spilled over the bank. My family was safe, since they were out of the house. Most people would have cancelled the trip, but then again, most people would never be Diamonds.

## **One for the Money, Two for the Show**

A travel seminar was arranged for all Direct distributors and above—a cruise to Alaska. It was promoted for quite a long time, as ‘every leader will be there.’ I was concerned about the expense, since some of these trips (none of which we had ever missed) had cost as much as \$2,000 in airfare, hotels, and meeting fees. We were barely able to borrow enough to keep going at this point. But we figured we had to be close to our big paycheck soon. Once everyone was excited about the trip that ‘every leader would be on,’ the cost was announced: \$5,000.00. I was shocked. None of us could afford that!

We **had to** book the trip with a special form through a specific travel agency chosen by Zack. No exceptions to this were allowed. A woman in our organization who was an inactive Silver (Direct) and owner of a travel agency would later tell us that this was nearly **double** the cost of what she could have booked for the group. Every ‘leader’ had to put down a \$1,000 deposit on faith, and the rest was collected in increments. Not only were the Directs pressured to prove their ‘leadership’ by doing this, non-Directs were pressured as well. At one seminar of thousands, all distributors were advised to put down their \$1,000 on faith that they would go Direct in time to qualify for the trip.

If they had not become Directs by then, they could not go, because this was a trip only for Directs. There would be absolutely no refunds. We had distributors at only 1,000 PV ‘prove their faith’ by putting down their non-refundable \$1,000 deposit. Many were advised to walk by faith not sight. Faith was defined as believing what could be, not what

was actually in front of them at that moment. It was a fiasco. We had many distributors in our organization lose their whole deposit. We later learned that Zack and Molly, however, enjoyed the trip, staying in a sprawling presidential suite with a private outside deck. On one excursion to shore, Molly bought a five-carat ring.

Kathy and I worked and struggled, and there was no possible way for us to come up with the additional \$4,000. We, of course, as leaders, had scraped together and mailed in our \$1,000 non-refundable deposit. We were tapped out and had nowhere else we could possibly borrow the money. We were now in a terrible predicament. But as leaders, we had to promote this trip and were pushed to 'get our numbers up.' This was another opportunity for our leaders to spend personal time with Zack and Molly. We were told that alone was worth more than \$5,000 if they applied what they learned.

We called Zack and told him we could not make it. He was disappointed that I was not being more of a possibility thinker. He asked if we could borrow the money we needed in order to go on this trip. He knew from counseling us that we were completely tapped out, but I ashamedly, once again, repeated the current status of our exhausted finances and burgeoning debt. He thought for a minute and advised me that I should sell Amway vacuum cleaners to raise the money. He was pathetically out of touch with the reality of how his distributors lived. This trip was not a good idea, and I resented that we, along with our leaders, were being pressured to waste our meager resources on something so opulent. Not a single one of us would have chosen to do this on our own.

How many vacuum cleaners would I have to sell to make the additional \$4,000? We had never been able to sell a single vacuum cleaner outside of the organization. They cost about \$300 more than one from Wal-Mart and are incredibly heavy. He chided us and reminded us that we had a few months left, and he knew that I was a resourceful leader and would come up with the money somehow.

We were not able to do this and were at the point where we could not justify it with our devastated financial picture. At the last minute, we sent, in shame, a voice mail to our leaders saying that we were running for a big goal, and Zack suggested that we stay home and hit it. It was a lie, and I felt terrible. They were very disappointed, as quite a few were going on this trip and hoped that we could spend a lot of time with them. They were our leaders and closest friends. We agonized over our situation. In almost a decade, we had never missed a single leadership meeting, except when I was in Paul's wedding. We pressed on harder toward our Diamond goal to make up for it.

## **On the Defensive**

As we built toward Diamond, the group, as a whole, began to get a great deal of flack from two web sites off the Internet. One site was hosted by a man named Sidney Schwartz. His web site was called *Amway the Untold Story*. A man named Ashley Wilkes created and hosted a site called *AMO's: The Nightmare Builders?* Ashley was the one who coined the term Amway Motivational Organization (AMO). We would be out showing the plan, and prospects would have twenty pages of negative garbage printed off these sites. I often thought that these two guys were real losers. Who else would take so much time out of their lives to put down a good and honorable business? Despite how bizarre Dexter seemed, the business itself was principled and was predicated upon

servant hood. I thought at times about meeting the two men and beating them unmercifully. They were the enemy. I hoped something terrible would happen to them both. They were evil. They were a threat to my family's future. (The indoctrination had worked all too well.)

The Amway business and its related system had by now completely taken ownership of nearly every aspect of our lives. Due to the gradual indoctrination over years, we were completely unaware of what was happening. We had surrendered our life, all our money, our careers, and our family time to what we believed was "our" business. We had lost touch with most of our extended family members and any friends outside of The Business. We no longer seemed to have much in common with them. We maintained a few relationships but spent very little time with non-Amway people.

Seldom could we schedule any social event as The Business now took nearly every weekend. In the rare event we could get together with a friend or family member on the outside, we had very little we could talk about. We no longer watched the news, listened to the radio, or read newspapers. We knew almost nothing of current events. They did not want to be recruited into Amway, and The Business was all we now knew how to talk about with any confidence.

Deep inside we knew something was wrong but did not know what. In our minds, The Business was only a financial vehicle to give our family a secure future and time together. The destruction of our family unit and marriage was so gradual we hadn't noticed it happening. On one level, we were very unhappy; but on the other hand, we felt that we were close to what we had worked so hard to achieve. There was no turning back. That was not an option we could even conceive. By now, we had been thoroughly convinced that this was the only way we could succeed and serve our God and family to our highest potential.

I was gone constantly. My used Cadillac now had over 200,000 miles on it. When I was home, I was useless. I felt like such a failure. Distributors were so strongly conditioned, that many of us felt guilty when we were home, because we were not out being productive for the ones we loved. It was awful. I would be at home for a few minutes with the people I loved most in life, and I would feel guilty for being there. We were quickly going broke, despite our supposed incredible success advertised by our upline. We felt enormous guilt for being at this level and making less than what we believed everyone else was making. We were successful failures. I had to push on to Diamond. It was the only option.

Kathy and I handled these stresses differently. A year after we made our exodus from Amway, she explained that she had to withdraw emotionally from me just to survive. She lived in fear every night that I would die on the road. Distributors had died on the road, and we knew some that had had terrible car accidents. I was running in a near constant state of exhaustion, and the rumble strips on the side of the highway woke me up more than once as my car ran off the road.

We were both very unhappy but did not speak of it, as that would be "passing negative" and showing a lack of faith. I felt miserable and believed that I was a total failure as a husband, father and leader. On the outside, we were the perfect picture of success, but we were going further and further into debt to travel to these mandatory lifestyle/travel meetings that Zack planned in places like Hawaii or Florida. We looked great! We wore tuxedos and gowns and were cheered with standing ovations at seminars

we attended. Some success! We looked good on the outside, but we were just plain dead broke.

## **Dream or Nightmare?**

*“I guess there’s nothing more exciting to know you’re right where God wants you to be and doing exactly what He wants you to do and being precisely in His will.”*

- Triple Diamond Cherry Meadows\*

Kathy was now essentially a single mother. She continued to take care of all the household chores, the mounting bills, our children, product and tool orders and pick up, public speaking, counseling and was still a good, supportive wife. She had become a wonder woman and also was running in an ongoing state of exhaustion from our frantic schedule.

We were both terribly unhappy with this lifestyle, but we had no one that we could speak to in confidence. We were not allowed to confide negative feelings upline, because this was seen as a sign of weakness. Zack would even say that he could tell in a few minutes of conversation if someone was negative. If they were, they were not reading enough books or listening to enough tapes. Even worse, you might just be considered to be psychologically lazy, especially if you had positive resources and did not use them wisely.

We both became emotionally muted. We felt no highs or lows. We were very numb. Our own internal defense systems seemed to be trying to block out all the pain of being apart. The stress of our crumbling finances and the contradictions that we were seeing in our trusted upline leadership were taking a toll on both of us.

Finally, Kathy had had enough, and unbeknownst to me, she stopped listening to the tapes at home. This initiated a radical change, as she soon started seeing with more discernment than I could muster. She never had liked Zack, and to her, he seemed more and more like an egotistical bully than a Christian mentor. I still firmly believed he was a good honorable man, who just could not see the entire hostile situation with our sponsors. Once he saw the whole picture, he would do something about it, and everything would change.

Years earlier, I had met a kind, charismatic, and successful financial planner named Frank Fauble. I had met him and his wife while showing the plan in depth in one of our larger groups. They were both kind people, and I sensed that he was someone that I could trust completely. Our finances were already destroyed after years in Amway. Going Diamond was my only way out. Even though we could not invest anything with Frank to plan for our future, we began to send him distributors that we had counseled. He could do wonders with even \$100 a month for people and could help them reduce their taxes with different strategies. I referred quite a few of our leaders to him. He was a

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\* Cherry Meadows, **Ladies Meeting Tuesday Afternoon Part II**, audiotape Stock No. GDL 96-26  
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Christian man who lived by biblical principles and had never violated the trust that I placed in him.

By now, Kerry had planted a few spies in my group to keep an eye on what was really happening. They were Direct Distributors who were not making any money in The Business but got a feeling of importance by working with him on the security team for Zack. In a strange way, reporting on my activities made them seem more loyal to the upline. While this was irritating, I had nothing to hide.

One night, I was driving back from a meeting in New York with one of these “security spooks,” and he confided in me about the state of his horrible finances. I recommended he meet with Frank to help him get back on track. We had a long drive, and we soon dropped this subject and moved on to other ones. I had so many other things to worry about that I soon forgot this conversation.

Around three weeks later, we had an Emerald and Diamond meeting with Zack. Out of the blue, he started on a rampage about being stupid and referring people in our group to a Christian financial planner. He hurled questions and comments like, “What if he was negative on The Business? If he was so smart, why wasn’t he wealthy? The only person we should get our financial advice from is our upline Diamond. Stop being stupid.”

Something in my spirit felt this was wrong. I continued, at great risk, to secretly refer my closest distributors to Frank. At the same time, I was putting Frank off with regard to my own finances, because I was virtually destitute. Despite this ugly truth, I was sending him distributor/clients who told him how well I was doing.

Because of my training as an auditor, I am very good with numbers. Before The Business, I was a good money manager and had invested well in real estate. Kathy and I had gotten to the point where, in our twenties, we had paid off all our college loans, consumer debt, credit cards and even our cars. We had become debt free, except for a first mortgage on our home.

What a different picture we presented now! I had been convinced by my upline that by going Diamond, I would make \$250,000 a year. That actually seemed like my only out, as we had by now acquired nearly \$100,000 in new debt while counseling with Zack. We weren’t making the reported \$100,000 Emerald income—far from it. Routinely, we received conflicting advice. We would be told that a real man gets out of debt and solves the money problem. We would then be told that a true leader does not ever miss any leadership event, for any reason. Not to be considered “plugged in” was the kiss of death in the business. If you fell from favor, you would be taken off the speaking list for open meetings and seminars and would then lose credibility in your own organization, which had been well trained to follow their “plugged in” upline.

Despite all that seemed to be going wrong, I was able to meet and sponsor several strangers to begin the run for Diamond. We had to have six legs qualifying at over 7500 PV for six months, and I told myself that then all those problems would be behind us. Zack and Molly would know that we were good leaders, and our finances would improve drastically. These new recruits soon became good friends, as I drove with them as far away as Maine to help develop their organizations. I worked like I never thought was physically possible. I blocked out the negative thoughts, as I had been trained and listened to ten or more tapes on long trips.

Kathy had cooled off on The Business. Thank God! In the midst of this insanity,

she could see clearly that our children needed at least one good parent, and she poured her energies into them. For that, I will be forever grateful to her. She was somehow able to provide a sense of normalcy for them. She still went with me on the speaking trips and to meetings, and we both hated how much we were required to be away from home as Emeralds. We each just coped with this in our own ways.

Meanwhile, I had so much going on in my mind that I began to space out on Kathy and the kids. They would be talking to me at dinner and would have to ask me the same question four or five times before I heard it. I was almost a literal zombie. The only times when I could appear normal were when I was actively involved in doing the tasks of sponsoring and teaching distributors. I could go on autopilot and fake joy and enthusiasm as I motivated groups of people.

It's hard to pinpoint the exact moment when even I had to acknowledge the dream had become a nightmare. But, out of nowhere, began an intensely miserable season in which I lost faith in one "story" after another. It was almost like being blind, then having an operation that restored only a little bit of my sight. The frightening part was that I was either seeing things I did not want to see or things I did not understand. It was as though there was darkness around me, and also a darkness *within* me that I could not comprehend.

I wrote off these strange sensations as stress from the massive financial pressures we were experiencing. We were struggling to pay our property taxes on our home and owed the IRS back taxes. We had to move forward to Diamond. I had to believe it was the only way out. Zack heard what I said about our finances, but continued to advise me to press on and even told me to go Diamond, because I surely did not want to get a "job." A job represented slavery and, furthermore, would destroy the group that we had worked so hard to build.

Amway distributor leaders often equated having a job to slavery. Dexter Yager, allegedly the most powerful of them all, read this story at an Emerald and Diamond meeting.

This is many years ago the plantation and slave owners were faced with a difficult decision. To continue the practice of slavery in the face of growing opposition or to give into the forces that be and to release the slaves from their captivity. As would be expected, they were divided. In a resolve, they were divided in their resolve until one of them, a very bright and successful scholar made the following proposal. Why not grant the slaves their freedom? They have no real property to farm, no business with which to support themselves and thus will still be dependent upon us for support.

We can parcel out land to them, land which we will still own, and allow them to share a small part of all they produce. Not only did they maintain the control of their slaves, but the slaves thought they were free. And so the rebellion and opposition ceased. A wonderful idea at which the owners all agreed, so great, in fact, was this idea that all owners grew to love it. Not only did the slaves appear to be free, but the owner were not responsible for feeding them or providing shelter or transportation or medical care. Since the slaves were now responsible for their own food,

clothing, shelter and medical care, a new label seemed appropriate, and the term “employee” was created. Few of the slaves, I’m sorry, I meant employees, had enough extra to really get ahead. And the owners were behind the scenes working to keep them where they were. Thus, the labor pool grew stable and large.

Eventually all owners realized that the benefits were great and began using this system which has long since crossed the color line. Today, owner still use slaves, oops, sorry, I meant employees, to do the work they don’t want to. Slaves, oops, sorry, employees, still get a small part of all they produce, provide their own housing, transportation, food and in some cases medical care. Many things have changed in this country since the abolition of slavery, and yet for the overwhelming majority of the people, things are pretty much the same.<sup>1</sup>

At some point later, things seemed to pick up, and we were hand picked by Zack to fly to Argentina to speak to his organization. Kathy and I did not have business there, but by now, our organization had grown into Colombia and was soon to spread into Europe and the Philippines. We flew down to Argentina from Miami and were met by a translator and a driver. We were treated very well and were driven far inland to a city called Rosario. We fell in love with the people there. They were so kind and gracious. Some of them had tears welling up in their eyes as we encouraged them. It was a powerful event for us and for them. They were so hungry for knowledge that I ended up dropping Kathy off at our room at about 2:00 a.m. Then, I stayed up answering questions for some of the leaders until 5:00 a.m. Finally, I had to get back to the hotel and catch a few hours sleep, because we had a training session to do that morning. We developed a deep bond with these beautiful people and again felt like God was using us for good.

We flew home and our organization was once again energized. The business was working after having seen a couple they knew, like us, start from nothing, go Emerald and begin to travel the world. It was a thrill for us to do this and felt even better that we appeared to be in good favor with Zack. We were paid \$900 for nearly a week’s work for the two of us in the form of a speaking fee. This wasn’t much; it might not even work out to minimum wage after we paid taxes on it, but we were honored to be part of the leadership team.

The group we had in the U.S. was enthralled at Amway’s global expansion. Japan had embraced Amway and within twelve years was doing over a billion dollars a year there. China was opened, giving one of the largest populations on earth access to this “great opportunity.” Chinatowns in nearly every U.S. city were overrun with distributors, looking to sponsor people with relatives or friends in China, just to get a piece of the action. We were advised that Amway was now growing at *a billion dollars a year* in sales. Amway was quickly becoming a dominant, global enterprise with the apparent support and praise of many of America’s most influential religious and political leaders. Dexter Yager may not have been exaggerating when he told us in an Emerald and Diamond-only meeting that Amway was going to be a “trillion dollar company.”<sup>2</sup>

*“And I don’t care whether it’s your family or who...that would tell your kids you’re foolish doing this business, those people you don’t need in your life. You’ve got to make those decisions.”*

- Amway Crown Ambassador Dexter Yager \*

With this success for inspiration, I finally got the courage to show my father and his wife The Business. One of the key motivators that drove Kathy and me to succeed was that we wanted to be in a position to help our parents. This was a dream come true in many ways. We could build a father-son business and spend a lot of time together doing it. As he and his wife lived six hours away, we normally only saw them once a year. If they were in The Business, we could justify many more road trips to see them. I loved my dad and his wife. Having grown up living with my mother, I was finally getting to know my real dad, and I relished our time together.

More than anything, I also wanted him to be proud of me. Even though I was an adult, I wanted him to be proud that he was my father. I dreamed of dad and his wife, Kelly, coming to a seminar where Kathy and I would be the featured speakers before an audience of thousands. I often visualized the day we would go Diamond, picturing him there for the celebration. I began making trips to their home and sponsored some people for him. However, it did not work out. I could not get them sold on buying our products and listening to the many tapes that, I believed, were vital to their success. I was frustrated that I could not get them to understand the value of being mentored by millionaires. Also, Kelly felt the Amway products were far more expensive than those she normally purchased. I was very disappointed, as I thought we could have been a dream team in The Business. This offered me more encouragement to go Diamond to show them it was worth it. By now, I was trained to the point where the greater the adversity, the more committed I was to the cause.

The Global Amway Empire was exploding, and we were part of it. Ten years from now, everyone was going to wish that they had been us, and they had done what we had done. Despite the good news on the global front, things were happening that made us uneasy. Zack and Kerry both became almost militant in the demands that they placed upon their loyal distributors. There was no room for anything but total, 100%, unquestioning loyalty. There were three key leaders in Zack’s organization, who were nearly fanatical in their talks on loyalty. Some even mentioned that they were willing to die for Zack, as he had sacrificed selflessly to help them have a full life and future. These three also seemed to be making the most income.

Part of me felt as if I needed to be more humble and more fully submit to this leadership, and part of me thought they were raving lunatics. I would not be like that nor would I ever expect that type of relationship from people in my group. We would go Diamond and treat our distributors as partners, not servants. It was supposed to be our business, wasn’t it? I resented the fact that Zack was portrayed as a humble servant, but

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\* Dexter Yager, **What is This All About?** Audiotape Stock No. YNMI-1 Copyright Internet Services Corporation

in private, he treated his leaders worse than domestic help. Many of us detailed his luxury cars, polished his huge coach, and did other work around his properties. Some of my Direct distributors, whose finances were now terrible, were excited to serve; their honorable intentions often turned them into unpaid servants.

Zack was almost a dictator behind the scenes, but at times, he was still warm and compassionate. He was brilliant, charismatic and could make you feel great about yourself and your business. He could also, with a single comment, knock your legs out from under you in front of your group or in front of other leaders. Two Diamond women that we knew confided in us that they dreaded counseling with him, because they were scared of him. His own family seemed fearful of him at times. Molly told Kathy how much fun she and the kids had when he went away on trips. They had a wonderful time for a few days and then would scamper about to complete the list of tasks that he had left for them.

We spent time with Dexter once or twice a year. We would always see him at the annual Go Diamond seminars for Direct distributors and above. One year, we went to New Orleans where the seminar was held in the Superdome. It was an enormous meeting that once again reaffirmed The Business was working in a big way. It was powerful to see what appeared to be tens of thousands of distributors all at the Direct level and above. We would usually arrive on a Friday when these functions started. The Directs would leave on Sunday, and the rest of us higher-level leaders would have meetings through Tuesday night. It was expensive, motivating, and grueling, all at the same time.

Dexter has been known to speak literally until sunrise, on occasion. Not surprisingly, we were usually exhausted by Sunday. The Emerald meetings then began on Monday. I had never been more tired in my life, not in Marine Corps training, not anywhere. Zack had always professed his total allegiance to Dexter but did not talk about him much at all, outside of talks on loyalty. Many of the Diamonds also spoke with deep admiration and sincerity about Dexter. In our organization, in an unspoken way, Zack was clearly the leader—but it was implied that we were fortunate also to have access to the system Dexter had created. We normally had a seminar called the Yager Spectacular, but for a couple years, we had other speakers on stage to share. We were told Dexter was busy, but I did not buy it. The seminar eventually was called something like Walters Spectacular, and Dexter was invited in. Zack advised us, prior to leaving for one Go Diamond Seminar, not to sign anything that Dexter or his people gave us until his attorney had a chance to review it for us. He would not tell us any more than that. We would later find out that this was the BSMAA (Business Support Materials Arbitration Agreement) that Kathy and I would eventually be *forced* to sign.

*“Cults often use practices such as mind control to create loyalty in their followers.”\**

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<sup>1</sup> DEX: TUES. EVENING, PART II audiotope **GDL 96-40 Part II** Copyright 1996 Internet Services Corporation

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\* Smith, P.W., Hayes, C.P., McRoberts, K.D., *In Search of Truth*, Springfield, MO: Radiant Life

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<sup>2</sup> Ibid.

CHAPTER 9

# Strife Within and Without

*“We can’t all be lying to you. You know... I mean this thing works.”*

- Executive Diamond M. J. Michael\*

We had a new challenge. We had helped a couple named Rick and Paula\* go Emerald. We had been building our business on our own since the 4000 PV level, so Kerry and Chris hardly knew them, or the leaders we had helped develop in their organization. Rick and Paula were level headed and had treated their distributors with respect. They, too, were outraged at the somewhat mindless, arrogant talks we were forced to have our groups sit through. They, too, were disgusted at how our people were being financially bled dry to pay for a seemingly unending list of required books, tapes, and videos. Our leaders were also asked to pay \$400 or more in expenses for individual big seminars, and then couldn’t hear the messages, because they were working for free. They did not feel they could say no, as they would appear disloyal or unwilling to serve the group.

Rick and Paula also had been branded as disloyal and had felt the wrath of Kerry. They had made the critical error of questioning upline decisions, when these seemed to be detrimental to their group. We were powerless to protect our own people. The situation was not workable. It seemed as if Kerry could destroy our group faster than we could build it. To this point, Kathy and I had not shared any “negative” with Rick and Paula, as this was a violation of the Cardinal rules. We had put on a strong game face and had not made them aware of our ongoing struggles with Kerry and Zack. Paula called one day and told us that Rick was so frustrated that he had been in their basement, beating the wall with a baseball bat. We needed to talk, or they were on the way out of The Business.

They came over and shared their concerns. The feelings and observations they had were the same as ours. We could no longer cover up, or we were going to lose them and their entire group. They were very good friends. We came clean, and it was an incredible relief to be able to talk to someone about our struggles. They were ready to quit, and everything hinged on the answer I gave to one question: They asked me if the apparent demeaning, arrogant way Kerry behaved was just him or was this what Zack did as well? I shared the frustrations we had but assured them that Zack was a good,

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\* M. J. Michael, **Ladies Session Saturday Morning – Part 1** Stock No. GDL 96-1 Copyright Internet Services Corporation

\* Not their real names.

honorable man. I explained that Zack was fair and just, but for some reason, Zack did not seem to understand the situation with Kerry's alienating behavior. He may have heard so many bad things from Kerry and Chris about Kathy and me that he never got an objective view. I had could not reason nor comprehend the fact that Zack knew, understood and approved what was going on.

We decided the best course of action would be for them to bring all this up when they counseled with Zack and Molly next. Perhaps if he heard the same things from an objective second party, Zack would understand the challenges that were tearing our group up. They were scared! We were all both respectful and yet fearful of Zack. We agreed never to acknowledge that we had spoken of this, or all four of us would be in trouble for passing negative and de-edifying. The situation was becoming increasingly critical, as Kerry was unpredictable and more and more militant in his demands on the leaders in the organization. I admired Rick's courage and honestly was thankful that we were about to have this resolved, so that we would be free to build our businesses and help those we had promised to assist.

Rick called Zack and told him he would like to get on his schedule to counsel soon, as he had some concerns. Zack always promoted himself as the problem solver and asked Rick to prepare a specific list of concerns. We were all enthusiastic about the outcome of this meeting, but upon their return, Rick and Paula did not call us. They didn't even call the next day. This was very odd. We called them and Paula was still in a state of shock. As she described it, the meeting had started friendly but turned into an all out verbal assault as soon as the Kerry issue was raised. Rick was lambasted for every issue he brought up to discuss!

They experienced, perhaps, an even greater verbal thrashing than we had ourselves. They were accused of having out-of-control egos, a lack of respect, being poor examples, and finding fault with others and with God's will. They were not able to utter a single word to each other on the hour and a half ride home. They were in a total state of shock and did not know who or what to believe. I think Zack may have hammered them about us, as we rarely spoke for the next two months' time. Zack had told them they needed to go out of their way to establish a good relationship with Kerry and Chris. They were forced to call them to go out to dinner or to counsel. We did not know exactly what issues they were discussing, as they were now fearful of confiding too much in us. Perhaps Zack had told them we were a bad influence. We all lived in a state of paranoia, not knowing whom to trust.

Rick and Paula did exactly what they were instructed to do and spent time with Kerry and Chris. They drove with them to seminars and counseled with them. This was an incredible farce, since Rick and Paula had a good-sized organization, and the upline, from which they were receiving advice, had blown nearly everyone out of their group. Rick and Paula gave this an earnest effort, as they did not want to be out of favor with Zack, nor appear to be disloyal. Their efforts were to no avail, as after nearly a year of trying, nothing changed. They eventually came back to us, and we re-established our relationship, but we still did not know how we were going to resolve the situation.

Kathy and I now had massive debts. We had cars that looked great on the surface but were barely running. We owed back property and income taxes, and all our credit cards were maxed out. The money we borrowed from our last resources went to pay for the last couple of Go Diamonds Seminars to get the answers we needed, in order for us to

go Diamond. We had to do this, because we were desperate. There was no other way. We went in order to get more business logistics to move our business forward. A lot of what we heard, we did not understand at the time. Remember the Cardinal Rule against passing negative? Apparently, there had been a very secretive war going on for quite a while between Amway and Dexter and the other high-level distributors involved in the tool business.

High-level Diamond distributors informed us that things were better now between the Company (Amway) and the field (us) than they ever had been. We did not even know they had been bad. Senior Amway management people and even some of the DeVos family members came in to speak at some of these functions. They praised Dexter for his leadership and showered him with seemingly enormous bonuses, as tokens of their appreciation. Dexter, in turn, praised them with heartfelt emotions. Once the Amway people were not present, we were told the rest of the story and advised not to repeat it to anyone in our group, because it was negative.

Zack had always told us the information we learned on how to build our businesses did not come from Amway, as they just supply us. He even cautioned new Direct distributors about going on their Direct Seminar trip to Amway not to talk to cross line distributors and not to get any ideas from Amway. They were just in the manufacturing end. He would often say that Rich and Jay (references to Billionaire Founders Rich DeVos and Jay VanAndel) haven't sponsored anyone in over 20 years. Only seasoned leaders, with field experience with a system, know how to put it all together by building and training a distributor force.

Mega-wealthy, Triple Diamond Rick Setzer told us that, many years ago, there was a huge lawsuit between Amway and him regarding the tool business (this being the sales of tapes, books, videos, and seminar tools). According to him, they actually cut his bonus income off, apparently to starve him into submission, and he had to sell many of his assets to keep going. According to Rick, he won the case, and the business of developing tools was made legal. Dexter and his Diamonds told of repeated assaults by Amway and other horror stories.

Triple Diamonds Jerry and Sherry Meadows spoke of qualifying for a high-level luxury trip for what they had done in their business. They were then uninvited by a powerful member of the Amway management staff. They were extremely hurt. Others talked of being investigated by Amway for trumped up infractions of the rules of conduct and nearly having their business destroyed. Some Diamonds actually said that they had been told that Dexter was a crook and was going to jail. Others were placed under great pressure and were told they would be let off the hook if they would just admit who trained them (Dexter). From the little information we received, it appeared that this was about the tool business. Amway did not know how vital the tool business was to holding the distributor force together. In any event, that was all in the past, and we now had a secure future for our children, as these heroes of the faith had paid a great price for us.

It sounded as if Amway wanted to shut down some of their biggest distributors. Why would they do this? Were they afraid these people were becoming too powerful? It did not make sense to me, but we were glad it was history now. We had enough challenges. The ADA board was something that had been promoted as one of the biggest benefits to us as distributors. The Amway Distributors Association (ADA) board was a board comprised of family members that owned or managed Amway and elected

Distributor leaders. From the Diamonds we knew, it looked as if Dexter and Diamonds in his organization controlled most of the distributor side of the board. In any event, this board voted on policy change, and it gave us a voice in any issues that could affect our future.

Another wealthy Crown Distributor, Jody Victor, was working closely with Amway senior management and our ownership on a legal document that would help us all with *risk reduction*. This was the mysterious BSMAA that Zack had initially warned us not to sign. “Risk reduction” was a term that was foreign to us, but he and senior Amway staffers began using it with frequency. He spoke of it as a document that would secure our businesses as never before. He mentioned a distributor class-action suit that had originated years ago out of Philadelphia by a couple named Hanrahan. To the crowd’s glee, he announced that when finalized, this new document would preclude there ever being a case like this again.

Dexter came out and spoke of many of the trials of the hard days. He launched into a talk that was like many we had heard before. Again, we had come out of desperation to hear new Diamonds talk and learn some logistics to move our business forward. Instead, Dexter delivered one of his usual stream-of-consciousness talks. He would tend to cover topics God had told him to say (God speaks directly to him), such as Hillary Clinton’s sexual preferences, Communism, Socialism, loyalty, castrating rapists, Gospel Films, Jesus, wealth, knowledge, life lessons, relationships and how many girlfriends he had in Rome, New York. Despite the fact that these meetings started with prayer, he felt comfortable using crude references to “crap” and “shit” in some of his more enlightened teachings.

A frequent topic of the speakers, particularly Dexter, during one Go Diamond weekend was a disease he had named HUB. It was an acronym that stands for Head-Up-Butt disease. Who had it? It seemed that his answer was anyone that would not agree with him, Amway, or the system. If you were a Democrat or not going Diamond, you had it. If you had a job, you had a *serious* HUB. It seemed to go on and on. We were so tired in those meetings. It was a bizarre scene to have a few hundred Emeralds and Diamonds who were trying to sit in rapt attention, when most all of them were fighting to stay conscious. People’s heads would be nodding as they dozed off to sleep out of total exhaustion. Some fell asleep sitting up and actually started drooling on themselves.

At one of these Emerald and Diamond meetings, Amway Diamond Bob Howard was lying prone across four chairs next to me with his arms folded across his chest. He looked like a corpse and was completely out. Birdie Yager talked about how tired she was at one of the meetings. Dexter was prodding her to speak, and she did not want to comply. They were both on stage, and he told her to go off stage and get her notes to speak. She said that she hadn’t slept in something like 20 hours.

The most bizarre of Dexter’s teachings, in my opinion, were his sex talks. Remember, as you read this, that neither the general public nor the average distributor were ever made aware of what went on at these leadership meetings. By the time people got to these meetings, they had been well indoctrinated. Also, remember that these meetings were normally started with a prayer. At one of our first few high-level leadership level meetings, very late at night, Dexter decided to share a business secret that a woman Diamond had passed on, regarding the success she and her husband enjoyed. The advice he passed on to the ladies present concerned how to relate to their

husbands. The advice was to “screw their brains out.” People were actually taking notes!

On another occasion, we were with Dexter in a large, Italian restaurant that had many other people, besides the near thirty in our entourage. We ordered and all of us that were present huddled close to Dexter to hear whatever wisdom he was going to share. Now, picture how odd this must have looked! We were sitting in a restaurant, and we were huddled around Dexter, and the other patrons were trying to figure out who he was and hear what he was saying. He must have looked like a celebrity! He was wearing enough diamond and gold jewelry to look like a short, white Mr. T. There was a hush in the room. For this sex analogy, he chose an attractive, young, Emerald woman sitting near him. He asked her what her name was, and if the guy with her was her husband. She responded to both questions. He looked her right in the eye and asked her if she really enjoyed sex. Then he explained how sex is an important thing and went on and on about some point that I can't even recall.

At another Emerald meeting, Dexter chose another couple of friends of ours for the example du jour. Once again, a young, attractive woman was selected. He asked the couple their names and then used them as examples. Dexter had been talking about ineffective goal setting. His analogy went like this. Let's say Tim and Brianna go to their room tonight and have sex with the goal of impregnating Brianna, but they use a condom. The details beyond this are too bizarre for clarity, but a great deal of time was spent on the sperm trying to get through the condom. Somehow, this illustrated poor planning or taking an action that was in conflict with your objective(s).

At the last Go Diamond Seminar we attended, it seemed that nearly the entire function revolved around sex. At one point, the women were brought to a separate room and given specific direction, but there were many speakers that addressed the entire group on this topic. Dexter had had a stroke and felt it was important to advise us that it had occurred on a night when Birdie had refused him sex. (I cannot remember what the point was that time.) On one occasion, he compared the Amway business to sex and said, “Even when it's bad, it's good.”

At one of those meetings, he seemed to want to humiliate a Diamond woman named Effie Reid on stage. Jack and Effie are two Amway Diamonds who had been with Dexter for a long time. Dexter spoke of taking a trip to Amway headquarters in Michigan in a large recreational vehicle. According to Dexter, Jack told Dexter that he and his wife were going to take a nap but instead would go in the back and have sex. He would then return and tell Dexter that he was “one up” on him. Jack saw Dexter later in the hotel and told him that he was now “two up” on him. Effie was incredibly embarrassed when Dexter attempted to get her to tell the entire audience what Jack had given her for a present one Valentine's Day. She would not say what the gift was, so Dexter told the crowd that Jack had come out to her, wearing nothing but a red bow tied around his 'present' for her.

Another extremely bizarre teaching lesson involved young Executive Diamond Mark Day. Dexter actually brought him up on stage to discuss the details. (Now remember, this is firsthand information. It is way out on the fringe of bizarre.) As Mark and Dexter told the story, Mark had gotten on an elevator with Dexter, and Dexter had noticed Mark's sprained or broken finger. Dexter asked him if it hurt, and Mark responded that it was giving him a lot of pain. Dexter executed a quick, forceful snap kick to Mark's crotch, dropping him to the floor. Dexter asked him again how bad his

finger hurt, and then made his point that “everything is a matter of perspective.”

As strange as this sounds to you, it was even more odd to me, in that Kathy and I were there with a large group of ambitious, intelligent, articulate people. Remember that this was a group of sales professionals, through which as much as 90% of Amway’s global, billion-dollar volume allegedly flowed. None of us walked out or even questioned these strange sessions. I would not understand for years why we stayed. The teachings were not all bizarre. The really strange ones were mostly given very late at night when we were all just praying for the mercy of sleep. I remember being up so long that I actually hallucinated and made Dexter float around the stage in a fuzzy blur.

The bizarre was often offset by something that seemed truly good, honorable, and useful. We had Dave Thomas, the founder of Wendy’s, come and speak to a fairly small group of us. He and Dexter talked about how much they had in common. Dave is a wonderful, kind man and is exactly as he appears on his television commercials. He spoke of hard work, ethics, and values. These were the same things we seemed to have represented.

On another occasion, Rev. Jerry Falwell came in and spoke. His support and praise of both Dexter and Amway reinforced that we were part of something good. For instance, the Internet guys had really caused some problems for us by writing hateful, unsubstantiated criticism of Amway and posting it on the World Wide Web. (I was online but did not visit these sites, because I wanted to avoid negative.) Mr. Falwell did us a big favor by writing a letter that went to the Internet on Dexter Yager’s Internet Services site.

Dexter addressed the same issue at an Emerald and Diamond meeting with the following remarks:

You know, you are going to have to learn to be quick thinkers. You are going to have to tell people, you are going to have things like the Internet coming out all the time with all this crap. You are going to like have one guy is loading all this crap on the Internet. He’s got such a hate for Amway and somebody that he wants to destroy it. God does not deal with hate in his heart. So that’s not God’s man. If you are a Christian, you better understand that. And I’ll tell you something, when push comes to shove and I get with that guy and that situation, I can look him right in the eye and until you can look people in the eye and say, “We are right. We love you. You have the right to be stupid, it’s your life.”<sup>1</sup>

We were taught that the appropriate response was to advise anyone who found information on the Internet that it was not trustworthy, because anyone can post something there. Anyone taking the time from his life to tear down something good obviously was a failure with an ax to grind. We were told that anti-Amway web site owner Sidney Schwartz was a paid agent of our competitor Proctor and Gamble. That certainly explained it. We advised people to take advice only from others who lived the way they wanted to live. If you wanted to succeed in Amway, the shortcut was to take advice from people who had enjoyed huge success. We used many analogies to reinforce this. If someone got the Internet information or spoke to a former distributor who had quit, we would ask them several questions to turn their thinking around.

We trained our people to ask someone with hostile information if they would like their twelfth-grade son or daughter to get advice on college from someone who just quit. Better yet, would you want your newly engaged daughter to get advice from a bitter, angry person who just got divorced? We just needed to teach people how to think things through more logically. They could not afford to make a decision that could impact their entire life, based upon innuendo and false rumors. If we really cared about them, we would not take no for an answer. Perhaps this was what had given Amway distributors an overzealous image to people on the outside.

I was trained to turn a deaf ear to the word ‘no’ when dealing with prospects or when selling distributors on 100% self-use of the products and system. I literally would not hear the word no. I was out with a newly sponsored distributor and showed the plan to a physician and his wife. On the follow-up visit, she spent about 20 minutes telling me that they were interested, but there was no way they could start now. We could get them going in a few weeks, but right now, their apple cart was turned upside down. After hearing about five reasons why there was no possible way they could get started, and it was completely out of the question, I smiled politely and acknowledged how busy they were. Then I mentioned how leveraging their time against mine would actually create a lot more income and free time for them.

As if I had heard nothing for the last twenty minutes, I told her that I had two mornings that week I could stop by and help her get started and asked which was more convenient. She chose the latter, which was only three days away. As we walked out of the house, the distributor I was working with looked at me completely dumbfounded, and said he was amazed that I did not hear anything that I did not want to. Jokingly, I said, “What?” I explained to him that I was not that bold early on but became that way, once I realized that we could have a positive impact on people’s lives.

Life in this business was what you made of it. There was a 100% success rate in the system. The Diamonds’ opulent lifestyles proved it. I was confident, because I kept my mind full of positive, inspirational thoughts that gave me energy. What we thought about regularly directed our actions and our actions determined our future. It was vital to keep our mind in a protected environment. Due to this, we were told to keep our people off the Internet, as it was basically a waste of time, where they could not discern the difference between vital information and slander. Anyone who had time to surf the net was obviously not building his business. One Diamond came in and told a scary story about one of his Directs who had his wife leave him for someone she met while surfing on the net. We needed to keep away from the Internet and stay focused. Satan wanted us to be distracted and confused. Privately, I thought he wasn’t the only one.

## **That Carrot on a Stick**

*“Successful people will always do what losers refuse to do.”*

- Amway Crown Ambassador Birdie Yager\*

Some time after we got back from a Go Diamond meeting, Zack called a Directs’

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\* Birdie Yeager, **Ladies Session Saturday Morning Part II**, Stock GDL 96-2

meeting. At this meeting, he advised that his attorney had reviewed the Business Support Materials Arbitration Agreement and that we all **had to** sign it to protect ourselves. He advised that it was put in place to protect us if some stupid distributor wanted to file suit against us for selling him tools. Kathy and I ignored the agreement, even though Kerry asked us about it a couple times. I did not want to sign it! It appeared we were giving up or limiting *our* legal rights. We would never use this for any reason, but I did not like being forced into giving up rights in a business that proclaimed freedom for its members. It seemed to be a contradiction to me.

We thought the issue would just fade away, but it did not. One day Kerry called us and gave us an ultimatum. He had spoken with Zack, and Zack had told him that anyone who buys any tools *must* sign this form. There were no other options. Kerry advised that Zack had given him specific instructions for us. We were to be told that we would not be allowed to pick up our Amway products, books, tape-of-the-week, or other support materials for our organization that week unless we came over with a signed BSMAA form. This represented a gun to my head. Tools were the life-blood of our business. Not to get tape-of-the-week to your organization would mean near instant destruction. Our entire organization had been taught that there was a zero percent success rate outside of the system (meaning not listening to tapes); yet we were going to be cut off from this support system totally if we did not comply. Additionally, we would completely fall from grace from Zack's viewpoint, and that, too, would spell destruction for our business. No one, I mean no one, challenged him or his authority. I was fearful of him. I did not know what Zack was capable of. We had no choice but to relent or lose everything. We never thought we would sue anyone, particularly our upline partners. It was just the mere fact that a right was being forcibly stripped from us.

That happened at a time when more and more hostile information was being posted on the Internet. We began to get many questions on the tool business. Prospects would tell us they had researched it and found the Diamonds made their money off the tapes and seminars. How ridiculous! We checked upline to see how to handle these issues and were told that the tapes and seminars were done at cost. At times, there was actually a loss on some functions, and the Diamond would absorb it. If there was a surplus, it was held to absorb any future losses. We were lucky that our upline Diamonds were willing to invest so much for our success without a guarantee of a return. Crown Ambassador Birdie Yager assured distributor leaders in a large public meeting that her and Dexter make no money off the tools and never have. I had seen the copies of big Amway checks that both Dexter and Zack showed. We could even order copies of a set of Zack's Amway bonus checks to use as a promotional tool. The small tool discount Kathy and I were given did not even cover our expenses, so we had no reason to think that the information we received about the tool business was not true.

I continued to build our group toward Diamond, but something was terribly wrong. I had so many bottled-up questions from our financial reality that it felt like a cancer was eating my life away. I was absolutely miserable and missed Kathy so much when I was gone. She was unhappy as well, but we could never talk about our feelings. I had let her down miserably. I felt like an utter failure in every sense. I had, however, no time for a pity party and had to 'gut it up' and get Diamond done. Kathy was fading from the stress. We both felt like phonies. I did not know how long we could hack it, living like this. We were near the end of our rope. I read the books and listened to all the tapes. I

prayed and cried in frustration. We had to succeed, not only for us but also for the large number of our closest friends that were counting on us to lead the way.

We received word that the Philippines were going to open up. The word went out to our group to discover who had contacts over there. We had a growing group of medical professionals in the Philadelphia and Western New Jersey area that were from the Philippines. Four leaders in our group, counting myself, had significant contacts. We each decided after counseling with Zack to go, to kick off The Business. We would all share in 25% of the cost of each trip.

Kerry and Chris called and reported that their direct sponsor above them, Larry, decided he wanted to get in on this action and gave us money to buy a Philippine Amway kits for him. They insisted that we put them above us in the line of sponsorship there. They were to be sponsored by Zack, and all of them would be in the line of sponsorship above us, even though they never planned to go to the Philippines and build The Business. This was a violation of Amway's rule of conduct for international business. Larry also refused to chip in and share the cost for any of the four initial trips. They insisted we take care of their businesses as a courtesy. We did it just to keep the peace.

I left on my trip and flew from Philadelphia to Chicago to Japan and then over to the Philippines. It was a very long trip. It was a little scary, because I did not know a single person in this country by sight. I got off the plane, found my luggage, and proceeded to a crowded area near the street. I was surprised to see military personnel there on duty with machine guns. It was late at night and very hot. At first, I could not locate the driver who was to meet me with a sign with my name on it. We finally met, and he drove me to a cheap motel outside of Manila. I was very fearful for my life, as everything in this area had steel bars on the windows and doors. I hoped and prayed that nothing would happen to me. Since our credit was shot, I only had a Visa debit card and actually only had \$54 in that account. I was scheduled to do meetings on several southern islands, in the business district of Makati, and in a town two hours to the north. I had just enough money to cover the flights and boat rides to each.

My trip to one island was eventful. I was invited to stay with a wonderful family. They did not have running water, and I bathed out of a large bucket in the morning. I did meetings throughout that island in homes and in a school building with the aide of an interpreter. With his help, I also learned parts of the two Philippine dialects, in order to greet people in their own language. This small show of respect opened many doors.

A feast was prepared for me, consisting of many types of seafood, including raw clams and a delicacy named *balut*. I loved the seafood and could do the raw clams, but the *balut* was a challenge. I finally managed to get it down, because showing others honor and respect is of universal importance. *Balut* may have been a test of my sincerity. It was a duck egg that was taken from the nest a few days before it hatched and then boiled. A small hole is broken in the top and salt is placed around the opening. When you look in, you saw a jelly-like little duck looking up at you, while the bottom two-thirds of the egg looked like pure yolk. I took a deep breath and realized just how badly I wanted to be a Diamond as I swallowed my *balut*, nearly whole, to the cheers of the group present. I was accepted as a friend from that point on.

I made my way, by boat and plane back to Manila and was met by a guide that I hired to take me to a small town called Tarlac, about two hours to the north. There we met a very influential businessman who had invited about 45 people to his home for a

meeting. His home was too small for this crowd, so we went to his backyard. The heat was blistering for me but average for the local folks. I stood in the shade of a garage and spoke through an interpreter to the group—mostly women. It was clear that they were not getting the message or did not yet relate at all to me. I was hot and getting frustrated at my inability to connect with them. At last, I had a brainstorm and told them if they built this business, they would have enough money to buy more shoes than Imelda Marcos. Once the translator repeated what I had said, they laughed hysterically, and we finally connected. I actually sponsored quite a few of these women. All this public speaking had sharpened my ability to think on my feet. Once again, I felt good about what I was doing, but my celebration was bittersweet, as I spent Easter alone in my hotel a world apart from Kathy and our children.

The next day I returned to Manila, carrying a sign with my name on it, to meet people at a posh downtown hotel lobby. This was where the Yager organization was putting on large open meetings. Outside of the open meeting room was a set of very large tables covered with books and tapes to teach these people how to become successful. I went into another office-type room where each of Dexter's major Diamonds had a table to sign up new distributors. I met and sponsored my contact there. At the time, I did not know it, but in the same room was a woman named Ruth Carter. She would later play a very large role in the process of opening my eyes to some huge problems in The Business to which I had dedicated my life. She was there from her home in Florida as an employee of a Yager Diamond, helping to run his organization, as it expanded into this area.

In somewhat the same time frame, our organization was expanding into Europe. This came about from two distributors in our group who had contacts overseas. One was a Direct, an eye surgeon. The other was a successful, travel agency owner. They had contacts in multiple countries, all of which sounded great. Here we were with a business that had grown from regional to national to global. And yet, Kathy's and my net income as Emeralds hovered near or below \$30,000. After taxes, we were near the poverty level for a family of five.

We did not speak negative to each other about The Business, but we did find relief in venting to one another about the near insane acts of members of our upline. The rest of the disappointments, we both just internalized. I kept repeating to Kathy what I believed to be true. "We're almost there, honey. Please trust me, please believe in me." She did, and her faith kept me going. Once when I was away, she helped each of the kids put together a little picture book of their drawings. They had misspelled titles, in crayon and marker like 'Why we are going Dimond,' and they had pictures drawn of a nice home with a pool and other things we promised them as Diamond kids. They had been reading the system book *Just Wait Til We're Diamond* and knew what to expect. Those pictures melted my heart and drove me to a more frenzied pace.

If I could just get past the roadblocks I was facing. I had secretly read Anthony Robbins books and found within them some powerful tools to focus and motivate myself on a daily basis. These books were taboo, and I could never tell anyone in the group about them, because they were not on the approved list of books that had to be ordered upline. Zack explained to me once that not all books that are positive are 'good' books. He and Dexter had the experience to sort out which would be helpful and which would not. If we had distributors just going to the bookstores and picking up books at random,

we would have confusion, which would automatically stop growth...

We received a mailing from the Anthony Robbins organization for an executive sales training seminar he was holding a few hours away in Philadelphia. I felt I had to go, but I had to do it secretly, because this information was outside of the system. I drove down myself with the hope and prayer that this would give me the break I needed to get out of this living hell of growing debt and so little family life. Going Diamond was the only way out, and it had to happen now. I checked into the seminar and was terrified, because I had to sign a release form. The event was being filmed to promote Anthony's products on one of the home shopping channels. I might be recognized by thousands and would be spotted immediately if the camera panned by me. I decided to take the chance and went in.

One of the habits trained into me from The Business was that of getting to meetings first and leaving last. I was there very early and waited by the door to get in and get a good seat. I met an energetic, ambitious woman named Elena that I was immediately drawn to. Elena had a radiant personality. She told me that she and her husband, Dick, lived in New Jersey and owned insurance agencies and a Scuba store that she managed. Apparently, Dick, Elena, and their teen-aged children were avid scuba divers, and Dick was also a private pilot. It was invigorating to meet someone so full of life and adventure.

We took seats with some other people we had met and sat in awe as Anthony Robbins captivated the audience. I was now a public speaker and had attended seminars and listened to literally hundreds of motivational and business speakers. He was in a class by himself. He was, by far, the most gifted teacher and communicator I had ever heard. His approach was far deeper than a motivational quick fix that would wear off. His approach was to share strategies that would create lasting change. He did not come off as some sort of guru but simply as a person who had made dramatic changes in his own life and in the lives of many others. The crowd was mesmerized as he entertained, motivated, taught, and challenged us.

It was a life-changing event. I kept in touch with Elena and later invited her to a 'business seminar' I was presenting not too far from where they lived. I met Dick and he was as pleasant and full of life as Elena. They were very successful people, but you would never know from their humble demeanor. The open meeting they attended in a large hotel went well, and I really did a good job, even if I say so myself. Since the Anthony Robbins seminar, I was able to project with more energy and better entertain a crowd, as I went over principles of success in the plan. When it was over, I booked time to meet with Dick and Elena at their scuba store in New Jersey. It was well over a three-hour trip, but one that I would make frequently down and back in a night for months to come.

Their children, Malena and Jarrett, were college age and were as charismatic and outgoing as their mom and dad. They had one of the greatest family relationships I have ever witnessed. They all entered The Business, and I ended up showing the plan for them as far away as Arizona. We started to do more and more meetings for them. In one meeting, I showed the plan to a computer consultant. He was a sharp guy and was very much interested in The Business. I was supposed to go back in two days to help him get started. Dick called me the next day and sounded concerned. The computer consultant had gone online and claimed that Amway had been involved in fraud in Canada. He also

brought up the issue of the Diamonds making most of their income from seminars and the sale of books and tapes, not Amway. He even mentioned the cult issue but said that it sounded silly to him also.

I went online and found Sidney Schwartz' web site as well as Ashley Wilkes' web site. They made my blood boil with their stupid claims of cultism and other non-issues. I had been trained thoroughly and was an expert at explaining away and minimizing these issues. We lost the computer consultant, but Dick and Elena stayed in, because they trusted me implicitly. However, since Dick was a level-headed businessman, his sincere concern gave *me* reason to think twice.

I started to go to the web sites and read negative, hostile information about The Business. It made me start to doubt and have negative thoughts. I began to feel some panic but managed to block it all out. I was unable to discern what was at the core of my feelings. I had developed enough control that I automatically blocked all negative thoughts. However, the negative evidence was so overwhelming that at times it felt as though an unspecified darkness was overcoming me that I could not identify or control.

I had sponsored a single man named Chris and two couples.\* We were working towards Diamond, and our business was becoming more profitable. One of the couples, named Dave and Eileen, were doing well, and he sponsored five people almost immediately. We quickly became like brothers and had a great time together. They began growing quickly. We had sponsored another really nice couple named Tim and Linda. They were a Christian couple with twin girls. He was a graphic designer and was very gifted at what he did. At times, he would do a newsletter for us to make it look professional. We received a hand-drawn newsletter from Kerry and Chris that contained multiple misspelled words and a stick figure drawing to promote some meeting for our group. I would not pass this down to our organization, which now had many professionals in it. I did not want to start a power struggle and did not say anything to Kerry and Chris. I just faxed it to Tim, he made a professional piece with the exact same information on it, and we sent it to the group.

One of our Directs, who had been enlisted to spy on us, had received a copy of the original hand-drawn version directly from Kerry. He immediately reported the change. We were told never to do this again. Next, Kerry and Chris got our Directs' fax numbers and began sending newsletters directly to them to make certain we would not take it upon ourselves to make them look professional. This was showing signs of insanity. We were working like animals in what we thought was our own business. How could it be that near the pinnacle of so-called success, we did not have the authority to send a grammatically correct newsletter to the organization that we drove and flew hundreds of thousands of miles to build? I thought we owned *our own* business.

I could not comprehend what was happening. We went to an Emerald meeting and found out that I had been spotted when I attended the Anthony Robbins Seminar. Zack started his talk by saying, "You know you are off track if you are looking for answers outside of the system. If you are, your mind is not right, and you will find it nearly impossible to succeed. Maybe you know more than Dexter. Let's say, for example, you go to an Anthony Robbins seminar... You are teaching your group to be confused, because all the Diamonds feel that the Yager system is the sole key to their success. You might be a broke guy with ideas. Diamonds have experience and wealth to back it up.

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\* I have changed their names for this account in order to protect them.

Don't be stupid and confuse your group.”

His warning came too late. I was slowly coming out of the system-induced coma that I had been in for years. Zack was revealing his true colors more and more. I was beginning to think he was not the warm, loving Christian mentor I had once believed him to be. He was looking more and more like an angry little tyrant. I still was extremely conflicted, and part of me actually felt bad for going to the Anthony Robbins seminar and setting a wrong example.

Something in my spirit had died. I struggled to go through the motions of The Business. A complete blanket of darkness had overtaken me. I could not see it, but I could feel it, and it was like a lead coat of arms that I could not take off. I was absolutely physically and emotionally drained. I began to suffer chronic nightmares and crying jags. I still went through the motions of The Business but in a near catatonic state. Once I got in my car to go to Dick and Elena's, and Kathy came to the car to see me off. Tears were silently streaming down my face, and I did not even know why. She asked me what was wrong, and I did not even know. I just drove off. She had to be thinking that I was losing my mind. I knew I was having trouble holding it together.

Negative thoughts were invading my mind, even though I knew how deadly this could be to our future. This was insane. We were closer to Diamond now than we ever had been. We were moving Amway starter kits in six legs now. Our income was slowly coming up. We were buried in a deep sea of debt, but we were now making payments to the IRS to keep them from filing a lien on our home. Now we had three mortgages. The IRS eventually filed a lien, and we had four liens against our home now. The seminars depressed me, as I still perceived that something was very wrong, but I continued to unconsciously block it out. It almost seemed as if there were two of me arguing constantly in my thoughts. It was a draining process. I spaced out on Kathy and the kids every day. I would hear them question me, “Daddy, why do we have to ask you something four times before you hear us?” Kathy got used to saying “Earth to John, come in John,” to snap me out of the psychological daze. Something was very wrong with me.

I continued in an emotional stupor to build The Business but felt almost sick most of the time. I lost my appetite and about ten pounds in short order. There was an enormous conflict going on within me that I did not understand. Those leaders in our organization who knew me very well could sense something was wrong. They would, however, not mention it because to question upline was inappropriate. I used to be the kind of strong person who could not tolerate fear in myself, but now I was riddled with fears.

When I was in my early twenties, I had a low self-esteem and was generally fearful. So I pushed myself into situations where I had to confront and overcome my fears. This is one reason that I had gone into the Marine Corps Officer Training program. It was very, very tough, but I made it. For the same reason, I took up skydiving. I hated the fact that it terrified me. It took me making 54 jumps until it did not scare the heck out of me. I continued skydiving from as high as 10,000 feet until I had just under 100 jumps in. It was great fun once you passed the fear barrier. Once the irrational level of fear was gone, there was no better feeling than jumping out and in ten seconds hitting terminal velocity of 120 mph.

I learned to hang glide in California and rock climbed and rappelled down cliff faces in Pennsylvania. I had a motorcycle and drove it faster than anyone with any

common sense. I tell you all this not to blow my own trumpet but to give you a reference point. I was used to overcoming any fear, but now I was scared to death, completely terrified by the darkness that engulfed me. The terror was inside of me. It was part of me, like a cancer. I went to sleep in fear and woke up in a panicked state. There was literally no rest or escape from whatever was beginning to happen.

Prior to this, I had become confident, decisive and could think quickly on my feet on stage before audiences of thousands. I was now having trouble, struggling with the most minor decisions. Deciding what to wear or eat now took a long time. I was very confused and was experiencing difficulty in even maintaining a consistent flow of logical thinking. What was most disturbing was the fact that I was fully cognizant of how unglued I was becoming psychologically—but I was powerless to stop this downward spiral.

I was still building The Business and could mask my problems from those that did not know me well. One day Tim, the graphic designer, called and was enraged. I had been working with him to develop his organization. We were like brothers, so I was taken off guard by his tirade. From what I could gather, he was “disgusted with me and the fact that I called myself a Christian brother.” He told me that he was fully aware of the whole Brig Hart situation. I did not know what he was talking about, but he did not believe me. He yelled at me, saying that he was fully aware of the whole tool income situation and was quitting. I told him about the small tool break that we received as Emeralds, and he acknowledged that it did not even cover the cost of multiple trips that I had made to Maine to show the plan *for him*. In any event, he said that the whole “Brig Hart’ issue blew him out (Amway slang for someone leaving the organization), and if I was sincerely not aware of it, I needed to go online. Then he just hung up on me.

I couldn’t believe it. How pathetic! He was going to flush his whole future based upon some trash on the Internet, posted by someone he would never know. This forced me to go and turn my computer on and do a search under Brig’s name. I needed to get some information to do damage control to shut him up, so he wouldn’t go and blow other good people out of The Business. I knew of Brig Hart only in that he was a very charismatic, former hippie surfer from Jacksonville, Florida, who had turned multi-millionaire Amway Double Diamond. I did research and found information regarding a lawsuit over tool money between Brig and Lita Hart, Dexter Yager, Internet Services Corp and a host of other Amway Diamonds. The suit was case number 97-349-CIV-J-20B and was filed in the Jacksonville Division of the Middle District Court on April 8, 1997.

It was quite a lengthy document and provided a lot of information that I was not yet able to comprehend. The suit alleged that other Amway Diamonds had conspired and circumvented Brig and Lita Hart and had cut them out of the tool and seminar income generated by their organization. Specifically, the lawsuit alleged that Dexter Yager and other defendants had violated racketeering (RICO) laws and stated:

Plaintiffs have been injured and continue to be injured in their business and property -- both in their Amway business and in their Amway-related business support materials distribution business—by reason of the Distributor Defendants' foregoing pattern of racketeering activity in violation of 18 U.S.C. &sect; 1962(c) in an amount exceeding

\$50,000,000.00. Plaintiffs are entitled to recover this sum, additional damages proven at trial of this matter, treble the amount of these damages, plus costs, interest and reasonable attorneys' fees from the Distributor Defendants for their RICO violations.<sup>2</sup>

This was incredibly confusing. Kathy and I had been told all along that the tool business was run essentially at cost and was simply a training system used to support growth in the Amway business. Can you imagine, that a single Diamond-level distributor, who only had part of his tool income taken from him, alleged the **actual** amount of damages, excluding punitive damages sought, exceeded \$50,000,000. Now this was totally confusing to me. The lawsuit also revealed the alleged magnitude of Dexter Yager's tool business that operated under the Internet Services Corporate name. The suit charged the following:

Yager derives a substantial portion of his income from the sale of business support materials down the lines of distribution in the Amway Network. On information and belief, over 70% of Yager's Amway-related income is derived from the sale of business support materials, constituting \$40,000,000.00 per year in gross income.<sup>3</sup>

## **The Truth will Set You Free**

*"We are the number one opportunity. Folks, we've got ... I bet we got about 60 corporations now, international.. around the world and domestically. And it takes a lot of business investment, income investment to get those things started. But guess what the best business investment that we have ever made in our history? This Amway business. Why does Dexter Yager spend 100% of his time in this Amway business with as much money as he's got? Cause it's still the best opportunity out there that we have seen."\**

- Jeff Yager (son of Dexter & Birdie)

There were a large number of distributor lawsuits and other disturbing information on Sidney Schwartz's web site called "Amway the Untold Story." I was neither shocked nor outraged. I did not read any more information and shut my computer off and blocked out the negative. I knew at my core that this was not true!

I called Tim back and gave him the standard song and dance about there being no profit in the tool business and explained that even Diamonds could get screwed up and do

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\* GDL 97-23 audiotape "Friday Evening" Copyright InterNET Services Corporation

crazy things. I did not know why Brig did this. I downplayed and minimized the situation, as I had been trained to do, but I was unable to turn Tim around. He was still not comfortable with The Business. We parted on friendly terms, but I thought he was stupid, just throwing his future away. At least, he was going to go away quietly. That was all that mattered. At least, I handled it well enough to assure that he would do no harm to the organization.

Kerry happened to call for some reason, and we had a long talk. We were on the phone for about fifteen minutes as I explained the situation to him. He was sympathetic, and I felt proud that I handled it as a Diamond would. Diamonds don't get upset over challenges or about distributors that quit. They just solve challenges, forget the "losers" and move on. At one Directs' meeting, a Diamond told the group of leaders to stop licking their wounds and worrying about people that quit. He said we needed to learn to "bury the dead."<sup>4</sup>

I spoke with Kerry about another issue. He was calling a training session at the local Quality Inn and our entire group had to attend. He informed me that we were to charge \$10 a couple. I felt we were bleeding the group to death with meetings like this. This would create a profit of nearly \$500 that he would keep. I had spoken with Zack about how to price these meetings, and Zack suggested that we charge just enough to cover the cost. We were never to use our group as an income source. Dexter had made a similar comment at an Emerald meeting and warned us not to have meetings just to create income. I shared this with Kerry in a non-threatening way. He shot back a response that this was 'policy' and would not be changed. I was bringing around 95% of the distributors that would be coming and told him that if he was going to rape the group for money, we would not be attending. Surprisingly, he seemed to take it well, and he said he would think about it.

I remember commenting on this conversation to Kathy. Kerry and I would never be friends, but he had acted genuinely human to me. I had no way of knowing that this conversation would precipitate an oncoming holocaust for us. Everything seemed "normal." Despite the very serious financial and psychological challenges I was facing, we continued to move kits and push forward to Diamond. We were tired, discouraged, and hurt but not defeated. We prepared for an Emerald and Diamond meeting that we were to have with Zack.

As Kerry seemed to report our every action to Zack, we had hoped that we might once again be in good favor after handling the Brig Hart issue so well. We had made it a non-issue. For the first time in a while, we were not fearful to be seeing Zack. We felt as if we had redeemed ourselves by handling things well and continuing to grow. Zack and Molly came in and were, as usual, greeted like royalty. It wasn't long until we were summoned to an afternoon Emerald and Diamond meeting with Molly, Zack and about twenty of their key leaders. We waited at the hotel banquet room until Molly and Zach arrived fashionably late. They spoke to most of the leaders in the room, and we settled down for our meal. Someone asked a blessing, and we had a nice lunch.

Another Diamond collected a large amount of money from us all to pay for our meals, the room, and Zack and Molly's meal. This was customary, as it would be disrespectful for them to have any cost while they were there to give so much to us. We were reminded again and again that we could not afford their time if they billed us for it. On many occasions, Zack would remind us that he pays more taxes in a week than he

used to make for a year as a teacher. We still felt truly fortunate that at his level of wealth, he would continue to spend time helping us.

Someone introduced Zack with gratitude, and we greeted him with loud hoots and applause. He talked about a few minor details and then launched into the most vicious verbal attack we had ever witnessed. He opened the topic by telling us that anyone who was on the Internet researching negative “crap” about Amway was really screwed up. You would have to be some sort of “Satan-possessed, freaking moron” to be doing something like that. He went on for some time about allowing Satan to control your mind and do great evil. Zack was normally in total control, but he was going over the edge with this talk. We still were oblivious to what was really going on, but we began to get the idea. He said for instance, “you are on the Internet researching negative crap about Amway, and you find information about, Brig Hart, for example.” Kathy and I were horrified, as we realized that I was the person he was referring to as the “*Satan-possessed, freaking moron.*”

The tirade became increasingly more venomous, and the group listened in a stunned silence, wondering who the moron was. The verbal attack became so vicious that tears welled up in Molly’s eyes. We all sat paralyzed in silent fear. I was afraid he was going to point me out to all present. He explained the Brig Hart situation by saying that Brig was listening to some “stupid attorney” instead of his upline. The “dumb attorney” gave him “stupid advice”, and he sued his upline over nothing. He must have lost his mind, but he has since realized the error of his ways, because he sent a formal letter of apology to every member of his upline and dropped the whole thing.

This was the biggest line of hogwash I had ever heard. Brig was a very astute, wealthy Double Diamond with hundreds of thousands of people in his organization. There was no more information on the suit online, so it was most likely settled out of court. You do not get ripped off for \$50,000,000 and then apologize to the people who stole it from you. I knew intuitively that Zack had probably just lied to every one of his leaders and put enough fear in them that they would never check the facts. Was he now becoming a very evil person, or had I just been blind to his dark side before?

This verbal rampage went on for half an hour. The group present did not make a sound. Kerry was taking notes and sheepishly looked at me as if he did not know what was going on. I saw him as a pathetic coward. He would never have the courage to honestly talk to me about issues. No, instead he would agree to my face and then run to Zack with things like this to prove he was the most loyal. Zack finally concluded his tirade by saying that Brig did not have the guts to show up at Amway’s annual Diamond Club in Hawaii and that it was a good thing, “for his sake,” that he did not. What did he think they were going to do to him, break his knees? This was starting to sound like the Mafia and was getting increasingly bizarre.

The next half hour became far worse. Zack began to talk about anyone that spent time worrying about or questioning the income that their upline was making. We did not know where he was going with this, and we were still reeling in shock from the first beating. He then used the example of a person who was worried about what his upline was going to make off a training session. He used biblical references to explain ‘envy.’ Envy comes from Satan. If you envied what your upline was making, you were teaching your group to envy you. Did you want to teach God’s principles or Satan’s to your group? If you did not want to go to a meeting because you were worried about what your

upline was making, then you should not go – “you freaking moron!” Zack was now talking with utter disgust.

The group of leaders present sat in a stunned, total silence at what just happened. We had never heard him refer to *anyone* as a freaking moron, let alone one of us. I looked nervously at my watch. This verbal whipping lasted almost exactly one hour. Zack then praised anyone that would bring situations of this nature to his attention. Kerry had just been rewarded for spying on us by being noted as the most loyal. This was a strange situation, because Kerry had almost no one left in his group other than us. Loyalty was obviously more important than any other virtues, such as salesmanship or business ability or even good people skills. Total, complete, and unquestioning loyalty seemed to be more important than serving your organization and succeeding for your family’s sake. The group was then admonished to report any other negative speech or actions of other leaders to him immediately. This was for the benefit of the whole group. He did not want one “off track nut” hurting the whole organization and the future of thousands. Zack was dumb-founded as to how “some people” could be so incredibly stupid. We all needed to read more, pray more, and listen to more tapes to keep our minds right.

That was more crushing than I can ever express. Zack had become my surrogate father. He was a man I wanted to emulate; I wanted him to be proud of me. He had been a real-life hero to me and to our children. I was having trouble ignoring the contradictions in his behavior, though. I was also having a very difficult time processing the information I now possessed.

The rest of the meeting followed the usual format, as we planned out topics for the next seminar where we would each speak as Emeralds and Diamonds. There were many seminars in his organization on the same Saturday, so Kathy and I would speak at as many as three in one day. We were not paid, because we were fortunate to be asked to serve the group and have other speakers speak to our people. There were thousands of people at these seminars who were paying anywhere from \$12-400 to attend these **monthly** functions. Then there were the two tapes of the week for \$13.20, the video-of-the-month, and the book-of-the-month, in addition to other training sessions. Zack had told us that he had over 100,000 distributors in his group. (You do the math...) I was beginning to put it all together. Tim may have been right. Zack was making money off the books, tapes and seminars. No, he couldn’t be doing that! He had told us that there were many expenses and losses involved. But it could not be true. I knew it was not possible. Or was it?

I glanced over at our Emeralds, Rick and Paula, and they were in a total state of disbelief as to what we had all just witnessed. The meeting closed, and Zack walked directly to me. My heart was racing not knowing what he was about to do. He shook my hand, greeted us warmly, told us he loved Kathy and me, and that he knew this would be our Diamond year. This knocked me so far off balance that I was unable to think clearly. I felt like circuits were blowing in my mind. Rick, Paula, Kathy and I walked in a silent fog to our cars and drove without speaking. Something was very, very wrong here. On the way home, I knew that Kathy was as unhappy as I was, but we could not communicate negative at this level, yet. We were silently enraged over Kerry’s pathetic, childish tattling on us.

We had the training session, and the group was taken advantage of by having \$10 a couple extracted from them. I was unable to protect the people I loved the most from

being bled dry for a seemingly unending number of constant, mandatory meetings. We had so many of those meetings, training sessions, seminars, leadership meetings, Artistry sessions, men's meetings, full weekend and week-long travel seminars that it was difficult to find time to build The Business. We were perplexed beyond belief, but as incredulous as it sounds, we believed that we still had to forge on to Diamond. We were not yet capable of either rational or free thought.

Actually, we no longer had the ability to reason. Lacking this capacity, I still believed this was a good business. We must just be dealing with a few bad apples. Once we went Diamond, we could run our own organization and treat people with compassion, integrity, and a servant's heart. Once we became Diamonds, Zack would understand that we had always been truly loyal—not only to him, but also to the virtues on which The Business was founded. He would know he could trust us. More than ever, we had to get the job done. Kathy continued to take care of all the details of our home, our children and her husband, who now suffered near catatonic episodes.

I moved about in a fearful, confused fog. I listened to more tapes to get my attitude turned back on the right track. I tried to go through the motions but could not fake it any longer. Everything I had believed in seemed to be falling apart. However, my brain was programmed to believe I was at fault. Something must be wrong with me.

I avoided Dick and Elena and the other people I was working with personally. I could not afford for them to see me down or depressed. A leader never gets down. A leader leads, and yet, I was unable to lead. I went from being a strong, confident leader and encourager to a shadow of a man, afraid even to answer the phone. Kathy and I felt trapped.

We had brought thousands into our organization and needed to succeed for their sake as well as our own. We were trapped with an upline that seemed bent on destroying us if we showed even the slightest appearance of disloyalty. We had been branded as disloyal and negative and so had lost face with Zack. We were doomed. It took a supreme effort for me to keep the darkness at bay. It was killing me. I was tormented continually by my own conflicting thoughts. I tried to shut out the negative thoughts, but I struggled more and more, because on some level or other, it was starting to sink in that the negative thoughts might very well be the truth. That concept was more horrifying than any other, because an entire decade of my life would have been lost to a manipulative system that ate people like me alive.

*“It's not about ego. It's serving other people. That's what Dexter is all about. Serving your fellow man....”*

- Amway Crown Jody Victor\*

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\* Jody Victor, **It's Unbelievable** audiocassette Stock No. DBR 987, Copyright unknown

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<sup>1</sup> DEX: TUES. EVENING, PART II audiotape **GDL 96-40 Part II** Copyright 1996 Internet Services Corporation

<sup>2</sup> Case number 97-349-CIV-J-20B filed in the Jacksonville Division of the Middle District Court

<sup>3</sup> Case number 97-349-CIV-J-20B filed in the Jacksonville Division of the Middle District Court

<sup>4</sup> Directs meeting 1/99

CHAPTER 10

# The Walls Come a' Tumblin' Down

*"When you're loyal to upline, it's being loyal to God."*

- Amway Double Diamond, Linda Harteis\*

We had only one hope to make this work. That sole glimmer of hope was to meet with Zack and Molly and make them clearly aware of what had been happening. How could they not hear us? We had gone over the same issues with them many, many times. Kerry was becoming more maniacal in his overzealous approach to The Business. At one training session, he instructed our key distributors that they needed to succeed, if for no other reason than to "shove it down [the] throats" of those who had not believed in them. This did not seem to be a Christian ethic to me, but it was typical of the comments he was now making on a regular basis. Zack had given him unquestioned power and authority over our organization and us, and he was using it in unethical ways.

In teaching distributors how to promote an expensive seminar, he advised that he would promote it to people until they bought tickets to it or quit. In his way of thinking, they would quit anyway if they didn't attend the seminars. On another occasion, he said that he was meeting with another guy that was going to commit to the next \$400 full-weekend seminar or "wish he never met me." He was teaching our leaders to become so hardcore that they would cause people to quit in disgust. I knew it was wrong to intentionally blow people out of The Business if they didn't fully buy into the system. What he was teaching was unethical and was destroying our group, but I was powerless to stop those arrogant, off-track lectures.

We called Zack and Molly and told them we were anxious to get on their schedule for counsel and get ourselves back on track. We sent a letter by fax to their home the morning we were supposed to get together. We had sent many faxes to both their home and office, and they had received all of them. However, part of me felt that Zack was a manipulator, so I took several copies to the meeting, in case he attempted to pretend that they had not received them.

The letter went over the same insane situations we faced with Kerry's leadership that we had brought to their attention countless times before. It was professional, specific and to the point. I was tired of the psychological gymnastics Zack would run me through, so I committed it all to paper to assure he would get the message. In the letter, I advised him that there was no way we could possibly build our business under Kerry and Chris'

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\* Linda Harteis, **Ladies Meeting Tuesday Afternoon Part I**, Stock No. GDL 96-35 Copyright Internet Services Corporation

now seemingly obsessed, nearly frothing Amway leadership. It had cost them almost their entire organization and was now eating at ours like a cancer. I advised there was no way we would work with them any longer. This was now a matter of financial survival for us.

This was a terrifying thing to do, as no one told Zack what he or they were going to do, but we had no recourse. We could no longer build “our” business in this environment. I literally begged for the ability to earn enough income to live in dignity. The conclusion of the text of the letter is shown below.

...This is not about power or authority or even success. This is about survival. I drive a 1987 Cadillac with 191,000 miles on it, a family van with 180,000, am trying to avoid a Federal tax lien, owe back property taxes, have a beautiful daughter that has a front tooth coming in sideways and we can't help her. Despite all of this, I believe in the greatness and integrity of you and in this business. You are real life heroes to us. The real miracle in all this is that we have contacted and managed to put in the legs (6) that are moving kits every week and will qualify them all by January 31<sup>st</sup>. I am not looking for Amway welfare in the form of some special deal on tapes or tickets, nor do I want one cent that you have earned. I'm asking, no I'm begging you to let me have my **dignity**. Please help me build my business and keeping the hand grenades from being thrown in. I need a mentor. I need your correction and direction. Please help.”

This reveals my pathetic, confused and still trusting attitude toward Zack, who was like a surrogate father to me now. When we arrived, it was obvious that they had received the fax. Molly was visibly shaken and looked as if she had been crying. Her eyes were blackened on the bottom from smeared mascara. She usually looked very together, but that day, she looked terrible. Zack, on the other hand, was the iron man. He greeted us warmly with a big smile. He was extremely upbeat and happy. He told a few jokes and did not seem to have a care in the world. I instantly recognized what he was doing. He had taught us how to handle challenges like this: minimize, minimize, minimize. There was no challenge if, as a leader, you did not react as if there was a problem. His carefree demeanor concerned me, as I believed it meant he was going to pretend they never got the fax. This would put me in a position where I had to force the issue.

We went over the usual logistics of reviewing our tape-of-the-week and seminar ticket sales. There was general discussion about our organization and some of the key leaders within it. Next we heard the usual ‘we really care about you guys and will do anything to help you succeed’ pitch. By this time, I was completely convinced this was not true. The rest of the meeting would prove it. I had written the letter, because Zack was brilliant and incredibly quick on his feet. He had a keen understanding of psychology, motivation, scripture, personality types, and the immense personal and financial power he wielded over his leaders.

That, combined with his own personal version of leadership, loyalty, and the Cardinal Rules put him in a position where he was able to force us and our leaders through a series of incredible psychological gymnastics. We often left other sessions

questioning ourselves. Kathy and I commented on the way down to that particular meeting that hypothetically I could be in the lobby of his office building and be stabbed. After two hours of counseling with him in his boardroom, he would have me sincerely apologizing to the assailant for getting **my** blood on **his** knife. Most likely, I would have even offered to clean the knife as well. He could make you leave believing the sky was green.

First, Zack danced around the issue, covering a lot of upbeat topics: how wonderful The Business is doing, and how he is seeing some of his groups double in size. Finally, he pulled the fax out of a folder and asked me to explain it to him. This time, I knew what he was doing. He wanted to make me explain every issue again and then shred it, and/or me, for bringing it up. I did not want to have to go through this and that is why I sent the letter by fax in the first place. We began a brief verbal battle that I was doomed to lose. He said that he did not read it and would rather have me explain it to him.

I knew he would try to trip me up into appearing disloyal or stupid and defiant. I told him that from Molly's appearance, it was obvious that she read the fax, and there is no way on earth they drove from their home to the office alone without discussing something this serious. Molly said nothing. She did not want to lie, and I am certain she was fearful of defying Zack.

The tension in the room was electric. He finally acknowledged that he read it but "did not understand it all" and wanted me to explain it to him point by point. If there was a real issue, I certainly would want to discuss it, right? He had me backed into a corner and forced me to read it to him from the copies I brought. He verbally assaulted me over nearly every situation I brought up, despite the facts involved. This was my hero doing this. This was my new father figure that I wanted to be proud of me. My emotions were in such turmoil, I could not think straight. He was not who he seemed to be; yet I so wanted him to be honest and upright and worthy of respect. He just had to be. I finally broke down and wept; and, in front of my wife, begged for the ability to build my business and feed my family. I felt completely emasculated before her. I felt like a crying, worthless sack of human flesh.

Zack mocked me for bringing the same issues up again, saying, "What do you want to do, go talk to Dexter about it?" No one is allowed to go past him to Dexter. He backed us into a verbal and emotional corner and asked us questions with only one appropriate response—just like the ones he had taught us to ask prospects. Zack is not the kind, humble servant we had once believed him to be. He asked us if we thought he was taking time out of his life just to waste it or to help us. He did not think we could believe that he would take his valuable time to hurt us... There would be no point in talking further if we didn't believe he was trying to help us.

I went along with this just so he would not cut us off totally. I was so very confused. We drove home in silence, each trying to digest this strange meal of anger, love, hate, loyalty and pain. We were unable to process logically what had just happened to us. What on earth would we do now? We could never tell the group of this, as they would be hurt by it. It was far too negative. But how could we still help them if we were powerless to help ourselves? It was not possible that Zack and Molly did not understand what was happening. Yet, they were good, moral Christian leaders, weren't they? Their success seemed to show us that they were wise. Who did this wisdom and this success

come from?

The financial counsel we received was wrong. Despite the fact that we told Zack we owed back taxes on our home and back Federal taxes to the IRS, he insisted that we go on the next two trips. He said he was certain we were resourceful enough to find a way. He brought up the fact that we missed the \$5,000 Alaskan leadership cruise and informed me that it cost me a lot by not attending. The next trip coming up would be a trip to his 3,000 acre ranch in southwestern Colorado. The trip after that would be a Directs' trip to Cancun. As usual, of course, this had to be booked with a form he provided through his agent, Convention Concepts. A travel agent in our organization later advised us that we could have booked both the airfare and hotel for what they we paid for the hotel alone.

In any event, Kathy and I processed this information differently. I did not know at the time, but she had been almost totally off the tapes for close to a year. I thought she was a little negative, as she began questioning things, starting with Zack's outrageous financial advice in wanting us to attend these expensive trips.

A few days later, without my knowledge, she called Molly and told her that she was confused. She repeated the gist of what we had already told her and Zack both in writing and in person. Once again, Kathy explained that we were broke. We could lose our home to tax sale, and we owed the IRS and many other creditors lots of money. We drove good-looking junk cars that we could barely afford to keep on the road. Given all this, Kathy asked, were they sure we were supposed to find a way to borrow even more money to go on these trips? Molly stammered and said "No."

Kathy felt very relieved but did not tell me anything of the conversation yet. It would be very negative for her to question my ability to figure it out or to question Zack's counsel. She knew, from repeated badgering at women's sessions, she was not supposed to counsel me, because we were at the same income level. The next day, though, she *had* to explain it to me, because we had a voice mail from Molly.

The voice mail explained that she had checked with Zack and had given Kathy inaccurate counsel. I should go to both Cancun and Colorado as a leader, but Kathy did not have to go. This came as somewhat of a relief, since I would have to raise less money to get to both places. A leader never misses any meeting or an opportunity to get around their upline to learn. While I was moderately relieved, Kathy was appalled, but she would not speak of it for over a year, due to the internalized system rules regarding "negative" and supporting your husband. She knew this advice sounded insane. She also knew that I would not defy Zack and destroy what I believed to be our family's only hope for a future. Zack's responses confused me, but I wanted to trust his advice. I no longer enjoyed any contact with him and no longer liked him. Strangely, part of me still thought he just did not understand us yet and would come around soon. However, the truth we were about to discover was worse than anything we could have imagined.

I traveled across the country for his leadership meeting at the log mansion he had built on his land. It was a long trip. Kerry and I flew out together to Colorado Springs and rented a Ford Explorer for the two-hour drive to the ranch. He could act almost normal at times when he was away from Chris, the group, and Zack. As soon as we arrived, Zack greeted us in the driveway. We were tired from the trip, but no sooner had we stepped from the truck, then he shook our hands and pointed to an oil spot on the new concrete driveway that he wanted us to clean. He gave us specific instructions, so as not to ruin the

rag. We cleaned the spot immediately. Welcome to Colorado. We were unpaid servants. Was I the only one who saw this? It seemed that I could perceive things, as the other Emeralds and Diamonds talked, that I could not when I was so deeply into the system. Perhaps it is more accurate to say, when the system was more deeply into me. Something was very wrong, but I still could not identify the problem.

I returned from this trip feeling more and more tormented and confused. I prepared for and flew to Cancun for the Directs' trip. I was completely broke and barely had enough money for food for the whole trip. This only reinforced my feelings that I must be the biggest failure in the world. Here I was completely destitute and in Cancun without my wife and family. This was insane. I made excuses not to go on most of the excursions and trips when invited; however, bad news hit when Larry, our upline Direct, decided that the whole group should go on a bus trip to the South. It cost quite a bit. Most all the distributors went, and I had no choice. If I did not go, the rest of my group might follow my lead and ruin his plan. My funds were wiped out.

It's funny how anger can sometimes clear the brain. I was finally getting angry enough to be able to think and spot the contradictions. For instance, a dinner was held at which the Diamonds lectured us. Two Diamonds stood up and announced that we needed to learn to be productive if we wanted to be successful. They bragged that even though all of us had been in Cancun for four days at an oceanfront hotel, they had not seen the beach once. They had been busy counseling their people and getting counseled by Zack. I shook my head. This was so pathetic. They emphasized the pleasures of the incredible Diamond lifestyle, and then these Zombies came to a beachfront hotel in Cancun with their wives, and proudly announced they worked too hard to visit the beach. What had they been smoking? As usual, the group of leaders at my table took notes furiously in an attempt to better understand this 'wisdom.'

In *The Business*, distributors are admonished never to take a family vacation until they go Direct. This teaches good goal setting and the benefits of delayed gratification. The problem is that most distributors never *will* go Direct. Others, who sacrifice for years, may finally go Direct but only after taking extraordinary time from their families. Many have not taken a family vacation in years, in deference to their upline's wise counsel. (I say this as background information to help you understand my anger at the next Diamond's talk.)

The next Diamond ripped up one side and down the other of Distributors who had brought their children. This was a business meeting, and an opportunity to receive counsel from members of your upline. You might have a rare chance to spend ten minutes with Zack, but he would not be able to counsel you with your kids climbing all around.

I was disgusted. I missed my family so much. These people seemed like raving lunatics, talking out of both sides of their mouths. We were lied to. We were still being told that *The Business* took twelve to fifteen hours a week of 'TV time' when our kids were sleeping. It was supposed to give us family time, as we developed large, so-called residual incomes. The truth is we ended up working all the times our kids needed us. We were gone almost constantly on nights and weekends, when they were home. Some of these poor kids hardly ever saw their parents, particularly their fathers. It seemed outrageous that these hardworking distributors were now being reprimanded for bringing their precious children on a trip to spend time together. What a wake-up call! These

Diamonds seemed to have gone off the deep end. The life they were promoting was bizarre and unlivable—one that I wanted no part of. The upline is not more important than anything else is.

There was something very, very wrong here. I went home, got online, and began to read many of the lawsuits against Amway, Dexter Yager, and other Kingpin distributors like Bill and Peggy Britt. What we found was a lot of information that revealed not only that there was income from the tools, but also that this income would be a **large** portion of the Amway Diamond's income. How could that be possible? Had they **all** lied to us? I went back and re-read the whole Brig Hart lawsuit and many others.

## **To Be or Not to Be**

*“To use competing products, to question the Amway system, to associate with friends who try to steal your Dream by deriding Amway, is, by implication, allying yourself with the forces of darkness and despair and poverty against the forces of light and hope and wealth.”*

- Stephen Butterfield \*

There was an enormous amount of what I believed to be truly hostile, negative information about Amway and its key distributor leaders. One web site had information about a Canadian Fraud case, for which Amway had to pay a multimillion-dollar fine. What was the real truth? The Amway Corporation was founded, owned and run by solid Christian families, wasn't it? Some big distributors might have done things to give Amway bad press, but I was certain that they had not committed fraud. Whoever put those web sites up was way overboard.

There was quite a bit of information regarding how incredibly expensive Amway products were in comparison to similar products you could buy off the shelf at the store. The party line immediately flashed across my mind. ‘These people simply did not understand the power of concentration. Amway products were very concentrated and, as such, lasted much longer than a competitor's products.’ They were not comparing apples to apples in this so-called price review. I was very surprised that people would take this amount of time to put together a web site like this, when they could be doing something productive with their lives.

As I did more Internet searches under the word *Amway*, I found more web sites with nearly identical complaints. There were quite a few references to cultism and mind-control techniques. Once again, the tapes played through my mind—This was a farce. How could a business that starts training sessions and every seminar with a prayer and a pledge of allegiance to the American flag be a cult? Those charges were ludicrous. It was a shame that so much trash was included with the few smaller points that might have had some merit.

In one sense, all the Internet information did not help me. I felt more and more

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\* Butterfield, Stephen, *Amway, The Cult of Free Enterprise*, Copyright 1985, p.29.

uneasy. I did not know it, but I was still well over a year away from *beginning* to think clearly and to reason without the system-installed paradigms, through which I now filtered all information. Unconsciously, I was overcoming my own objections and mentally deleting information that did not conform to the world, as I believed it to be. I had read a great deal of negative, harmful, fact-based information but did not see it. I was operating with a psychological blind spot that I would later learn is called, by researchers, a *scotoma*.

Three things happened that shattered the world I knew, or believed to exist. The first was a comment that my mother-in-law made. Despite all the in-law jokes, I have the world's best mother-in-law. Kathy's parents are two of the most kind, gentle, honorable people I have ever known. They also have been very supportive, despite being aware of the near insane schedule we kept and the little real contact we had with them since we got in The Business. They were always there with an encouraging word. This was extremely unusual for people on the 'outside.'

Kathy was talking with her mother one day, and her mother remarked, in all kindness, that I had changed. I had been so energetic and full of life and enthusiasm when we got started in The Business. I had told them how much time it was going to give us as a family, but now it seemed like I would see them more if I had two full-time jobs. I was constantly exhausted, and the happiness, I once had been known for, had long since left me.

Kathy repeated this to me, and I argued with her. I backed her down and overcame her mother's objection with about five automatic, well-rehearsed, rapid-fire analogies. Working for my own business to eventually be totally free was far better than being a broke, slave [employee] for the rest of my life.

It made me angry that she would even repeat something like this. The effort to continue overcoming all objections was draining. Deep in my spirit, I knew that Kathy and her mom were right. Yet, at the same time, I knew this couldn't be a reality, because that would require facing it and making changes. We got in this business almost for the sole purpose of creating enough income to be together full time as a family. I could not surrender what I had cherished the most. Psychologically, I had lost the resources needed for me to even entertain this thought.

The second event that brought a glimmer of truth into my life came from a talk with my son, Josh. He is a very warm, spirited, loving child. He makes friends easily and has nothing bad to say about anyone. I love this boy more than words can possibly express. He is one of the key reasons I had gotten into this business. More than anything, I wanted to have the time with him that divorce had robbed from my relationship with my own father. Being a good father was one of the most important ambitions of my life.

Josh and I were having a quiet talk one afternoon when he asked me a very pointed question. He looked me right in the eye and said, "Dad, when we go Diamond, you'll be home some, and I'll see you, right?" Automatically I responded, "Of course," and described briefly how I was looking forward to it. A feeling of nausea swept over me, and I left the room as quickly and inconspicuously as possible.

I nearly vomited as I realized, on a conscious level, that I had just lied to my best friend in the world. For the first time, I allowed myself to think 'negative' thoughts and realized that the Amway Diamonds were working eight-, ten-, twelve-, and fifteen-hour days up to seven days a week. Although Zack had told of the joys of family time when

recruiting us, the truth was far different. At the leadership level, we learned that he often watched his own son's sports victories on video, because he was too busy to be there. Molly had confided in Kathy and another Emerald that their youngest daughter had told her that she hated her for ever marrying Zack (her father). The Diamonds were gone almost constantly. One Diamond's son had been electrocuted and killed when he and his wife were away from home. Backstage, I heard one Diamond bragging that he had only slept in his own bed eight nights that month, because he was on the road so much. So much for the famed Diamond lifestyle. Why had they lied to us? What was the point?

I was crushed by the overwhelming weight of just this small amount of truth. I was an absentee dad. Kathy had been a single mother for years. My mind was spinning in a whirlwind of seemingly irrational, tormenting thoughts. What was going on? Part of me knew that there was a real problem, but I was completely incapable of discerning the root. In my torment, it was by the grace of God that I made a decision that changed my life. I decided to 'unplug' from the system in ways that would be invisible to the group. I stopped listening to tapes every day and reading books from the approved list. I felt they were keeping me from being able to have clear thoughts.

I stopped showing the plan, and fortunately, our group was so large that no one knew. They all assumed I was working with other leaders or in new organizations that I had been developing. We made mandatory appearances at training sessions, open meetings, and seminars. The longer I was "off the tapes," the more problems slowly became apparent to me. I was beginning to remember conversations and situations that I had blocked out and not allowed myself to think about. I was backstage hosting a group of Diamond ladies, and they were all laughing hysterically. When I got to the table to deliver their drinks, I heard what they thought was so amusing. Several of them were sharing how many times each of them had been so completely busy that they had forgotten to pick up their own children at school. What a lifestyle!

The third incident happened within a few weeks of the first two. I got a call from Keith, a Ruby Direct in our organization. He wanted to get together for lunch to go over some things. We had worked together in the corporate world and had grown close over the near decade we had worked together in The Business. He was the only one in our entire organization who worked as hard as I worked. He was a true road warrior. As a matter of fact, he probably worked harder than I did during that last year. He still had a job and would drive on alternating nights to New York and then New Jersey. He would routinely get home between 2:00 and 4:00 a.m. and get up at 7:00 a.m. to put on his suit and go to work and do the same thing over again. I had been concerned he would actually die on the road and had asked him not to schedule these out of town trips back to back. He, like me, would do anything to buy his freedom to be with his family.

We got together at a Chinese restaurant near his office and settled in for our meal. We went over the usual 'fired up' jargon, and suddenly, the mask came off. He was speaking, paused quietly for a moment, and with tears in his eyes, he told me that he had driven 40,000 miles the previous year, had almost never seen his wife or daughters, and made a net income of only about \$4,000. He was one of our most successful, driven distributors. People in his group thought he was making about \$50,000. Hard to believe and yet, from the representations we were all given, he thought I was making over \$100,000. His wife, Lisa, had written him a letter telling him that she was sick of being a single mother and would not live like that any longer. He was willing, literally, to die in

the pursuit of his freedom. He looked at me, welling up with emotion, seeking the encouragement I had always provided. At that moment, he needed me to tell him it was going to be worth it.

Once again, a wave of shock and physical nausea overcame me. As always, I was careful to not reveal it. How could I possibly reveal something that I did not understand? I had worked closely with him and his wife for nearly a decade in business; yet we had never discussed his income. Why was it that we would not discuss his income in a business that had a 100% success rate? I had counseled him as we had been counseled. We went over his goal sheet and always discussed his tape and ticket sales. The income was supposed to follow these numbers. I was in a state of complete disbelief and panic, as I realized that of all the details tracked by this vital business building tool, **there was no place to record or track your income.** There was a reason for this! We were not supposed to focus on our income but the bigger picture of long-term success. I thought I was beginning to grasp what the training had truly been about.

My mind was reeling as another layer of truth was revealed to me. Keith told me he felt like a phony and was having a hard time telling others how great The Business was when he was making almost nothing after nearly a decade of full-time effort, in addition to his job. He didn't know what he was doing wrong and felt like a loser. I had thought it was just me that felt like that. We were all psychologically conditioned to believe we were the problem if we were not earning what we were supposed to receive. He and I had both worked like animals for pathetic incomes. I was still grappling with what appeared to be a terrible revelation. I was sickened and needed to get out of the restaurant. I recommended he spend some quality time with his wife and girls, as it would help him re-group. He needed it desperately. I left as suddenly as I could without arousing too much suspicion.

I drove for hours in my car, without a tape playing, and began to think somewhat clearly for the first time in as long as I can remember. It was a strange sensation. If what I was now beginning to understand was true, Dexter, Zack and other Diamonds may have perpetrated perhaps the largest global business fraud in history. At the very least, it appeared that they had collaboratively extracted as much as a billion dollars in book, tape, and seminar money by well-coordinated deception. If this was true, I must face an even darker revelation. If all of it was a well-orchestrated fraud, then I had taken an enormous sum of money from the people that I loved the most. Having been an auditor, I quickly ran some numbers in my head and estimated that I had collected somewhere in the range of \$3-4,000,000 or more in book, tapes, videos, and seminar money from my dearest friends and family. Yes, I even collected tool money for the "system of success" from my own father. My mind slammed shut, but there was a storm brewing within me that I would not be able to ignore.

I began a quest for the truth, mostly to prove to myself that my new beliefs were unfounded. I did not want to believe any of this. This was a good, honorable business, predicated upon servant-hood. Ronald Reagan, Gerald Ford, Senator Rick Santorum, Jack Kemp, Mary Lou Retton, Jerry Falwell, Billy Zeoli, Charles Stanley, Robert Schuller, Dave Thomas, Dennis Waitely, Zig Ziglar, Oliver North and Newt Gingrich had directly or indirectly lent their credibility to this organization when they came in to speak at large seminars. There were Senators and mayors who were distributors. They were all relatively wise people. They certainly could not all have been conned or been in on the

deal if they knew it was crooked. It had to be stress to make me think so irrationally. I went into my auditor's mode. Thank God that for those nine years I had been taping training sessions, seminars, open meetings, and counseling sessions with Zack and Molly. Little did I know how valuable those tapes would really become.

I could only share my fears and conflicting thoughts with Kathy. I was still running a relatively large organization of people who were counting on me. I needed to discover the truth, whatever it might look like. I began reviewing the nearly 200 hours of tapes that I had recorded myself from training sessions. I also began to attend many open meetings to really listen and observe the representations made. I taped them for documentation too. I "knew" the whole business could not possibly be a fraud.

Amway and Amway distributors had collected over \$20,000,000 for Easter seals. How could any benevolent donation that large come from a source that was beginning to sound like a bad, corrupt business? I needed to prove to myself once and for all that this was not true, so I could move on to Diamond. In retrospect, deep in my spirit, I already knew but could not comprehend the truth. To have completely rational thought at that time would have been devastating. I was unable to face the enormous burden of the blood of good, honorable people that would be on my own hands if this were all true. In case it was a fraud, I would expose it. But I realized, at an early stage, that I would be crushed like an insect without volumes of documentation. I began collecting what would grow to a cache of over 2,000 commercially recorded 'system' tapes and videos.

We were scheduled to do a seminar and speak to a large group of people in the Pittsburgh area. To cancel this would have brought immediate attention to us. We agonized over how we could do this with the uncertainty we now possessed. For our own sanity's sake, we had to believe that The Business was good. Maybe we were just dealing with some corrupt people. We decided to do the seminar but to keep most of our comments generic. I would give the distributors some good motivation to apply success principles to every area of life and cover The Business in as general terms as possible. We were greeted warmly and treated like royalty while we were there. We could now identify that most all the leaders there seemed to be making false positive professions about how well they were doing and about The Business. We had no way to know without crosslining. Income was a taboo topic. They had the same robotic fake smiles on their faces that we used to flash to everyone. I knew where these canned smiles came from—they were well-conditioned, 1000-tape smiles. The deceit was being revealed, and our hope was being stripped away in layers.

We began to realize that we may be a part of something that had some horrific problems. We could not yet face or comprehend the magnitude of them. We did know, at this point, that under no circumstances would we do another seminar. We soon began to feel like we were leading sheep to slaughter. We went to an open meeting and several of our Direct Distributors spoke afterwards and regurgitated the tapes verbatim, saying how happy and excited they were and how much The Business had helped their marriages. We still could only comprehend some of the truth. Or were they all lies? We knew them too well. We knew all their situations from counseling with them.

At a major function about a year earlier, one of our leaders confided in us that he and his wife were having major problems. They were actually discussing divorce. They had to fly to Texas to see a pastor to try to save their marriage with counseling. I was deeply ashamed to admit that within an hour of being told this delicate information in

complete confidence, I told Zack. I still believed that he had wisdom and could solve all problems. We were trained to do this, as it could affect his business as well as ours. We were complimented by Zack and were told we had made a wise decision by sharing with him. I was now completely sickened by the level of perversion of my own twisted loyalties. For a brief moment, we seemed ‘plugged in’ and very loyal to Zack, but I had sold my soul and a friend’s trust to do it. I was beginning to hate myself for what I had done in the name of Amway. Soon, it became far worse.

We had a large local seminar coming up in our area. We went and it was an agonizing ordeal. We could more clearly see the cesspool of lies we had actually accepted as truth for the past few years. We could barely go through the motions. We were not the speakers but were frequently used to motivate the group or do specific promotions. Our minds were still racing in an attempt to understand what had happened to our good friends, our leaders, this business, and us. Weren’t we all virtuous once? What happened next was the proverbial straw that broke the camel’s back.

At the end of the seminar, as was customary, all the Direct couples walked on stage and stood in a semi-circle. All the distributors in the audience would clasp hands and sing “God Bless America.” Kerry, the host, made a comment that hit like a bullet. He looked back at the stage full of Direct, Ruby and Emerald-level distributors and made a comment to the effect of look at all the success we have here. “No one is going to say The Business doesn’t work here.” On the surface, it appeared to be true. They were a well-groomed and well-dressed, smiling group of robots. Most drove Cadillacs to the seminar.

I went down the line and did a mental inventory of what they had told us about their situations:

- One Direct had left his job under bad circumstances and was nearly \$40,000 in debt since getting into Amway.
- Another had lost his job, due to his militant loyalty to his business and had since started another traditional business but was nearly \$60,000 in debt.
- One leader was trying not to get divorced.
- A dedicated member had fallen asleep at the wheel and crashed his newly purchased, white Cadillac.
- Two of the moms on stage had ‘retired’—complete with a limousine picking them up at work, but they were now back at jobs.
- Another Direct had been fired for using his company’s phone, truck, and contacts for his Amway business. He is a wonderful, energetic young man, but his self-esteem was destroyed when this happened, and he has not gotten it back.
- Another Profit Sharing Direct was Keith, whose wife had just written him a letter saying she could not live like that anymore.
- One other Direct on stage was being audited by the IRS. He was just

one of three leaders in our group currently being audited.

- All three ultimately had large amounts of deductions disallowed and had assessments in the \$5,000 range.
- One of the Directs above had his wife threaten to leave him several times.

Understand now that the audience believed that those of us on stage were making from \$25,000 to over \$100,000 a year and were debt free. The truth is that many of the Direct Distributors were actually running their business at a loss. Yes, they were losing money. We were near bankruptcy as Emeralds. We had to go to a credit counseling service to have them negotiate lower monthly payments from all our creditors, so we could stay afloat. The distributors in the audience were making sacrifices of money and time away from their families, so they could live as well as those of us on stage. How ironic!

The leaders on stage were not stupid people. Our Directs included an eye surgeon, a lead homicide detective, a professional log buyer, a CPA, two insurance executives and others. They were the hardest working, most loyal, charismatic group of people I had ever known. They were our family. Sadly, most of them felt like failures, as they had been well conditioned to believe that everyone else was making out well. Most of them believed, as I had, they were losers and were not making money in this incredible business, due to a lack of faith or a poor work ethic. There was not a harder working, tougher group of people. Those men were the road warriors. They were the Marines of Amway. They were the first in and the last out of every meeting. They could live on almost no sleep. They were thankful for the wonderful opportunity and the mentoring of upline millionaires. But they were being slowly destroyed, and all the while, they were thanking and praising those who were taking their money.

After almost 45 days without listening to any tapes, I began to see more clearly. We clasped hands on stage, and Keith's wife led us in singing "God Bless America." I looked out at the beautiful people in the audience, knowing how I had promised to help them build a better life. They smiled and swayed gently, as we all sang. Some had hope in their eyes and others had tears of joy, in knowing they had now found a way to a better life. I glanced over my shoulder at the well-dressed group of leaders, whose lives were in tatters. I now saw the truth but could not yet understand how the average net income for the Emeralds, the Rubys, the Profit Sharing and Silver Direct distributors in this organization was more accurately near **\$3,000 a year**, and that was after all the system expenses.

I felt sick. I was totally, completely burdened with the crushing weight of all their crumbling lives. I looked into the audience and saw many good friends that Kathy and I loved. They joined this business and its related system for success, because they completely trusted us. I had tied them (and their children) firmly on the train tracks, and now I could hear the rumble of the train! They were nodding and winking at me in gratitude. (As I write this, nearly two years later, tears are streaming down my face. I still have that image in my mind.) My heart started pounding as if it were going to rip from my chest. Immense pressure moved from my chest to my head as tormenting, conflicting thoughts screamed through my mind.

I could barely breathe, as we made a quick exit from the seminar. I could not even reveal this deep shame to Kathy or that I felt like I was having a heart attack. I kept on walking, and in about fifteen minutes, my breathing and heart rate returned to normal, but there seemed to be a violent war of opposing thoughts, beliefs, and emotions raging in my head. I did not understand what was happening to me. Even if I did, I could not “pass this negative” on to Kathy. We had enough stress in our own situation without her having to carry the tormenting weight that now rested on my shoulders. I needed an action plan. I needed far more information.

Perhaps if I gathered enough documentation and threatened to go public, Zack would return our business to the honorable status it once held. Incredibly, in my mind, I thought The Business, as a whole, was good and could be fixed. I had to stay active enough to appear ‘plugged in.’ The only way we could ethically justify going to seminars, training sessions, and open meetings was that I needed to stay undercover at the highest level possible to gather large amounts of documentation directly from representations made by Diamond-level distributors. It was the only way we could ultimately protect our people.

## **The Ants Go Marching One by One**

Could any of this be fixed? What was wrong? How could this all have happened? Why could so many sharp people not discern what was happening to them? Was I just making excuses for my own inability to make a good income at the Emerald level, a pinnacle of success? As many of the tapes said, “You could make money, or you could make excuses....” Which was I doing? The old programming kicked in. Because I seemed unable to solve my own financial challenges, was I just looking for someone to blame? How could we have gone far over \$100,000 in debt after getting into a business that was sold to us as having no employees, no risk, and no overhead? Was Zack a ruthless thief, marginally honest, or a wonderful servant? How could I not know the answer to this question? How could I travel the world, reach a supposedly high level of success, speak with confidence to thousands, and still feel like a loser and complete failure? I could not comprehend what was happening.

Those questions and many others began firing through my mind. I think at a subconscious level, I already knew the answers, but a dark veil once again descended upon my ability to think clearly. God had entrusted many lives to us, and the guilt and shame of what I had unconsciously done was almost more than I could bear. Our downline leaders were running around dressed well, driving Cadillacs, with perpetual 1,000-tape smiles on their faces and being unbelievably upbeat as possible. The truth is that they were a completely broken, discouraged group of people, whose financial, spiritual, and family lives were falling apart. They were unable to acknowledge reality. To the outside world, they appeared to be succeeding. They had all the trappings—nice clothing, cars, exotic travels and totally upbeat, positive demeanors. They all believed they had chosen a new, special life. They were happily deceived, mostly from pseudo-Christian principles that I had so thoroughly taught them.

As I later discovered, I was then functioning with a high level of what psychologists call cognitive dissonance. Cognitive dissonance is a method in which your

mind works to resolve an internal conflict that arises, concerning what you perceive to be true when you are faced with information or situations that contradict this perception. It is unnatural for us to consciously and knowingly retain an illogical belief. Our subconscious mind has two choices when faced with information that challenges a belief set or paradigm that we embrace. If the information is not too threatening to our global beliefs, we can accept this information and use it as a foundation for a new belief.

When this does not happen, and the information strongly contradicts a core belief, cognitive dissonance comes into play, as the mind attempts to resolve the internal conflict between the new information and a contradicting belief set. It sounds more complicated than it is. We have all experienced it in one form or another. Have you ever been looking for something and could not find it for quite a long period of time, only to have someone walk right up and point it out—*directly in front of you?*

You may have said, “Honey, there’s no milk in the refrigerator” three or four times while staring directly at it. Isn’t it embarrassing then when she walks up and says, “What’s that?” (Why, it’s that gallon of milk in front of your nose.) Did you see it before? Of course you did, but externally and internally your dialogue reflected your belief that there was no milk. Your mind went to work to make you believe that there was no milk there and created a scotoma (literally a blind spot) to resolve the cognitive dissonance. You saw it, but your mind deleted it from your conscious perception. Have you ever been frustrated because you could not find your glasses and then felt foolish when you realize you were wearing them? We have all had experiences like this.

As my strongest core beliefs began to falter, I began to see and remember situations where I had previously been blind. Two examples as they related to The Business immediately came to mind. The first was in regard to facial hair. The dress code in our organization required men to wear a red tie, white shirt, dark suit and absolutely no facial hair. You would not be given a leadership duty if you had a beard or mustache. You would be seen as not totally ‘plugged in’ and as setting a poor example for your group if you chose to violate the dress code. No leaders broke this or any other code and still maintained their leadership role.

The problem was that Dexter Yager had sported a full or partial beard since we joined in The Business. Guess what? After about a year of indoctrination, we never saw it. We unconsciously blocked out Dexter’s flaws and those of other Diamond leaders. We were with Dexter in person in small rooms. I was even alone with him and Zack on his private jet. He was also prominently pictured in *Profiles of Success* and in his own *Dream Builders* magazine. The beard was in front of us all the time. We saw his picture **every** single night when we showed the plan and then the *Profiles of Success*, but we did not ‘see’ the beard. If I had ‘seen’ the beard, I would have had to wrestle with the fact that Dexter was violating a rule that we identified as critical. No deviations from the system he created were permitted. What a paradox!

The second example involved Zack. First, let me tell you that I have black friends. As a matter of fact, Kathy’s best friend from college, the woman who was the maid of honor at our wedding, is black. I despise racism of any type. Given that background, it disturbed me that there were very few black distributors in Zack’s organization. There were two interracial couples. I was told by one Direct and one Diamond that these mixed marriages really bothered Zack. The Diamond said it was so bad that they kept this couple away from Zack as much as possible.

On one occasion, we were discussing the customs of some wonderful Mennonite folks in our organization. Molly talked about people that had different customs and advised that the Hasidic Jews in their organization really bothered Zack. On stage, Zack spoke of how great a business this was that a person could be compensated based upon his or her effort and not the color of their skin. Backstage, he seemed to enjoy telling and re-telling his leaders a joke in which O.J. Simpson is referred to as a ‘Coon.’ How could my mind resolve the disparity between my deeply rooted belief that Zack, my father figure, was a compassionate, Christian servant, and my hearing these overtly racist comments? I didn’t see or hear it until much later when my deep core beliefs about him began to crumble. Only then could I process information that I found reprehensible.

I was reading enormous volumes of court cases, books, articles, and former distributors’ reflections on Amway, its related motivational organizations and cultism. I somehow ‘deleted’ or literally did not see much of it, as it directly contradicted my beliefs. I would read and re-read the same information and come away blank. This situation did not make any sense to me. I thought I was losing my mind, as I had always been able to read large amounts of text with near total recall of the key points. How could I read forty pages of a simple court case, not remember the key causes for action, or even come away with no basic understanding of it? In retrospect, what I was learning was so wrong and so horrific that I could only handle it in gradual stages of revelation. My mind kept putting up buffers to hold me together. The small parts of information that I *was* able to perceive were destroying me.

I began doing enormous amounts of research on Amway, going back as far as the early 1960s. I spent as many as 16 hours a day in my little home office at the computer scouring the web. I did not realize it, but I was becoming completely obsessed with discovering and documenting everything, and whatever the truth might be, I would have it in writing. Despite being off “the system” for some time now, I had paradigms, thought processes, and automatic emotional responses that were wrong but still functioned effectively without my consent. I sensed that I was not in control of many of my own thoughts and emotions. The feeling was terrifying. Day and night my mind was filled with an all-out war of opposing thoughts. The now constant noise in my head was deafening.

It felt like I was sitting in between two sets of railroad tracks with freight trains careening by, inches from my head, in opposite directions. The noise and confusion were growing in intensity. I was in a fog most of the time I was awake, and I was often unaware of what was happening around me, as Kathy struggled to hold our family together. The war for my mind, in which I often felt like a spectator, had overtaken me.

I faded in and out psychologically and would have a good day or two. My research continued, as I was now unable to stop my urgent day-in-and-day-out quest for the truth. From what I was reading, it appeared that the vast majority of the Diamonds’ incomes came secretly from the tool business. It was looking as if Amway was just a good-looking, Christian, business opportunity that Dexter and his crew used as a front to recruit millions. This immediately linked them into the secret shadow business, which was the big money maker—selling books, tapes, and seminars to their own people. Being a former federal auditor and having testified on the state level for cases involving material misrepresentation, we seemed to have some real legal problems here. It looked like the majority of distributors in the United States had been recruited under completely

false pretenses.

Distributors had been routinely recruited, across the country, with nearly an identical pitch. In many cases, they were told any or all of the following about the Amway business:

- 1) It would only take 12-15 hours a week
- 2) Amway required no investment or risk
- 3) There was no selling, just self-use of products
- 4) There was no overhead
- 5) You had freedom to run and own your own independent business
- 6) It was a two- to five-year financial plan to complete financial freedom
- 7) You could retire young, due to residual income
- 8) You can pass the tax-free, residual, income stream on to future generations
- 9) Emeralds made \$100,000 and Diamonds at least \$250,000-\$300,000

All of the above now seemed to be either completely false or a violation of Amway's own code of conduct. Additionally, after every single plan I had seen, in several countries, *Profiles of Success* was used to show the lavish, wealthy lifestyles created by the Amway business. Millions of people were again and again shown the Amway Sales and Marketing plan and then *Profiles of Success* to document the success of upper-level Amway Distributors. It was beginning to look like the jets, yachts, mansions, jewelry, trips, and luxury cars depicted in this book were not purchased with Amway money, but more with system money extracted from faithful, trusting distributors. They had been deceived and raped for profit.

These good people were told again and again by the Diamonds of the 100% success rate of the system. I had Zack and many others on tapes referring to this "100%" success rate. After recruiting somewhere far over 2,000 people into Amway over the years, approximately 10 made a net income of over **one-dollar** last year. To me, that looked like just under a 100% **failure** rate in the Amway business, despite the 'system of success.' Remember also that was after our organization, as a whole, pumped an estimated \$3,000,000 or more into the system. Had all these good people been deceived, raped, and then conditioned to believe that they were failures, so they would go away quietly once their financial resources had been depleted?

Many stayed in long after their resources were depleted and began borrowing money, just as we did, to invest in 'their businesses.' They were continually bombarded with analogies about investing in yourself and scripture quotes regarding reaping what you sow. If someone needed money, he had to have enough faith in God and this business to continue to sow his resources into it. Diamonds would mock people who would want to invest in their business only after it was profitable. That was like freezing to death by a fireplace and deciding to put wood in only after it provided heat. Every successful person understood investing, or so we had been coached.

The only way to fail was to quit. Both Rich DeVos and the Amway Diamonds

advised distributors to never, never quit. The ‘never, never quit’ was an often repeated quote and was from a famous speech that Winston Churchill made to a graduating class many years earlier. To quit would be setting a life lesson that your children would later follow in life. Quitters would never win, and winners never quit. We would occasionally see people in the mall that had quit. They would avoid eye contact and scurry away like little rats so that they did not have to see us and face their own failure. I remember thinking they were pathetic, lost souls with no hope. I had been almost disgusted by their lack of courage to do what it took in order to take care of their families. Now I wondered which of us was more pathetic.

It was a tremendous strain to attend even the minimum of necessary meetings to keep the appearance that we were plugged in, while I gathered documentation. It was a living hell to knowingly see our good people further seduced. The only thing that kept me going was my loyalty to them. I had to either fix or expose this, for their sake.

One of the most difficult of these occasions was when we went to a training session with Zack and Molly in our town. The group was full of excitement and falling all over themselves like Zack and Molly were movie stars or royalty. I feigned enthusiasm but felt repulsed by their presence.

They began their relatively long talks, as I once again clicked on my tape recorder. What I could now see was a thinly veiled self-promotion. Zack talked about how many thousands of people they had helped make thousands of dollars a month. I knew for certain that he was lying. I knew that almost everyone in his organization was **losing**, despite their involvement in the alleged system of success and his ‘wise’ leadership. Both Zack and Molly went on to make lifestyle and income-relative representations that I believed to be totally false. Not a single person in the room was aware of the fact that they derived a huge income from the books, tapes, and seminars, and Zack was telling them that they could not succeed without them. He made references to God and faith, and I wanted to beat him unconscious. My heart screamed, “Don’t use the Lord’s name or scripture to rape the sheep!” When we exchanged small talk later in the evening, I sensed an evil presence all about him. How could I ever have been convinced by this man?

Yet he was not a stupid man. In addition to being brilliant and charismatic, Zack was uncanny in his perceptive abilities. At times, we thought he could actually read our minds. He had a deep, penetrating gaze that focused on you and seemed to peer into your soul. It was as if you could keep no secrets from him, even in your heart. I felt very uneasy talking to him, as I regurgitated all the positive confessions that were expected. None of his leaders would get away with speaking or confessing negative in his presence. Kathy and I lied and went through the motions of telling them what someone at our level should be saying. We told him and Molly how excited we were about how this was going to be our Diamond year and how very thankful we were that they were willing to take their very valuable time to teach our organization and us.

It is not clear when Zack sensed we might become a problem. We covered and masked our true emotions well enough to at least have him think we were just off track. Over the next few months, he began to circumvent us and counseled with leaders in our organization that he had previously never met with. I later learned that Zack and Kerry secretly arranged for Keith and Lisa to counsel with him. This was something they had always wanted to do. He was very shrewd. We did not understand at the time why he was

suddenly showing an interest in people he had hardly known in our group.

The couples he was now meeting with were as naïve as we had been not so very long ago. We had taught them to trust him without question. He was teaching them the belief that he would look after each of them as he would his own children. Zack was a master of psychology and keen in his understanding of human nature. Only later would we understand that he was building relationships and loyalties in depth around us so no matter what happened to us, the organization that we developed would remain intact. This would allow it to continue over time to pump millions more into his secretive book and tape income. We did not even see this coming.

The deeper I got into the research, the more rotten and deceitful nearly every aspect of The Business seemed. It appeared as if the entire recruitment and training process was predicated upon fraud or outright intentional deceit. You may think that I would have had a feeling of relief having discovered this; however, there was no one on earth that would want me to be wrong more than me. If this was all true, I had butchered the lives of my closest friends and families. I had been used as a dupe to rob them of the very things I had promised that they would gain by getting into The Business with me. I had told them they could create incredible incomes, improve their lives, and spend more time with their families. As it turned out, nothing was further from the truth. This was not God's principle of reaping what you sowed. They had been intentionally and systematically deceived and robbed by an apparent collaboration of respected and well-known people, Diamonds and Amway.

I did not want any of this to be true. I felt divided in two. Defying all reason, part of me **still believed** that this was a good business. Maybe I was just a loser with lots of excuses. If there were some minor problems with The Business, we could resolve them. Part of me was certain Zack would eventually make all of this right. My psychological problems became great, as I battled dark shadows in this mental war of conflicting thoughts, feelings, and loyalties. I found it more and more difficult to make even the simplest of decisions. Kathy had always admired my strength and decisiveness. Now, I agonized over small choices like what to eat or what time to get the mail. I was becoming more and more incapacitated.

This was all the more agonizing, because in a weird way, I was fully aware of my weakness. It might not be bad losing your mind if you were oblivious to it, but I could feel myself slipping towards insanity. The arguments constantly raged in my mind and did so without any way of stopping them. I felt as if something was taking control of me.

I began to have terrible nightmares. The first one was indicative of what I would experience for years, increasing in frequency until I had an episode *every night*. The first time it happened, I awoke from a terrifying dream, panic stricken, ripping the hair from my chest. I was hyperventilating and had a tremendous pressure in my chest. I thought I was having a heart attack—and I was only in my thirties! I felt certain I was about to die. Strangely enough, it actually was almost a relief because of the guilt I felt over those I had recruited and what I had done to my family. I did not want Kathy to watch me die and have terrible memories of my last moments. I moved quickly and quietly to our living room to lie down on the couch and accept my fate. The intensity of the chest pressure and hyperventilating subsided in about twenty minutes. I had mixed feelings—both glad and disappointed that I had lived. What was going on?

I did not speak of it to Kathy. I did not need to speak negative into her life and

give her more worry. I continued to do more research and to gather job history information to get my resume together. How on earth would I tell a prospective employer that I got in Amway, rose to one of its highest, coveted levels, recruited thousands globally, and then realized that I had been used to steal millions of dollars from my closest friends? That sounds very stable doesn't it? At the same time, the thought of a job revolted me. I knew it was necessary but the other voice in my head was repeating the old paradigms for a J-O-B of **Just Over Broke, Jackass Of the Boss and Jerk On Board**. I would have to earn a living and be employed, and the thought of that completely repulsed me! The indoctrination had been thorough, all right. I thought that I certainly would be a loser, and I did not want to face this self-condemnation.

We went to another seminar and a very strange thing happened. We were saying all the right things for the people around us when one of Zack's young Diamonds struck up a conversation with me. He had become, in my opinion, somewhat of a lunatic. Like me, he saw Zack as having replaced his father. He was fairly normal until he went Diamond. After going Diamond, he stopped in the middle of an open meeting and told the audience, which included prospects, that he was not there to entertain them but was going to do or say whatever the Holy Spirit directed him to say. Additionally, he was the one leader that claimed to be the most loyal to Zack. He, too, had stated that he was willing to die for Zack without question.

I apparently had been identified as a potential "problem." We were talking about different topics, and out of the blue, he started telling me of his loyalty, and the size of his gun collection. In the recent past, his loyalty talks had been so bizarre that he had become notorious for them. He took things to the far extreme, very much as Kerry had done in the past. What he shared with me next crossed the line. He told me he was not afraid of prison and would 'take me out' if I ever messed with Zack. He advised he would do this to anyone that messed with Zack. He described in detail his gun collection of revolvers and 9mm automatics. He then told me that he had three Mac 10s that would do the job for sure. That weapon is very similar to the Uzi assault submachine gun. He would later do speeches from stage that Zack made into tapes and marketed to his group. He bragged about the death threat, his willingness to die to be the most loyal to Zack, and the fact that he had carried a gun with a fifteen round clip. His own wife admitted at a taped seminar that he had threatened to shoot her through the back if she ever left him. Strangely, perhaps because he was the most loyal, these "teachings" were disseminated to the group on tapes.

He patted me on the shoulder, smiled, and walked away, leaving me in a stunned silence. Had that message been sent by Zack? Had I been found out? He was not kidding, as I knew him well. He had the capacity not only to do this, but also to see it as the ultimate test of loyalty. I believed he would kill me or anyone else who happened to get in the way of The Business. It did not matter that he might get caught, since that would supply proof he was Zack's most loyal man. This was really getting scary now. I did not know how long I could stay undercover to compile more documentation. Strangely, I, too, was willing to die, but I was willing to die to protect my group and family. Were we going to have a final showdown? I still was not certain what the whole truth was.

I had sold my gun and hunting rifles to raise money to live on long ago. I went to a trusted friend and borrowed money to buy a handgun, which I began to carry, concealed every day. I even taught my adult Sunday school class with it on me, with a round in the

chamber, ready to go. I was certain that if my execution had been ordered, I would die, but I would not do so without a fight. Those people were really scaring me. The deeper the roots of evil seemed to extend, the more determined I was to expose it! (Yes, as completely bizarre and irrational as this seems, part of me felt we could still make all this right.) How did this happen? We just got in a business to develop a secondary income. Now our lives were becoming a horror movie.

Kathy was not filled with a sense of peace, seeing me strap on a loaded gun every day. I carried it so the kids were not aware of it. The poor little guys still thought we were going Diamond. Part of me did too. Somehow, a part of me felt that I would be the one to resolve this and be a hero to my group and ultimately find favor with Zack for doing so. Deep down, he must be good and just got off track. This was egotistical, delusional, and fed my savior complex, but I could not reason it out. My thought process was now so convoluted that I frequently forgot to eat for an entire day. I often finished my Internet research at 2:00 or 3:00 a.m. and collapsed, still fully dressed, on my side of the bed.

We made arrangements to attend what would ultimately be our final Dream Weekend seminar in Baltimore, Maryland. We went a day early for the Emerald and Diamond meeting that preceded the arrival of thousands of distributors the next day. As usual, it was held in a luxury hotel, and Zack and Molly had an opulent suite. I knew that I would garner strong documentation at the Emerald/Diamond and Directs' meeting, as this was where the leaders seemed to let their guard down. Our efforts were rewarded, as I gathered very specific evidence from these meetings.

Zack knew that I had been on the Internet and was probably a little fearful that others had done the same. He also knew that distributors or prospects might come to any one of us with questions, so he talked about the Amway company and billionaire founders Rich DeVos and Jay VanAndel, specifically. He once again explained to us that they knew almost nothing about building The Business, as they had not sponsored anyone in nearly thirty years. The field built The Business, and they (Rich and Jay) really did not know how it happened. They were our suppliers and were very good at being suppliers. Zack continued to talk about the time that Rich DeVos really screwed The Business by sending out a tape called *Directly Speaking* to all the Directs. Zack shared how they realized after listening to that tape that it was a mistake, and he and Dexter knew how to build The Business and would continue to do so.

I was probably the only person in the room that had any awareness as to what this meant. I had read the transcripts of this tape on the Internet. From what I remembered, Rich DeVos was, in essence, saying that the tool business was becoming an illegal pyramid and was never set up to be an income source. He seemed to be saying that the big kingpin distributors that were forcing the tool business on their downline were taking advantage of them. The tapes and seminars were supposed to support the building of a profitable Amway business. The contents of this transcript were incredibly damaging to both Amway and the Yager-based tool system.

My psychological resources were nearly depleted, so at this point, I was only able to discern about ten percent of what I read. It would be quite a while before I could actually read and understand all of it. I was, however, shocked that Zack had just broken a Cardinal rule and repeated negative. The group of Emeralds and Diamonds nodded at everything he said as if it were gospel. Of course, no one questioned anything. Zack had spoken.

I received my standard assignment of managing the speakers and hosts backstage. Kerry, as usual, was in charge of security. Yet again, he used my leaders for free labor the entire weekend. One ridiculous thing that Zack routinely did was charge \$10 for an extra leadership meeting on Sunday. This was after distributors already had over \$400 in expenses into paying for what they thought was a full weekend seminar. Think about it. There were almost 2,000 distributors at this function. There seemed to be no end to the greed. Neither Kerry nor Zack knew that one of my Directs had secretly revealed to me that the security team collected, secretly counted, and moved large sums of cash collected for the leadership meetings.

The weather the next day was extremely dangerous. There were snow and ice storms. A weather emergency was declared by the state, and people were advised to travel only if absolutely necessary. We had a Directs' meeting scheduled for early that afternoon. People were going to get hurt or even killed if they drove in this weather, because the major arteries to the city would become a sheet of ice. I was fearful for my leaders, as I knew all of them would get on the road to come to the seminar. They knew that a leader did not miss a leadership meeting, for any reason. There was no excuse. They could not afford not to look plugged into the system. I had a bad feeling about the whole situation.

There were many accidents. Emeralds in our group, traveling with a Direct couple, were rear ended with such force that the windows were blown out of their vehicle, and their luggage was strewn across the road. There were some serious back injuries. When the Emerald went to the meeting, he sheepishly found me while looking for Zack. He seemed fearful, even though his wife was injured, because he showed up late.

*"It is certainly the opportunity of the century."*

- Amway Crown Jody Victor\*

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\* Jody Victor, **It's Unbelievable**, audiocassette Stock No. DBR 897 Copyright Unknown

## CHAPTER 11

# Dream Makers and Heart Breakers

*“That’s what we want to talk about tonight. Because I am pleased to be able to tell you that, once again, for the thirty-eighth straight year, the Amway business opportunity is the best business opportunity in the whole world, bar none. I don’t say that with arrogance, I say that simply because it is true. And we work each and every day in Ada to keep it true.”*

- Dick DeVos\*

The seminar for thousands of Amway distributors began with the familiar pattern of loud, patriotic and religious music, bright lights, music, prayer and speakers that go on until very late at night. It is hell on earth to now clearly see and partly understand the deception. I am physically sickened to be there. I have to continue my duties, running the back stage speaker area to not be found out. I think I am doing a fairly good job until Zack calls me over to where he is sitting. I go quickly to him, and he asks me how everything is going. I tell him how great things are and make the expected positive professions about the coming year. He seems to have accepted the answers, and I move back to my duties.

Understand that Zack is incredibly perceptive. It is almost uncanny, but in a crowd of thousands, he could pick out the few ‘problems’. I feel good to having kept my heart and thoughts concealed from him. This security is soon shattered as after about fifteen minutes, he beckons for me again. He just wanted to make certain that everything was OK with Kathy and I and that we were excited about the coming year. I again restate the appropriate positive confessions, with more enthusiasm. He seems to have bought it, but I am very nervous now. Sometimes it seems as if he could almost read your mind.

In about twenty minutes he calls me to his side again, and I feel myself beginning to sweat. He makes a critical mistake. He had taught us how to ‘reach’ people using touch, emotion and speaking softly. I have video of him teaching our leaders these techniques on his Island. He pulls me within inches of his face and puts his hand on my shoulder gently. He lowers his voice and softly tells me how much he and Molly love us and think about Kathy and I. He advises that they talk about us often, love us and know that this is our year. After nearly ten years in business, he does not even know the names of our children. He looked me directly in the eyes as he said this. He also used nearly every technique he had taught us. He used them in a way that he had taught us to work

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\* Dick DeVos, **Guest Speakers**, Audiotape Stock No. FED 97-9 Copyright Internet Services Corporation

specifically for my personality type. It was so obvious what he was doing. I had been off tapes for almost two months and could now think. This was evil.

To use these techniques, looking someone directly in the eye and tell them you love them just to keep problems to a minimum is pure evil. I saw pure, raw evil in his eyes. It was a darkness that scared me. The rage exploded inside me, as I thought about how badly I could hurt him before his loyal security team took me down. I wanted to tear him to pieces. I trusted my family and all I loved to him. I had, for nearly a decade, looked to him as a father and sought his approval. Now he was attempting to manipulate my loyalty and emotions in a damage control effort.

I tell him how much I appreciate him and Molly and agree that this is our “Diamond year.” He knows there is a problem, but he has no idea how large it just became. He later gets on stage to a convulsive standing ovation and goes through the same God, Love, Country and success talks that I now knew by heart. It is revolting to see all the new people there becoming freshly seduced. There is a pre-dinner break, and Kathy and I go back to our room. As soon as we close the door to our room, I tell Kathy about my encounter with Zack. This is like a terrible movie we are trapped in, playing roles we would have never chosen. We change into our tuxedo and gown and go to a brief reception with Zack, Molly, the speakers, Diamonds and other Emeralds. After about fifteen minutes, we are brought to a staging area for the Emerald and Diamond procession.

This was typically an emotional highlight of the day for most distributors. A path is made near the center of the dinner tables of the crowd of thousands present. The music starts and a blinding spotlight flashes our way. Each Emerald and Diamond couple is announced, one at a time, and walks through the wildly cheering crowds to the sound tracks of triumphant themes like Rocky. It is our turn, for the last time ever, to walk the procession. I am sickened to be there. Ten percent of the whole group there are from our organization and are our family. We love these people with all that we are. Our hearts pound as the announcer’s booming voice calls us by name, and the crowd cheers. We walk into the bright light and flash pictures go off, as we move toward the front to our reserved table. People are reaching out and touching us and giving us high fives. We used to be so proud that God was using us to give people hope. We cannot do this much longer. It is killing us.

We make small talk with the other Emeralds and just try to get through the meal. My mind is racing. I am so angry and hurt at the same time. There is no one on earth that would like to have discovered all this less than me. I had wanted so much to be wrong. Zack and Molly are right by us at the next table. At the end of the meal, a distributor brings a new couple up to meet Zack and Molly. The young couple is polite and very excited. Zack works them well... long, firm handshake, encouraging smile, compliments, good eye contact, warm conversation, edification of the upline and talk of the business never being better. He’s got them. They were Kathy and I almost ten years ago. This cannot be allowed to go on. The young couple is on cloud nine but would be trembling with fear if they had any idea of the destruction that may slowly overtake nearly every aspect of their life, finances and marriage. The happy sheep walk, thankfully, further into the pen, not seeing the bloody axe behind the bible in the smiling butcher’s hand.

Kathy and I are now nearly paralyzed by what we clearly see going on around us. We’re off tapes and the psychological fog is lifting to a certain extent. The night session seems to go on for days, as the sweet poison is spread to the hungry flock. My mind is racing, as my heartbeat increases until I can hardly catch my breath. I have to stay cool

and do my duty backstage to not blow my cover. I avoid Zack and make it through the night without further contact. It is past midnight when the group is dismissed. They are exhausted but motivated. We go to our room and change quickly into more casual clothes for the late night-early morning training session with Zack, Molly and the visiting Amway Diamond speakers. We arrive with a group of Emeralds and Diamonds and fade to the back of the room.

As I was someone that handled the speakers from the time they landed at the airport until they hit the stage, I know that Zack often gives them specific topics to cover. He is incredibly detail oriented and at times would even tell the speaker what analogies to use to make a point. Given this, I know that the Diamond he has in to speak to us has probably been coached, as nothing happens by accident with Zack. Zack builds up the visiting Diamond and admonishes all of us to take notes. The Diamond starts talking and tells us how much respect he has for Zack and Molly. They were his inspiration years ago, and we need to know how fortunate we are... God Bless America.... and nauseum....blah blah blah...

He ran through the required, typical, mutual admiration society points and then got on to his topic. Out of the blue, he launched into the topic of total loyalty. He said the people that made the most money in his group are the one's who question **nothing**. The distributors who question upline always seem to have a problem that holds them back. Perfect loyalty breeds perfect duplication. The leaders are all taking notes zealously, as Zack can see everyone in this small room. Zack leans back in his chair, arms behind his head, and smiles in knowing agreement. This is scary. The one who questions **nothing** makes the most? Is Jim Jones going to come in here and serve us all a refreshing fruit-aid drink soon? As the topic progressed, the Zombies we were surrounded by took more and more notes.

I was shocked that so many bright, articulate people in the room accepted total and complete submission to the upline. They were very sharp people! It took extraordinary effort and skill to motivate them to the Emerald or Diamond level. None of them saw a problem. It just did not make sense to me. The people who succeeded the most were the ones who questioned nothing? What happened to the work ethic? I was brought into this business, because it was based upon serving others and getting paid for your effort. Now, it seemed as if service to others in the group and the incredible amount of time put into The Business was not as relevant as the fact of becoming a mindless, unquestioning drone. Of course, this exposure was only to a small group of Emeralds and Diamonds. None of the thousands of participants at the Dream Weekend seminar were even vaguely aware of what was expected of their leaders. The poison was sold to them in small, carefully packaged, bite-size chunks.

The analogy used to describe why information was only revealed in gradual stages to distributors was 'you don't feed steak to a baby.' That was why we were instructed never to give a Dexter Yager tape to a brand new person. They would not be able to handle it. We needed to teach them, through the system, how to think and reason properly, and then they could understand his message. Most people, we were advised, just did not understand success principles, and Dexter had a hard time coming down to their level. We needed to raise them to a level of entrepreneurial thinking where they could begin to understand him.

I remember thinking he was a real 'nut case' when we first got started. After a while, his mannerisms and personality motivated me, because if he could actually be 'off the wall' and still be incredibly successful in Amway, so could I.

Normally, a few people would quit after he came in for a seminar and began blasting Democrats, gays, atheists, lazy distributors, socialists, Jesse Jackson, or whoever else came up in his never-ending, stream-of-consciousness talks. At one seminar, I remember thinking that he had mellowed out a little. The same day, he announced from stage that long-term distributors thought that he was changing and seemed a little more relaxed. He further explained that he was the same, but we had changed our thinking from being around him and the system. (I had no idea how right he was.) At the time, I thought it was a very good sign that I was ‘in sync’ with leadership.

The typical analogies used to force compliance were as follows: How hard would it be for us to build a group with a leader that constantly questioned us? Did God want us to work in harmony and serve His people, or to fight over ego and turf? How would we handle one of our own children if he or she constantly questioned us? If upline had a choice to invest time in you or in another distributor, wouldn't he be smarter to put the time where it would be best used and not questioned? Would he be a good steward if he wasted his time and talents in your group, when there were more loyal, unquestioning leaders that could make better use of it? Upline only wanted to see your success and could be trusted. They only won if they helped you to win. It was business suicide to contradict your upline. You reaped what you sowed. If you wanted to reap trust and loyalty in your own organization, you first sowed it upline.

The Emerald “don't question anything” meeting dismissed after 1 a.m., and Kathy and I went back to our room in a tired fog that was typical of these seminars. We were thankful we had finally been released from the meeting. We were far too tired to talk or even think about what we had heard. We just wanted to get out of our clothes and collapse on the bed. We had to be up in a very short time and dressed formally for the Sunday worship service. It was a Christian, non-denominational service, and all distributors were strongly encouraged to attend each of these major seminars.

Many had accepted the Lord or recommitted their lives to Him at these services, as I had. We had seen quite a few people in our group, even whole families, commit their lives and business to God. The worship service became very emotional, moving many to tears. The lack of sleep had a lot to do with this response, but the message that morning was still a powerful and moving one.

Attending the services was something that previously had convinced me I was doing something worthy with my life. Now, the sight sickened me. I could see that a personal relationship with God was used by slick leaders in what looked like a well-scripted, marketing tool. It seemed that the name of Jesus was spoken freely to bring credibility to something that had none. It also appeared that Christians were targeted for economic harvest with this superficial praise of God. I watched helplessly as the emotional and psychological anchors of deceit were being set within these people. When they thought about The Business, many felt a connection with God and commitment to family. Which of them would ever turn their back on God or their family and leave ‘their’ business? As I looked out over the crowd and spotted many of my dearest friends, I was overcome with grief. What had I done to these good people? They kept thanking me for giving them a chance. We had all been just like sheep. The butcher's knife was so sharp that none of us ever felt the cut. We all just plodded onward and were bled dry! I was torn inside, because I really wanted to gather more documentation, but I could not force myself to stay a minute longer.

As I watched those trusting people being led to destruction, I broke down. I decided to leave four hours before the seminar ended on Sunday. I made up an excuse

about visiting one of our distributors who was in a hospital from one of the car accidents and left Keith to fill in for my duties back stage. Being there and knowing what was really going on was like being in hell itself. Kathy and I packed our clothes and literally ran to our car. We still were unable to communicate much. This isn't too surprising. We had worked hard for nearly ten years to eradicate all negative thought and speech. We knew that something was terribly wrong but were programmed not to verbalize our concern. The worst part was that we sensed an evil beyond description. Nearly everyone we loved was involved directly because of us. They were family. Our children knew them better than their own flesh and blood relatives. We were traumatized beyond description and unable to reason.

A new twist was now put on the Amway business. We had all been warned never to go on the Internet, because it was a breeding ground for rumors and negative, unfounded information. It had no practical use for someone going Diamond and served no business purpose, we were told. Having been warned of this for years, we were then introduced to Quixtar, a completely 'new' company being launched on the Net. It sounded just like Amway, but an online, Internet version. We were informed that Amway was building a new business with IBM and Microsoft as partners. Distributors were told that Bill Gates was really excited when he saw The Business model and had to be part of it.

Details of this new venture unfolded slowly. We were advised that the Quixtar Company was a Delaware Corporation and that it was separate and distinct from the Amway Corporation. It sounded as if the stock was held privately by the DeVos and VanAndel family members. The new business model was high tech and would bring in even more sophisticated professionals. Instead of dancing around the dreaded "A" word, distributors would be able to truthfully say, "Honest, it's not Amway." The Quixtar company was to have the same marketing and compensation plan as the Amway corporation. It sounded as if the only difference would be in the name and the fact that distributors would be able to order their products online. I found this to be ironic, as I had been admonished for wasting time online, as I watched the web develop. This had potential, but it looked like the same exact deal with a PC and a new name.

We had seen Amway disguised as Home Shopping Delivered, Networking, Network Marketing, New Business Development, Yager Enterprises, Walters International and many others. This just seemed like the misdirection du jour, despite the Quixtar hype.

Out of desperation, I began to put my resume together. I felt like such a loser. I had let Kathy down, our children, our parents and all who had trusted me by getting into Amway. Countless people have told us they would never have joined Amway if they had not completely trusted us.

Quixtar would not change their lives. It would probably be used to extract even greater amounts of money from our people. I was so tormented and felt as if their blood was covering me. It was no longer just on my hands. I was immersed in it. I looked at all the pictures of these wonderful people and their children on our refrigerator. To this day, the pictures still hang there, because one never gives up on family. I was grief stricken. We were near bankruptcy. We could not keep up with all the credit card and mortgage payments. We had gone from being completely out of debt, except for a single mortgage payment, to having multiple mortgages. In addition to our mortgages, we were over \$100,000 in debt to friends, family, and credit card companies.

How on earth did this happen? My auditing experience and natural talent for

numbers and finances should have kept us safe. We had sold all our rental properties as directed. We sold everything we owned of value except our cars, home, and wedding rings. We had no investments left, no retirement account and no equity in anything. It was horrible, but we were still being lauded as being at the pinnacle of success. We were still chosen to do seminars by an upline that *knew* we were totally destitute. We were just a drawing card for them. We had been systematically betrayed and had ourselves unwittingly betrayed friends, bringing them into The Business to help them prosper. The truth now looked like we were just used as unknowing dupes to extract millions of dollars of book, tape, and seminar money from honest, trusting people who wanted to improve their own finances. We had unknowingly been used to rape the very people that had been entrusted to us. You will never know how many times I pleaded with God and cried out, "Oh Lord, don't let this be true." I had been a collection agent used to rob the people that I loved the most. I had lost everything, while stealing from good people to make my upline wealthy. I felt as though I were drenched in slime. The nightmares became so chronic, so real and so terrifying that I tried not to sleep.

## **Life with Papa**

In every one of my nightmares, either Kathy, the kids, or I ended up dying an agonizing death in one no-way-out scenario after another. I woke up again and again hyperventilating and clutching my chest. I was often fearful that I was going to have a heart attack from the 24-hour-a-day stress. I attempted not to sleep, believing I could learn to live without rest. I made it almost three days and then collapsed fully dressed in a heap on my bed. I was losing weight, eating only sporadically. I thought back to the conversation I had had with the Amway Diamond (the one with the Mac 10 sub-machine gun). I was fearful that I would be killed if anyone found out, but I could not stop documenting the evidence of our betrayal. I strapped on a loaded gun everyday. I wore it so often that I would often forget I had it on my person. I attended our local church and Sunday school with it concealed. It became like clothing to me. I was a living contradiction, teaching in Sunday school about faith and trust in God, but having a loaded 9MM hand gun strapped to me at all times. I was a complete fraud. I had lost everything, including my faith.

I spent almost all my waking hours on the computer, despite the pain of what I was learning. There were many lawsuits against Amway and its highest-level distributors. Most of the complaints were over the same issues I had discovered myself. The more information I unearthed, the more I felt myself slipping from sanity.

The stress of battling all the years of training and indoctrination was so great it felt as if there was a freight train running through my head. I could not concentrate or even make the simplest decisions. I would spend over an hour reading our junk mail, but couldn't remember a word I had read. Kathy and the kids had to repeat things two and three times for me to hear and understand. Because I was fighting to survive an enormous battle 24 hours a day, my goal shrank to just making it through one day at a time. We rarely had alcohol in the house, but I finally went out and bought beer and drank late at night to try to knock myself out. The haunting nightmares were more powerful than the numbing of the alcohol. I was a captive of my own mind; feeling so many raging emotions at once, it seemed as if I would explode. The pressure was so great it felt as if my head was going to burst off my shoulders. Sometimes, I actually wished it had

exploded. I truly believed (at that time) that death would have been a sweet release from the unending guilt and torment. It felt as if I had been flung from a plane and was plummeting to earth without a parachute—but I never impacted. The drop was endless. I was in a state of utter terror all the time, and there was no rest. I believed that I was worthless. I had failed everyone that I knew and loved. I wanted to be a good husband, father, and leader. I was none of those. I had brought shame and dishonor to all who knew and trusted me. Since we had had a suicide in the family, I knew, firsthand, what the survivors had to deal with. So I would never do that to Kathy, the kids, or my family, but it did not stop me from wishing that I could kill myself without hurting them.

I was panic stricken almost constantly without knowing why. I felt as if I were no longer in control of my mind, thoughts, emotions, or actions. Having been an up-lifter and motivator for years, I was shocked at the darkness of what appeared to be my own thoughts. It was as if I was a machine that had been mis-wired, because I knew that I was not responding appropriately. I had never been an angry person, but I developed a rage that burned constantly just beneath the surface. I felt like a walking time bomb.

If the kids made too much noise at dinner, I verbally lashed out at them with no warning. I did not even know the anger was coming until it was there. The children were repeatedly reduced to tears, and Kathy watched me sadly, as I became a monster in our home. As soon as I reacted, I knew it was wrong and felt terrible, but I could not stop or control the anger. I normally left the room and cried quietly, as I wondered how to kill the beast inside of me. There was something evil in me. It was part of me. How would I kill the monster that lived inside of me when I was the monster? At times, I was completely numb, but when I was not numb, rage was the only feeling I experienced. I did not know who or what I was becoming. I did not know if the thoughts I had were my own or the result of thousands of hours of tapes and seminars. Who was in charge here?

I was so fearful of the night demons that overtook me while I slept that I decided to buy some rum to numb the night terrors. I drank it one night with Coca-Cola so that the caffeine would keep me awake as long as possible. When I found myself hiding the bottle, I realized that it was a problem. I knew intellectually that I was showing the same addictive behaviors as other people with drinking problems. I confided in a good friend and mentor in our church. I told him what I had just done and said that I would give the almost full bottle of rum to someone else, just to get it out of the house. Instead, he recommended I dump it down the sink immediately. I did exactly that, and it felt good. I still had no idea how to beat the terror of the night. I could not bear to witness another scenario in my nightmares where Kathy or the kids were hurt or killed again!

I felt as if I was in the backseat of a driverless car, careening down the road at 90 miles an hour towards a concrete wall. I could not reach the steering wheel or the brake. I felt completely overcome with an irrational feeling of complete terror and was never rescued from it by a crash and the sweet release of death itself. I was unable to tell Kathy just how desperate I was, as she had always looked to me for strength. How could I tell the one who was counting on me that I was praying for death? Little did I know, it was very obvious to her that I was becoming a complete basket case. (We were not able to even speak of those times for over a year.). Sometimes the pressure was too great, and I took a beer and a cigar down to the swimming hole on our property. Here I sat for hours with a loaded gun, can of mace, a beer, and a cigar. *I don't even smoke.* I would stare into the flowing water, while frenzied thoughts screamed through my mind. I felt like I was drowning in the blood of the people that I loved the most. Kathy never knew if I would return alive from these walks.

These times of growing incapacitation were in stark contrast to the intense concentration I could summon at other times. You see, I continued to attend multiple open meetings, training sessions, and seminars in order to document a very well-orchestrated pattern of fraudulent conduct. I believed that when I exposed everything, both Amway and Zack would attempt to explain what happened to us and members of our global organization as an isolated incident. That was far from the truth. I collected massive documentation that was going to enable me to prove my rising suspicions. The documentation I uncovered was revealing that there had been widespread, systematic misrepresentation involved in recruiting and training Amway distributors for over twenty years. Those responsible were wealthy, powerful and shrewd—I would be crushed like an insect without complete documentation. I would probably be destroyed even with the documentation. I fully realized that, as an individual, what I was doing was like stepping in front of a tractor-trailer, but I had no choice. Our business had been built upon the premise that the Amway business had been founded on and steeped in trust, integrity, respect, and honesty. The Amway business and its related system now appeared to be devoid of all of those qualities. I had to expose this, because I believed the character traits were ones we had to live by and not just talk about. I had no conception of the price we would pay for this decision.

## **Second Verse? Same as the First!**

By March, I still felt that I needed more documentation. The pressure was escalating. I broke into tears, even in public, for no apparent reason. I would see a sad commercial on TV and start to cry. Being around our distributors and meticulously documenting what I knew to be true was hell itself. It was agonizing to repeat false, positive professions and motivational slogans to them. All of our Directs were expected to spend a small fortune to go to Arizona to another ‘Go Diamond’ seminar and listen to Dexter drone on about nothing. I could not, in good conscience, let this happen. My hand had been forced. Dreading the moment, I could not put the inevitable off any longer. I wrote a fifteen-page letter, complete with documentation, to send to all our leaders.

This was agonizing, as it was like throwing acid on our friends and family. Please understand that I was the one who had taught them to trust Zack in all situations. I helped them internalize that set of beliefs. I had helped teach them there was no other way to be happy, succeed, or fulfill God’s purpose in their lives other than through Amway. I had told some of their children how incredible it was going to be to go to Disneyland and see Hawaii when Mom and Dad went Diamond. They had watched me ‘retire’ when I was thirty. That had been one of many events that had encouraged them to dump thousands of dollars into the system year after year. I had helped sell them on being tough! I had encouraged them to take massive time away from their families for the short term in order to establish a lifetime of style forever. It was a complete hoax, and now in shame, I had to tell them what I had learned.

I prepared a packet nearly a quarter inch thick with court cases, video and audio tape transcripts, and revelations of what happened behind closed doors at leadership meetings and in high-level counseling sessions. I revealed to our leaders the fraud of the tool income and the income/lifestyle representations made by the Diamonds. A partial transcript of a taped, private counseling session with Zack was included. On the tape, he

taught me, as a new up-and-coming leader, to cut off people that did not buy into the tool system. At the time, I believed the system was essential to success and, in fact, had a 100% success rate—as “documented” by the opulent lifestyles of the Diamonds. None of us had any idea it was an income source for Zack. As a matter of fact, we were led to believe that on occasion he even lost money on some events, but invested for our sakes.

I was still confused by the paradox of thoughts battling for control in my mind. Part of me now ‘knew’ that this had been a complete scam from the first day we were recruited. Another part of me also ‘knew’ that this was inherently a good business founded on solid Christian principles. In my mind, I felt that something went wrong with Dexter and Zack, but they could fix it. In sending out the letter, I was preparing for two diametrically opposed scenarios. They were in complete contradiction to one another. Part of me ‘knew’ that The Business was pure fraud and must be exposed to stop the harm being done to many good people globally. Another part of me ‘knew’ that the letter might put enough pressure on Zack to make everything right and honest. That was the reason that it was going only to my leaders. I could have mailed it to the entire organization. The part of me that still believed that that this business was salvageable, felt that the problems could all be resolved, and no one but the leaders would ever know what happened. As a leader, I had been conditioned to lead my people, and so I was still shielding the group from “negative.”

The stress reached a near eruption point, and I confided in a few close distributor friends what I had discovered. They were sickened by what they learned but also felt compassion for us and for the position we were in. We were approaching a Saturday that was our monthly seminar day in our city. There was no possible way we could attend. We were terrified at the thought of coming ‘out of the closet.’ Our absence would be reported within minutes to Zack. We were destitute and being eaten alive by the stress. Don,<sup>\*</sup> an anesthesiologist in our organization, agreed to mail the many packages out for us and paid for us to spend the weekend in Washington, D.C. at Embassy Suites. We needed to remove ourselves from this boiling cauldron. The Arizona trip was coming up soon, and the exposure had to happen quickly. My hand had been forced. The truth of the matter was that I was still unable to make the decision to quit The Business. After the thousands of tapes I had listened to, it was almost impossible for me to believe that there could be life outside of Amway.

I had confided in Don about the intense, psychological problems I was experiencing as well as the nightmares. It was very difficult for me, but I needed some relief or help to keep going. He prescribed Valium for me. They were *real* knockout pills, and I was grateful to be able to knock myself out for three or four hours on occasion. I had never taken any medication of this type in my life and felt emotionally weak to have to resort to medicine. Survival was more important than my pride, and right then I needed to survive. I used them sparingly, according to the directions, and only as a last resort.

We left town. With the exceptions of Kathy’s caesarian section and a wedding, we had never missed a single monthly seminar, leadership, training session, or open meeting in nearly ten years. We felt incredibly guilty, as our people were there. We drove to D.C. and checked into the hotel. Kathy and I were far from relaxed, but this was a welcome break from what we had been experiencing. The kids jumped and romped in the pool and hot tub. At least, they were having fun.

Kathy and I agonized over the reaction that the group would have. The first call

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\* Not his real name.

came on Sunday. A distributor named Chip\* called, and I could tell that he was very upset. He wanted to know if I was okay, because something terrible had to have happened for us to miss a seminar. He told me that I could just hang up on him if the question was inappropriate. He knew questioning the upline about anything was forbidden. My mind raced as I agonized over what or how much to tell him. I asked him to come over to my house the next day but to tell no one. He and his wife were new distributors and had become good friends.

Kathy agonized over the orders that night. All of our people called in their orders, and a concerned couple asked where we had been. We had a prepared story for them to hold them over until they got the package on Monday. No one really questioned us, of course, because we were upline.

Chip showed up the next day and looked ashen. He knew that I didn't miss anything in The Business for any reason. I gently slid the packet we had sent to our leaders across the table to him. He was a large, powerful man but tears welled up in his eyes as he read the letter. He, too, was betting his family's future on this business. He and his wife, like most active distributors in our group, had lost thousands of dollars.

He was too shocked to speak for quite some time. Being positive, I told him that I hoped that Zack would fix it all, and we would get right back on track. He was not convinced, but he had not been in the system that long either. I told him not to make any decisions until all the leaders had received the information, and we had a meeting with Zack. He told Kathy and me that he loved us and left in tears. He was obviously being torn apart by the same forces that were within me.

We called the Emerald couple in our group and arranged for an early Monday morning meeting with them. We felt we owed them the highest advance notice, as they had been through many of the same battles and hurts with us. They both read the packets in silence and nodded in agreement with its contents as they read. We all felt scared and relieved. The four of us were terrified of Zack, by this point, but felt we could not continue any longer as things were. We had shielded them from most all of this information until now. They, too, had suffered the wrath of Zack as well as that of Kerry and Chris. Being good soldiers, they, too, had kept the very negative, hostile situations from their organization. We agreed to just hold our breath and wait and see what would happen. They made a strange comment when they left. They told us that they were going to pretend that they had no advance notice of this. It seemed a little odd, but it did not really matter to me.

The phone began to ring off the hook, as our bewildered friends got their mail. For the next few days, the phone would ring the second we hung up from the previous caller. It was a cordless phone, and as soon as one battery would die, we would replace it with a newly charged one. We were on the phone nearly 10 hours straight each day. We began to set up face-to-face meetings with each caller at our house. One by one, they came over, and we answered all their questions. We told them, to their shock, that we had made only somewhere near \$30,000 or less as Emeralds. They, too, had been told that Emeralds make over \$100,000. Some were in such a state of disbelief that I had to show them all my tax returns. We discussed the fact that many of them were working day and night for years and were making a pittance for it. One silver Direct shared that he had shown a tax loss for his Amway business of \$25,000 in only two years. He certainly believed what he was learning from our meeting.

Most were shocked and stunned more than angry. They all agreed with most of

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\* Not his real name.

what we revealed to them but still looked generally confused. I knew that the Directs Kerry had recruited as his spies had faxed or hand delivered the packet directly to Kerry just as soon as they received it. Kerry, of course, would have immediately sent it on to Zack. Zack and Molly happened to be with Dexter in the Bahamas at the Atlantis hotel, enjoying one of the Amway lifestyle trips. They both had been sending out voice mails saying how great it was and that they loved us, we could do it, etc..... I was so used to the routine now, I knew exactly what Zack would say when he called.

As if on cue, he called and was very friendly and spoke kindly to me. He said he had heard that I may have some concerns, and he was open to talking about anything. His focus was to help Kathy and me go Diamond, because he truly cared. I did not buy it! It felt as though I was talking to a venomous serpent.

He acted as if he had not gotten the fax yet, but I felt certain that Kerry had forwarded it to him immediately. He kept trying to pry a conversation out of me, but I knew better than to let him get a toehold! I hung up on him. He called right back and spoke very kindly. I recognized his damage control movements immediately. This guy hadn't wanted to listen to or help me for almost ten years, and now that I may have exposed him for having spent the last 20 years defrauding honest people, he suddenly was my best friend. It was late at night, and we had yet another group of confused distributors in our kitchen, witnessing the call. He tried to force me into a conversation, but I told him that I was not willing to talk about anything until he had received the fax and read it. I told him I had all the documentation I needed on him. He told me that he loved Kathy and me and began to go on about how much he truly cared for us. I had had it. I have to admit that I did not act professionally, and I lost my temper. I cut him short and screamed into the phone that he was a 'lying sack of shit' before hanging up on him again.

The distributors in our kitchen stared in a stunned silence. I had been their cool, calm leader that could solve any problem in a positive way. I was the guy that had convinced them that Zack was a godly servant, and now they heard me screaming obscenities at him. They were bewildered by what they were witnessing. The truth was beginning to look pretty ugly. But like me, they wanted reality to be totally different.

This was the beginning of hell week for us. I knew the game plan and had seen how distributors had been 'erased' when they left The Business. I thought I knew exactly what Zack's plan would be. In the letter to our leaders, I advised them of Diamonds like Brig and Lita Hart that had been virtually erased from existence when the new *Profiles of Success* came out, omitting their picture and story. They, and other Diamonds, had been removed from the book. The long-term distributors had already been psychologically conditioned not to think about or even notice things like that. New distributors would never know the difference, as no one would speak negative to them. In the letter to our leaders, I told them about the meetings that were being planned to turn them around and erase Kathy and me. I even told them that members of their upline would treat them very kindly. I knew they would swoop in and act like their new best friends, feigning great concern for their futures. What I did not gauge correctly was the level of control upline still retained over my people's minds.

## **Everything's Fine in America...**

Kerry and Zack followed the playbook exactly as predicted. They arranged to have Zack do a conference call at Kerry's house for some of our Directs and another call at Emeralds Rick and Paula's for another group of leaders. I was not overly concerned; I had told my leaders exactly what to expect, and they were not stupid people.

Kerry and Chris began meeting with all our leaders at regular intervals at their home. I was certain it was at Zack's direction, since Kerry did not even blow his nose without Zack's permission. Zack continued to call me from the Bahamas to try to turn me around as well. He now was realizing that he no longer was dealing with a mind-numbed, fearful underling that he could bully. He finally told me that he would give me anything I wanted: my own training sessions, someone other than Kerry hosting the seminars, etc. I was growing more distrustful, as the conversation progressed. The things he was promising were what I thought I had wanted. He said that I did not even have to work with him and could tie into another organization for support. I recognized the trap.

He knew that we, as instructed, had promoted him as a near all-knowing leader, a backbone in the organization, and to go somewhere else would confuse and destroy the group. He sounded like he wanted to help, but I sensed he still had no sincere interest in doing the right thing. He was very shrewd, but his motive seemed only to be saving his own hide. I also sensed that he had confused a few of my leaders enough to turn them against me out of fear. I decided to test this. I agreed that Kathy and I would meet with Zack at his home on Friday, upon his return from the Bahamas. This was done to get him to stop calling me. I needed to buy some time to think clearly, as he was good at what he did: confusing and manipulating people.

Rick, the emerald in our organization, called us the next morning to see where we stood on everything, and I let him know we were meeting with Zack on Friday. He told me that he felt we could work with this. We spoke of Zack and our mutual mistrust of him. He said that in the Bible, Daniel suffered under an evil ruler named Nebuchadnezzar and still helped thousands. He felt we could do that too. I could not submit my family or my friends to the rule of an evil leader, even for a test of some kind. But I did not tell him this, because I did not know if I could still trust him. He was asking too many probing questions that sounded like questions Zack would have asked. I decided to test him. I told him that all Zack had to say to resolve this was that he had misread the situation all these years and was sorry for not taking care of it. He just needed to acknowledge what the four of us had been telling him for years. My phone rang early the next morning, and it was Zack. The first thing he said was, "I am sorry for totally misreading the situation for all these years."

I realized that Rick had sold out, reporting on me to Zack, while Zack would do or say anything to put the fire out. I said the right things to Zack only to appease him and let him believe we were still on board for the Friday meeting.

You must understand that in my heart of hearts, I truly wanted to have the meeting. I wanted to witness a miracle and learn that he was honest and that all this had been a big mistake, and he could make it right. The little voice that had once been a whisper in my soul was now audible after months of not listening to any of the tapes.

Over the phone, Zack acknowledged the problems and said he would fix everything, but I was still very uncomfortable. I did not trust him or my own ability to think things through yet. My head was spinning. He was kind and very amicable, not argumentative or combative about anything. I just wanted this to be a good, honest

business. He told me he loved us again. I decided to test him. Before he hung up, I asked him the names of our children. After nine years, he should have known their names. He had no idea what their names were. He apologized and said that he didn't ever remember me mentioning them by name.

With all that, I dropped my guard. As incredible as it sounds, he managed to convince me that I could make Diamond in no time through Quixtar, and soon I would have no financial worries. He convinced me that we could be EDC (Executive Diamond) in two years and make a huge fortune and help many people. This, he advised was "better than the alternative." I did not tell Kathy much of this but agreed to go to the Friday meeting at Zack's mansion. He got me back "in". Despite moments of clarity, my mind could not understand the truth or reason clearly yet.

Every one of our leaders was calling almost daily to find out what was going to happen. We finally got the phone to slow down a little, once we told them of the Friday meeting. Many kept coming over to see us in person after meeting with Kerry and Chris. Then a very strange phenomenon began to occur. The more we told them and the more documentation we provided, the more confused they became. The brainwashed glaze and perpetual 1,000-tape smile was gone. They had been replaced by tired looks of complete anxiety and fear. We could tell most of them had no idea what the truth was by that point. I could not understand what was happening! I had to figure it all out on my own. I had not had the luxury of having someone else doing all this research for me, trying to protect me. No one simply gave me over 50 pages of documentation to save my future. After meeting at Kerry and Chris's house, some of our closest friends began to grill us with really personal questions. We did not understand what was happening. Some asked strange questions and were evasive about why they were asking. Some became strangely silent when we asked them about the meetings with Kerry and Chris. We had nothing to hide, because we were telling the truth, but their embarrassed looks seemed to imply another kind of shame.

While we were puzzled by this new response, I was more anxious and even fearful about Friday's meeting with Zack. I talked to a Direct Distributor in our organization who was a homicide detective in State College. He knew Zack well and advised me, as a friend and a police officer, that under no circumstances would he want us to meet with Zack alone at his house. That sounded like good advice. I called Terry, another Direct in our organization, a very successful businessman and CPA. We thought he would be a great mediator, and he had tremendous respect for Zack. He agreed to attend the meeting for the benefit of all. I sent Zack a voice mail and told him that Kathy and I would be glad to meet with him on Friday, but it would have to be at a public restaurant, and Terry would attend as a neutral third party. That should help avoid any confusion during our discussion, concerning keeping this business honest and free from abusive practices.

In the meantime, Kathy and I dropped in on Don and his wife to thank them for sending us to D.C. I told him about our meeting scheduled for Friday and that we were resolving all the challenges. I explained to them that Quixtar was a whole new business and might not have the same emphasis on the tools. Don was normally a very calm, quiet man, but when I told him about Quixtar, he went ballistic on me, right there in his living room. He started jumping up and down, pounding his fists on his legs and yelling that these were the same people who had been lying to us and screwing us for years. He kept yelling, **"It's the same people!!!!"** again and again. His face was beet-red from yelling so loudly. We left quickly, surprised at how negative he had become. (Obviously, my

capacity to break free of the system-induced psychological coma was still impaired.)

I got home from this scream-fest and checked my voice mail. As was normal, I had turned on my tape recorder and began to play and tape my messages. For a moment, I was actually relieved to hear that there was a message from Zack, but my life changed forever as he spoke. He told me that he did not want to take part in any meeting with any “**witnesses**” or anything that I would want to put together. No witnesses? Was this the Mafia, or what? It was over. In my heart, I now felt certain my former hero, mentor, and father figure was not a man of honor and integrity. With everything that was in me, I had wanted to be wrong. I had wanted to fix this for my friends. We had all believed that The Business was our future. We were going to succeed and impact the world in a positive way. Now, it was over. I felt deep regret for all of us. We had been an incredible team. Grief is the only word that I can use, and even that just barely touches the emotion that wrapped its icy fingers around my heart. The truth was now clear.

The last few months had been some of the most profitable we ever had in terms of monthly gross income. Quixtar seemed to have some real potential, particularly with alleged “partners” like Microsoft and IBM. Zack had been verbally agreeing to give us the freedom to build our business; yet I knew, I was figuratively ‘a dead man walking’ for challenging him. I did not trust him at all. I could not submit myself or my family or my friends to a corrupt leadership. My only choice was to walk out and let go of our dreams. I knew that our exodus would destroy what Kathy and I had spent years to build.

We soon would have to declare bankruptcy. Out of moral obligation, I was about to destroy my only income source. The costs would be high, but there were too many good people, looking to us for leadership, for us to think of ourselves. I knew that our organization would hear lies about Kathy and me, about why we left The Business. I prepared a letter that I faxed and mailed certified to Zack. I also read it to him on voice mail and sent a copy of the voice mail to all of our leaders. Below is the portion of the letter to Zack, explaining the true reason for our exodus from ‘our’ business.

I am giving you formal notice by voice mail, fax and certified letter of my intent to go inactive in my Amway business. The reasons are many. The least of these reasons have to do with Kerry and Chris Johnson. After spending a great deal of time with you and your other leaders as an Emerald in your organization I have experienced (and documented) situations that I believe to be quite disturbing. I became part of your organization and Amway because I was sold on the fact that it was a business built and run on Christian principles. It appeared that loyalty, honesty, integrity and respect were the cornerstones on which this business was built and run. After a great deal of first hand experience, it appears to me that this organization and business may be almost totally devoid of all the above. There is no amount of real or “potential income” that would interest me in putting my family’s future in the hands of Amway or your leadership.

For years, our phone had rung almost non-stop with a flurry of activity from our friends in The Business. Soon after sending out the voice mail with the above message on it, our phone grew strangely silent. It would never again ring non-stop with news from our group.

They were family, and we had been in constant communication with them. The

silence, at first, was a welcome relief from the frenzy of calls that we had experienced during the previous week. We had a few sporadic meetings with some of our leaders. Those meetings were strained and very uncomfortable. They tried to convince us that The Business wasn't all bad. There were some good things about it. Many were inordinately concerned, "What was everyone else going to do?" I found the constant questions regarding what everyone else was doing to be very odd. It appeared that the entire recruitment and training process was based upon complete misrepresentations of the truth. They began to argue with me as if I was a negative prospect, and they had just shown me the plan. I brought up the fact that they were making little or nothing after years of work and after dumping tens of thousands of dollars into their business. They robotically explained the principles of business ownership and investing. I recognized that thought process, because I had taught it to them.

They did not believe much of what I had been telling them about our situation. In fact, they had been led to believe that Kathy and I just screwed up. Emeralds all made a lot of money, they told me. I showed them the tax returns again. They were blocking the information out, being unable to process it. I could not get them even to look at their own tax returns. The one distributor that was a Silver Direct told me that he had lost \$25,000 during the past two years. He had business savvy and managed some large businesses in our city. But he turned all the information around and explained to me that this loss actually had helped him, because he got somewhere near \$6,000 in tax refunds, helping him to pay his debt down.

What insanity! He was a sharp businessman, yet he was in such a zombie-like state that he was rationalizing the benefit of taking huge amounts of time away from his family and losing \$25,000. His wife had confided in us the prior week that she had come home and found their son curled up in the fetal position, crying hysterically, because he had no friends. They had been so busy going nonstop, building their Amway business, that they had no time to take the kids anywhere to do things with their friends. She was overcome with grief and guilt for having abandoned them. That was last week, though. This week they were trying to sell ME on how wonderful life really was for them. I did not understand what was happening.

We still communicated with most of our leaders. Zack had been calling me to the point where we felt that we were being harassed. I asked him to stop all direct communication with me and to run it through my local attorney. He still called twice in one night and would not identify himself to Kathy. We recorded the numbers from our caller ID for documentation. He called back a third time and was talking in a friendly manner, as though we were buddies. As was now usual, we had a distributor couple at our home who witnessed this. It was pathetic. I advised him that I would file harassment charges if he ever called again. He had let me know in a previous conversation that he sent a copy of my letter to his attorney. He was bluffing me. I had anticipated that Zack would react like that with bullying tactics. I told him that I was not intimidated by this saber rattling.

I knew that he was not going to sue me for defamation of character or anything else. I knew he did not want to have any of this information going public. He would never jeopardize this rotten truth about The Business by having it become common knowledge. I told him that I was no longer fearful of him and to feel free to have his attorney file suit against us. He said that he had no intent of doing that and wasn't actually threatening but just wanted to inform us of his actions. He had sorely underestimated me if he thought I was about to go away quietly after what he had done to

us and to thousands of other innocent people.

I heard less and less from our leaders in the next few days, only that Kerry, Chris and Larry were having a meeting with them at a local Quality Inn. I also heard that Zack had agreed to let Rick and Paula order and pick up directly from his office, so they would not have to deal with Kerry and Chris. Everyone was still strangely unsure as to what they were going to do. Confusion was rampant. I was certain that about 95% of them would just quit. It was a sorry thing, but somehow we would all rebuild our lives. Some distributors came over, and we talked about all our hopes and dreams being gone. I explained how finally these dreams could truly become possible. Now that we were out of Amway and were not being bled to death financially, we would have the time and resources to truly live our dreams and be with our families. Logically, I knew it was completely true. But in my heart and spirit, I did not believe any of it myself. It felt as if our lives were over. There seemed to be no hope.

We continued meeting with our friends, who seemed to be more and more mixed up by what they were hearing and learning. At times, they almost sounded like robots, as they regurgitated the positive aspects of The Business. After about a week, I noticed one particular pattern. Three of our Direct distributors shared that The Business was good, because they had retired their wives with it. They stated this with complete sincerity.

Look at each case. The first was the Ruby Direct, who was working nearly seven days a week now and had been in The Business nine years. He was making, by his own admission, around \$4,000 a year and rarely saw his children. His wife had worked for the school district, where she had a solid job with benefits. The second was the Silver Direct, who just the previous week had shown me a loss of \$25,000 in the last twenty-four months. His wife had been a teacher. The third was John, a Profit Sharing Direct, who worked at a concrete plant and had talked about having to go to his bank, because he was tens of thousands in debt. His Amway business was probably showing a huge annual loss.

The important thing was that their wives were home and not submitting to another man. We had been thoroughly trained that it was a great embarrassment for a woman that was a Direct not to be a full-time mom. It was just expected. Even those without children were pressured to quit their jobs to help their husband build 'their' business. In retrospect, I can see the reason for this tactic. Without the wife's income, both were even more desperate to build a successful Amway business. After open meetings, the leaders would get up and state their current or past professions. The women were very proud to say that they were stay-at-home moms. The reduction in income and the increase in expenses were part of what sent some of them spiraling into massive debt. 'Freedom' was all that mattered, and it gave the group the false belief that they would have a good income at the Direct level. This further perpetuated the whole cycle of deceptive recruitment. We certainly thought there was a lot of money in The Business, when we saw that women did not have jobs and most drove Cadillacs. It was all smoke and mirrors, at an enormous cost to those who believed it.

*“The story of Amway is one of the greatest success stories of all time. In less than forty years, a small company in from Ada, Michigan - with one product and a handful of salespeople - has perfected and fine-tuned referral based marketing and built one of the most successful business enterprises in the history of commerce. Their network of Independent Business Owners encompasses 3 million people in eighty different countries and territories”\**

-Coy Barefoot

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\* Barefoot, Coy. *The Quixtar Revolution*, copyright 1999, p. 141

CHAPTER 12

# The Turning Tide

*“And all we have ever had in the business is our Amway income. We still do not have tool income. That might come as a surprise to some of you. But that’s all we have is Amway income. But do you know why we have a big Amway income? It’s because we took some of the principles from the Bible and we lived by them.”*

- Amway Crown Ambassador Birdie Yager\*

We were home when the phone rang, and I was pleased to hear Bob Leatherman from Distributor Relations at Amway. He had always been pleasant with me. He explained that he had a gentleman named Dan Bailey on the line. His department was not revealed to me, but I assumed Dan was from Amway’s legal department and knew instinctively that he had been sent a copy of the packet. There was a certain relief in having them call, as I wanted to fill them in on the whole situation. I still wanted to believe that Amway was a good, honorable business that had been prostituted by people like Dexter Yager and Zack Walters. The founders were Christian billionaires. I felt sure they would be disgusted to learn what had happened to us, our group, and the entire Yager/Walters organizations globally.

Dan and Bob seemed very professional and friendly. Initially, it was reassuring to speak with them. However, we hadn’t been on the phone long, before they made a tactical error. ***They lied to me!*** They said that they had heard I had some concerns about the business, and they wanted to know why I would stop building the business after having achieved the Emerald level. I knew they had the letter in their hands. I had just mailed a copy of it directly to Bob Leatherman, but that copy couldn’t have reached him yet. Zack or Kerry had to have faxed them a copy. I told them that they could expect a relatively thick packet of documentation from me shortly. They continued to prod me for information and tried to express some ‘genuine concern’ and wanted to help resolve any challenges we had with The Business. They had claimed to have no idea what the issues were and just wanted to get them out on the table.

They pushed and probed me for information three or four times, which was too much like dealing with Zack. They appeared to be friendly and helpful and full of concern, yet they were lying to me. I knew that information this damning must have been forwarded to them immediately. I made it clear that I wanted no conversation with them

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\* Birdie Yager, **Birdie-Monday Afternoon** Audiotape Stock No. GDL 96-28 Copyright Internet Services Corporation

regarding my exodus from The Business until they received and read my letter and supporting documentation. Finally, Dan admitted that he was looking at my letter. I immediately cut him off and asked if he was in another building on a conference call or in the same room with Bob. They admitted that they were in the same room, and I was infuriated. It was beyond comprehension that they had not read *and discussed* the revelations of my letter and the enclosed documentation at great length. Here was the same kind of deception that Zack had practiced on us.

I flew into a rage. I could not believe they were pulling the same deceitful crap on me again. Bob acknowledged that he had read the letter and explained that they just wanted to give me the opportunity to state it in my own words. "I thought the letter was written in my own words, wasn't it?" Then they started the good cop/bad cop routine. Bob remained very friendly, and Dan stated that he was actually from the Rules and Business Conduct department and that I had violated several rules by sending this letter into our organization. Wait a minute, it was against the code of conduct to advise people that they were being defrauded? We played good cop/bad cop for a while, and I was amazed at how pathetic it was all becoming. They were using the same playbook that Zack liked to use. They appeared very kind and concerned but were trying to steer my decisions. We closed the conversation on a friendly note, but I was mentally and emotionally exhausted. It seemed my hope of integrity at some level of The Business was wearing very thin.

The night came when Kerry and Chris were to have the meeting with all our leaders to erase us and explain away the letter. I had a Direct in attendance who took notes at the meeting for me. Kerry and Chris and their sponsor, Larry, ran the meeting. Larry was Chris's brother, the one who had shared how "everyone in our area carried a gun," after I complained about Kerry brandishing a gun. The meeting was completely out of character.

Zack had always prided himself in **personally** solving challenges very quickly. He had taught us as leaders to put out a fire if we even saw a little smoke. He solved problems, particularly big ones, himself. Now he was sending those two? Perhaps he had wanted to distance himself from the liability and was sending them to slander us, so he could later say he was unaware of it. He had been calling Kerry, Keith, and Rick directly for the last couple of weeks.

Larry and his wife had been in Amway for around twelve years and were Direct distributors. They might have had a net income of around \$5,000 a year, maybe less, after over a decade of solid effort. Incredibly, Larry started the meeting by saying that no one knew why I had sent the letter. He said that stressed-out people do wild, irrational things and that I was a poor money manager. I had expected this and was not shocked by it. He went through the standard 'we love you and care for your best interest' type of propaganda and spoke of how honorable Kerry, Chris, Zack, and Molly were. Larry was one of the people I had on tape, from years ago, telling us that we would make \$100,000 a year as Emeralds. Now after we had quit our jobs, gone Emerald, and were destitute, we were bad money managers? There was a noticeable difference between the promised \$100,000 and the under \$30,000 income that we were actually making. Also, after over a decade in The Business, he had never come close to doing as 'well' as we had done; yet he was saying we screwed up. He was an airline pilot and had a nice home and car, and the group may have believed it came from his Amway "success". They were all making

nearly nothing in comparison to what they were promised; yet they all thought that they were the only ones who were not making what they expected. That's not so amazing, when you consider the effects of never being allowed to share negative comments or question the upline. People had no clue.

Distributors were advised at the meeting that it was dangerous to allow Kathy and me to have any contact with their organization. That was incredible, considering the fact that we had been lifted up as heroes on stage for years. Now we were a dangerous threat. Those present were advised to send us cease and desist orders, stating that they would take legal action if we had any contact with them or any one in their group. We had built these groups with them. They were our friends. They were family. This was insanity. Distributors were told that the information I sent out was full of lies. Distributors were told that I was not a team player and just had it in for Kerry and Chris. That was never the issue! The Business was (and still is) built on intentional misrepresentations that have cost all of us dearly.

Rick and Paula, though Emeralds, had been treated badly by Kerry and Chris, to the point where they had almost decided to quit. Rick had refused to work with them and now dealt with Zack directly to avoid any contact. He was asked to speak at the end of the meeting. He got up and told the group that he had no problem with Kerry and Chris and had not yet had the 'privilege' of working with them directly. Rick had been worked over by a master deceiver. In his response, I saw Zack's artful work at its best.

Prior to this meeting, John had called Rick for Kerry, because they were not even on speaking terms. John was a Direct in our organization who was a very close friend of mine. We shared much more than the same name. I was advised later that John had been asked to call Rick to see if he was staying in The Business. He told Rick that when God was going to doing something good for His people, like Quixtar, Satan would use even a good couple (Kathy and I) to destroy it. They all needed to pray for or against us. That was pure Yager/Walters system, pseudo-Christian psychobabble. All who were for the business were good and of God, and all who were against came from the very bowels of hell. Now, I was one of Satan's handmaidens? I think not. That one was so ludicrous that it did not initially bother us that much. What was happening in the private meetings at Kerry and Chris's house and with Rick and Paula was far worse. We began to hear bits and pieces as our leaders were very confused and did not know whom to trust. Those bits and pieces would be the worst things we had heard thus far.

## **The Pain of It All**

June, one of our Directs who was a very good friend, called to take Kathy out to lunch. It was a nice break for Kathy to get out for a while with another woman just to relax a little. I felt relieved that they were spending some time together. Kathy was gone for a couple of hours. When she came back, I went to the door to greet her and hear some good news for a change. She looked sick. I asked her if she had enjoyed herself, but she said nothing. She could not speak a single word. Instead, she walked into our bedroom and collapsed on the floor. She wept uncontrollably, and I was not able to console her. Leaning up against the bed, I just held her until she could speak. She just kept saying, "You won't believe what they are saying about us!" I sat there quietly thinking, what

could be *that* bad? I already knew that they were saying that I was poor money manager and did not accept wise counsel. I had anticipated that. Was there more?

She finally was able to blurt out some of what she had been told. They were telling people that I was an alcoholic and drug addict, hiding this from the group during the past years.

Even I was shocked beyond words with that rumor. How could anyone be saying those things to people who had known us intimately for almost ten years? How could our friends believe these things about us? Kerry also held up a sealed envelope in a meeting and said that the information it contained would only be revealed in court. He said that the documentation was about us and was so hideous that if people knew about it, they would never even be able to look at Kathy or me again. June said that none of it sounded true but that they did not know what else to believe. Kathy was crushed. Rob and June were two of our dearest, closest friends. How could people even repeat, let alone believe, that trash? Those people had been our closest friends and nearly constant companions for almost ten years. We were always in the public and almost never alone. I was working on *The Business* day and night. When on earth would I have had time to drink or do drugs?

I immediately called Don, the doctor, and had him order a full drug screen for me at the hospital for documentation purposes. Within two hours of hearing the drug rumor, I was screened for all known drugs and had the results (which obviously were negative) sent directly to Don for safekeeping. I no longer felt safe even taking a prescribed medication for fear of rumor. Sadly, I gave the unused portion of my Valium prescription back to Don, who sealed and dated the vial for me. I could no longer even have the brief relief from nightmares that the pills had afforded me. Neither Kathy nor I were eating or sleeping well. In fact, we often went through the whole day without eating anything. The stress was mounting, as was the fear and anxiety in our lives.

Another distributor, we'll call Dan, met with Kerry and was told that I had never worked for the Federal government as an auditor. They "knew" exactly when I graduated from college and all of my work history, and it was not possible according to Kerry. Dan was also advised that the tax returns I was showing people were falsified on my home computer. He was assured that you could print anything on a computer these days. He was told that I was very clever and could use my skills for both good and bad purposes. That was nonsense. Would I actually be making \$100,000 a year and telling people that I only earned \$30,000? Would I do that and then call it a fraud and quit just for the fun?

It became more and more evident that what people were being told did not even have to make sense. The message I sent out in the package to our leaders was both accurate and valid. The court cases and transcripts from counseling sessions and videos were very real. They were factual evidence. The tactic being used by my upline became clear. If the message could not be destroyed, then the messenger would have to be. We had no conception of how far they would go to completely annihilate us. We had greatly underestimated who and what we were dealing with.

Keith, the distributor whose wife had sent him a letter saying she couldn't live like a single mother anymore, announced that after going Ruby, and driving 40,000 miles in a year, he had a net income of somewhere between \$4,000 and 5,000 a year. He had said he felt like a phony. Our children went to the same small Christian school, because neither of us now trusted the 'evils' of a public school system. I was the president of the Parent Teacher Fellowship for this school.

We had a fund-raiser after school one day when Keith approached me. He was obviously very upset. He pointed a finger in my face and told me that he had it on good authority that my letter was full of lies. His wife had repeated this to other cross line distributors in our group. I would later be informed that Zack broke his own cross lining cardinal rule and asked Rick to call Keith and tell him that the letter I sent was not true.

I attempted to remind Keith of how unhappy he had claimed that he was feeling, and how he thought he'd be making more in a month than he makes a year by now. I brought up the fact that he almost never saw his wife and his children. He let me know, in no uncertain terms, that it was a lot better than having a job and being broke the rest of his life. He could not even *see* his own situation. He needed to get off the tapes, but there was no talking or reasoning with him. Nothing made sense. He was a middle-level insurance executive by profession, but he seemed unable to see the big picture.

I spoke with Sally who also was a close friend and a Direct in our organization. She and her husband were being audited by the IRS and having deductions disallowed. In any event, she was kind but very concerned. She, too, had heard the rumor of my drug use and also that I had a gambling problem. They had gone Profit-Sharing Direct and had bought tens of thousands of dollars of vitamins to do it. They were no longer buying huge quantities of expensive vitamins but were running their business at a loss, like most of our group. I tried to tell her how little money even the high-level distributors were making. She was a very smart woman, but she simply could not grasp what I was telling her. She just kept saying over and over that they did not understand what *we* did with '*all the money.*' I tried to explain that there never was 'all that money,' and that was the whole point, but it only made her more frustrated. We parted as friends, but I was growing increasingly concerned for those who still seemed to be very much ensnared in this trap. She and her husband, an eye surgeon, were very intelligent people. How could they not understand the simple truth? They were dear, dear friends. Was I not expressing myself well enough to be understood?

We met with several more distributors at our house. None of them wanted to talk about their income, how much they were losing, or how little they were making. None of them wanted to talk about how much time they were away from their children, or the fact that nearly every weekend was now tied up with Amway business of one form or another. Most didn't want to talk about any specifics. They were very, very bewildered people.

They tried to tell me how The Business was a good thing. They didn't want to give up their dreams. I really began to feel like I was losing my mind. It looked like many of those good people might actually be manipulated into staying in The Business to their own family's detriment. A growing torrent of conflicting thoughts whirled through my mind.

Some were acting like they did not know what to believe about us. I had never used drugs and rarely even drank a beer in the last ten years. Now, some of our closest friends were drilling me with questions about '*my problems.*' We had made our lives an open book and shared information and documentation with everyone. We were willing to bare our souls to help these people understand the truth. Kathy struggled the most with this entire situation, because she is such an intensely private person.

The woman who delivered our mail came to the door and asked us to sign for some mail. We did that several times over the next few days, as we received letters from most of our leaders. I did not understand. Even after all that was revealed to them, they

still believed that The Business was the only way for them to succeed and reach their dreams. This meant that I was a threat to their hopes and dreams for their families.

The letters we received were all nearly identical cease-and-desist notices that threatened legal action if we had any future contact with them or anyone in their organizations. We were left questioning what 'have no contact' actually meant? This was our family. We had no other friends. How could they possibly have believed all the garbage that was being told about us? **They** knew us better than anyone. The slander was vile and disgusting, but, fortunately, we did not hear the worst of it until months later.

Rick called. He and Kathy had always been close and related well to one another. Nevertheless, he advised her that neither she nor I were to have any contact with anyone in his organization. He and his wife were convinced we were trying to destroy their future. We were dumbfounded. He had been treated horrendously by both Zack and Kerry for years. They had gone Emerald, but their income was even less than ours. They were making near or under \$20,000. He drove a Mercedes that he had purchased after going Emerald.

After one counseling session with Zack, he told us that Zack had made him feel like a moron for buying the Mercedes, because they had not checked upline first and gotten permission. In any event, I asked him where his group thought the money came from for the car. He didn't have an answer. Here he was, with a pathetic income after having gone Emerald, and he was driving a Mercedes in order to perpetuate a false image of financial success in Amway. He told me that his group thought the money came from both his job and Amway. We both knew that it was a lie.

Our verbal warning to have no further contact was then followed up with a registered letter of the same nature. We had done everything but bled to protect our team when they were getting mistreated. As a result of The Business, they had suffered intense personal challenges. Yet he was nasty to Kathy on the phone. Somehow, we had become the enemy.

Remember Chip, the distributor who called me Sunday after the seminar when we did not show up? He was rather intrigued and initially amused when his sponsor and Kerry arranged to meet with him and his wife to explain away our exodus. Chip and his wife, Tina, accepted the invitation to meet with them but were fully aware of what was truly going on, because they had read the whole packet I had given them. Their entire upline thought they were in the dark and knew nothing of our exodus. They went to the meeting just to see how far people would go to cover this all up. They were relatively new distributors and had not been in the system long enough to be influenced yet, or so I thought. I was still a little nervous about the meeting, for their sake.

What happened next is still shocking to me. Understand that Chip's sponsor got the packet in the initial mailing and was aware of the entire situation. Before the big meeting, Chip's upline led him to believe that I had cancer, and my trip to D.C. was to seek medical help at Johns Hopkins Hospital.

They arrived at the meeting and waited. Kerry drove up in his white Mercedes, fashionably late, and did his typical Zack Walters' imitation. He came in totally pumped up positive and talked about Quixtar and how much everyone was going to make. He told them that he was going to show them how to buy a laptop for The Business and pay for it in 90 days. I found all of that to be very interesting, because I knew that most active distributors in Kerry's group lost thousands of dollars every year, despite incredible

efforts.

Zack must have coached Kerry very well. He cushioned his talk with a story about some “stupid distributor” who questioned Zack about why one Diamond was in the old profiles but not the new one. The Diamond had been ‘erased.’ He described how Zack handled it and told the distributor to ask only questions in the future that would benefit his business. The point of this oft repeated example was that you needed to mind your own business; if you were worrying about someone else’s business, you would never succeed. The Business was perfect, but we just had to deal with people who were imperfect. The bottom line was, don’t ask any questions about Kathy or me or anyone else.

Kerry then went on to explain our exodus from Amway. He told Chip and Tina that Kathy and I had some very serious personal challenges we were working through, and our only request was that no one contact us. If they truly loved us, they would need to follow our request. Remember now, they had been told that I had cancer. They were then told that the very best thing they could do was to build The Business like never before, because Kathy and I were going to need the income. The best thing they could do for us was build The Business to Diamond, so we would open the *Amagram* one day and see all of *their* pictures. Under no circumstances were they to contact us. Our only request was for privacy. After lying directly to them, Kerry then looked them in the eye and told them that he loved Chip and Tina and that he was going to be the best friend they would ever have.

Kerry was very lucky that he was not attacked and beaten unconscious at that moment. With personal fortitude, Chip and Tina never let on that they knew the truth. The next day they made it clear that they knew the entire situation, and their new ‘best friends *that loved them*’ became quite nasty with them.

I was shocked to hear the cancer story. How low could these people stoop? How could someone lie and then look them in the eye and tell them that they were loved? I could not help but wonder what the going price was for the selling of a soul. We were only hearing bits and pieces of what people were being told by our upline in the group. There seemed to be one wave after another of lies and deceit. We were shell shocked that many of our closest friends now viewed us as their enemies. I was growing more fearful for our safety.

I realized that that the potential for physical harm was an ever-increasing possibility to my family and I. You see, I had helped this group of people believe that succeeding in Amway was the *only single* way to achieve happiness, success, and God’s will in their lives. Now I stood between them and their goals. I was in a very dangerous place. I really did not know how far these people would go. There seemed to be no limit.

## The Paper Chase

I began to do more research. Actually, I was going over some of the nearly two-foot tall stacks of written documentation I had already accumulated but with a difference. Now I was able to understand and accept it. I found out that Amway had committed and was found guilty of fraud in one of the largest cases in Canadian history. Colin Grant, a professor of religious studies, made the following observations of this situation.

The denouement of the Amway integrity-success story was reached in 1983, when an Ontario Supreme Court Chief Justice fined Amway 25 million dollars, “the largest sum that a Canadian court has ever levied and one of the heaviest criminal penalties ever imposed against any corporation in the world” [“Amway Cracks—And Pays,” *Maclean's*, 11/21/83] for evasions of customs duties. Behind this conviction lay an elaborate scheme of dummy invoices, and even a dummy corporation, designed to underprice Amway products shipment into Canada.

...There is no doubt that the President and chief executive officer of Amway were deeply involved in these developments. This is indicated not only by the magnitude of the operation, but by the nature of the corporation.<sup>1</sup>

**Grant goes on to state the following:**

The conviction for defrauding Canadian Customs was handed down in 1983. The book *Believe!* in which DeVos give the enthusiastic endorsement of integrity in business and of the unavoidability of ethical claims quoted above, was published in 1975. But this book was reissued in a new “New Revised Tenth Anniversary Edition” in 1985, without any reference to the Canadian Customs conviction. How can the president of a company, which holds the distinction of having been fined “the largest sum that a Canadian court ever levied and one of the heaviest criminal penalties ever imposed against any corporation in the world” reissue a book two years later insisting on the indispensability of honesty in business, without acknowledging his own complicity in such blatant dishonesty?

The most obvious explanation is that this was possible because of the foreignness of Canada, that is, because of the lack of awareness of, and interest in, what happens in Canada on the part of the American media and people.... It would be difficult to imagine his reissuing of his paean to honesty and integrity in business, if the conviction to which his company was subject had been imposed by an American court.

For a corporation to compromise ethical principles is by no means unique, or even surprising. But when the president of a corporation which has been subject to one of the largest criminal penalties in history reissues a book insisting on the indispensability of ethical integrity in business, without acknowledging that crime, this confirms the worst barbs of cynics about the antiethical nature of business and ethics. For not only does such profession ring hollow in the light of the unacknowledged violation of these very principles in practice, but that failure of acknowledgement

inevitably appears to confirm the suspicion that ethical profession is being used as window dressing in the interests of power and profit.<sup>2</sup>

What about full adequate disclosure? Why were Amway prospects never advised that the company was investigated and fined for fraud? This was unconscionable.

## **It's Time to Sling More Mud**

*"You grow...or you quit...and starve the rest of your life.  
What's the alternative?"*

- Birdie Yager\*

In one of Zack's last calls, he assured me that I could sell my business and that it was worth "a lot." I had no interest in selling it to him or anyone else. Dan Bailey also felt a great need to remind me that I could sell my business to a member of my upline. I told him that I simply wasn't interested. Although we needed money desperately, I knew that if I sold it and then exposed Amway and its motivational organizations as corrupt, I would be held liable for damages to The Business. Zack loved contracts and had once told us that even his warehouse employees had to read and sign every page of a 20-plus-page employment form. Now I understood why. It must have been a secrecy document. Despite the fact that I explained to Amway that I had no interest or intent of ever selling my business, they sent me a packet of information to calculate its value. That, too, was a pathetic joke.

They calculated its worth as being several times the income of the Amway distributorship. That would value our business at around \$75,000. That was for a business that the upline had used to cull millions of dollars in tool money. Even though Amway had been fully aware of the existence and abuses of the tool business, they still pretended to ignore its existence or worth to the upline. It was a good deal for Zack to buy my Amway business for near \$75,000. The Amway business had an average monthly net income (for tax purposes) of near \$2,100 a month. Yet the tape, book, and seminar income stream had brought Zack millions of dollars. Do you think he would sell *his* business for several times what his Amway income was? They were dodging the real issue, and I had no interest in blood money.

I was fairly compliant but did not have many future contacts with Bob Leatherman at the distributor relations' level. He left Amway soon after all of this started. (I would like to believe that his conscience got the best of him, and he would not bow down to Amway.) Dan Bailey took over handling my case, as the head of Amway's Global Rules and Conduct Division.

It soon became apparent to us that he headed up Amway's goon squad. This particular department seemed to be just as unethical and morally bankrupt as the upline from which we were attempting to escape. Dan told me that I had broken several rules of conduct and had jeopardized our distributorship. In a telephone conversation, he

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\* Birdie Yager, **Ladies Session** Audiotape Stock No. GDL 95-23 Copyright Internet Services Corporation

explained how I had violated rule 102(d) of the rules of conduct by sending my packet of information to non-personally sponsored distributors. According to him, having contact with those people without permission was a violation of that rule. I was still predisposed to following authority and agreed not to have negative contact with distributors in depth.

I had actually refused to give the packet to two distributors who had requested it. It dawned on me that Dexter, Zack, and all the Diamonds had contact with any and all distributors in depth almost daily. I found the rulebook and opened it to 102(d). I was surprised to learn it had nothing to do with what I had been told. Rule 102(d) prohibits contacting non-personally sponsored distributors for the purpose of soliciting them into another sales/business venture. Zack had told us that once upon a time, Dexter had contacted him and many other non-personally sponsored Diamonds and called them together for several investment deals, including a fast food chain called Dexter's, a bank, and a travel agency. Zack's current *Profiles of Success* alleged that he was the primary shareholder for the largest travel agency in the country.

I brought this to Amway's attention and was told that this interpretation was used to "extend support and protection to the personal businesses of Amway Distributors." In the same correspondence, he also advised that,

Additionally, Rule 102(n) stipulated that:

"An Amway Distributors must operate his or her distributorship in a financially responsible, solvent and business like manner." Sending a letter in depth and crossline disparaging your line of sponsorship could be considered in violation of this rule. Thank you for your continued cooperation with this issue."

My interpretation of the rules was very different. We had never even heard of any of them, let alone their enforcement. It sounded to me like the rules were being twisted and formed to make problematic distributors go away quietly. Perhaps it had worked, and that was why it had gone on for so long. Informing our downline, and Amway, of possible widespread, systematic fraud was a violation of good business principles? This did not make sense, because I still thought that at its core, the Amway business was good.

The facts that I would soon discover about the Amway Corporation and its billionaire founder Rich DeVos were worse than anything I could have imagined. Incredibly, at this point, I still wanted to believe that at some level, Amway was a good business founded and run by truly compassionate people. Perhaps this has to do with my having spent ten years of intense labor on its behalf.

We received more bad news. Kathy and I were spending lots of time volunteering at the small Christian school where our children attended. The pastor, who was a good friend, called me to his office. His wife had taught all three of our children. He explained to me that he had gotten 'the call.' At first, I did not know what he was talking about. But then I remembered that I had confided in him regarding the vicious slander that we were being subjected to on a daily basis. An anonymous caller had phoned the office and told them that I was involved in immoral activities and that I might be a danger to the children. Now I was a child molester? How far would they go to destroy us? I offered to step down as president of the Parent Teacher Fellowship, but he insisted I stay. Thank

God, someone still believed in me.

Keith was a Direct in our group, and his children were still attending this school. I felt certain his wife made the call or put someone else up to it. I never could prove who had done such a vicious thing, and after a while, it really did not matter anyway. Pastor Dave and his wife knew us too well to be concerned about this unfounded rumor, so we continued serving the school. However, we were hurt that anyone could possibly say something so damaging about me. It seemed like people were trying to kill us with rumors. Our dignity, our friendships, and our life were slowly being extracted from us. No wonder they call it character assassination.

Kathy had lunch with some of the women in one of our organizations. They were all undecided on The Business as yet, but they were still friendly with her. She needed this outing very much. Our home had become a pressure cooker, and it was a relief for her to get out for just a few hours. We both had become fearful to answer the telephone at times. We were reluctant to get the mail, as it brought so much pain in the form of cease-and-desist notices from our closest friends. How could anyone be afraid of his own mailbox? Kathy came home and seemed to be fine. Thank God, the lunch had gone well.

The phone rang, and it was one of the women from the lunch, calling from her cell phone. Kathy talked briefly to her and turned pale. She was friendly but got off the phone quickly and walked to our bedroom in a daze. Something terrible had to have happened. I just held her in my arms, as she once again sobbed uncontrollably. She could not speak for quite some time.

Our friend had not wanted to tell her in front of the rest of the luncheon group that a travel agent in our group had told her that Kathy and I were getting divorced. She also had heard that we were both suicidal, and people were concerned for our children. I had no words to comfort her, as tears flowed freely down my own cheeks. This was torture. The emotional pain was unending.

A few days later, Kathy and I were alone in the house, and I was cleaning out my desk to stay busy. I found the three small booklets that my kids had put together for me when I was away on one of my many trips. They had misspelled titles like *Why We are Going Dimond*. They were each several pages long and included each child's precious dreams. I cried like a baby—not a silent cry. I cried like an infant, wailing loudly. Kathy came quickly to the room, but I couldn't speak. I just held up the booklets. All I could say over and over again was, "I am such a loser." I could not tell you how long I mourned and grieved over the entire situation. I know that we both faded into a state of emotional numbness just to survive. At that point in time, I did not know for certain if we would ever completely pull up from the downward spiral we both were experiencing.

## David and Goliath

*"You are God's anointed. You are God's anointed. When you are God's anointed, that 91<sup>st</sup> Psalm applies to you. People will die on the left and they will die on the right and you can walk on the snake's head, you don't do it on purpose it just happens."*

- Dexter Yager\*

We were getting pressure from Amway to buy back books and tapes from people who quit, after I told them the truth. I did not think that Amway was in the tool business or in the business of making forced sales. I re-read the BSMAA that we were forced to sign. It stated that tools purchased in the previous 90 days could be returned for refund at a reasonable commercial value. I shared this with the people that had quit, so they could recoup a small fraction of the funds they had faithfully dumped into Zack's tool coffers.

When they attempted to return them to Kerry, he refused them. He told everyone that I had to buy the tools back. Dan Bailey of Amway now seemed to be very much involved in a tool business that Amway pretended not to know about. He also told me that I would need to buy back the tapes that were being returned. I was completely destitute after nine years in Amway. I was more worried about feeding my children, keeping my mortgages current, and having medical insurance than buying Amway tapes that were of no value to me. Distributors were then told to file complaints with Amway Rules and Conduct against me. In a bloodthirsty feeding frenzy, they did exactly that. I had become the enemy, and somehow, they all believed that I had to be punished.

These had been my closest and only friends. We had no other friends, and we had almost no social structure or interactions outside of Amway. It was as if we were falling into an endless black hole at an ever-increasing speed. I was sincerely concerned that our lives, mine particularly, might be in danger. Zack and my leaders were aware of my intent to go public from comments made in the initial packet that I had sent out. I had moved beyond playing a game of cat and mouse. It was more like Daniel in the lion's den or David and Goliath.

I became increasingly fearful of Amway, Dexter, and Zack from information I was collecting and documenting. I earnestly believed there was enough money at stake for me to be permanently *removed*. Who was I, compared to five or six billion dollars a year in ongoing Amway revenues? The global tool business was conceivably generating a billion or more a year.

We became afraid to go outside. We were even fearful of going shopping for groceries. We were totally overwhelmed at the grocery store. We did not know what to buy. We did not even know most of the brand names, after having been maniacally loyal to higher priced Amway products. We had been so well conditioned by Amway that we felt guilty doing essential shopping. It was an anxiety provoking experience that we endured again and again. What if a distributor in our group saw us? By now, they had been told that I had lost my mind.

We did not know if they would look at us pityingly or spit on us. What if they saw us with a basket full of negative products? I had told them in seminar after seminar, "That is what broke people do." I carried a nagging thought, and I was afraid to tell Kathy that we might have to move far away to start a new life. I did not think we could live where we were much longer, but we did not have any money to leave. We could not believe that I went so quickly from being heralded as a hero and leader to being considered an alcoholic, lying, drug addicted, lunatic, gambling, adulterous, child molester. Yes, distributors were told that I was having an affair. What else would they think of?

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\* Dexter Yager, **Dex Tuesday Evening Part II.**, Audiotape Stock No. GDL 96-40 Copyright Internet Services Corporation

In my heart, I actually thought that I had become a loser. None of the above accusations were true, of course, but I **felt** like I was still a loser. The mental stress was beyond comprehension. I had brought many good people to the slaughter, and I was unable to save or protect them. I had thought I was helping them. Now, some of these families were tens of thousands of dollars in debt, gone night after night, and weekend after weekend.

## **What a Tangled Web We Weave**

I began to contact attorneys across the country for appropriate legal representation. No matter what course of action I took from that point, I felt Amway would try to take me down with their enormous legal weight and political influence. My godfather was a West Coast attorney. He knew F. Lee Bailey and agreed to contact him for me, without mentioning my name. He did and called back to say that F. Lee was a personal friend of Rich DeVos and would not take the case. Wasn't that convenient! I contacted multiple offices of well-known attorneys across the country and began to understand why this had gone on for so long. Most wanted a \$10,000 retainer and fees, as you went along.

I contacted the attorneys of plaintiffs currently suing Amway. I spoke with some of the plaintiffs and agreed to testify for them. We shared some vital information, and I was very thankful to talk to people that understood. My search for appropriate legal representation was discouraging. I was flat broke and nearing bankruptcy. One plaintiff had almost \$150,000 tied up in his case. It sounded as if their strategy was to tie people up so long that they just relented or went broke pursuing justice. The odds did not look good. Goliath was standing tall and grinning at me.

The loaded gun that I wore every day did not give me peace. I could not go to the Attorney General's office in our state's capital city, because a high-ranking attorney in the building was an Amway Direct in Zack's group. Everyone was incredibly well informed and connected. I remembered Dexter talking about having, as part of his group, secret service agents that reported what happened in the White House.

My sister-in-law worked for the local attorney general's office, and I explained my predicament to her. She arranged a meeting with an FBI agent, Lou Glodek. He was very friendly on the telephone and arranged to come over to see me at my home. I was only slightly relieved, as I prepared by sending him a system video and a good amount of overview type documentation. I also put together another stack of documentation approximately four inches thick. There was plenty of evidence, all right.

I was terror stricken by what happened next. I was speaking with a current plaintiff against Amway and shared that I was going meet with an FBI agent. He said that there was a high-level FBI agent in the Philadelphia office who was an Amway distributor. He knew this because another plaintiff had attended the highly secretive, Yager Network Marketing Institute (YNMI), and the FBI agent had been his roommate. I was really scared now. Dexter had FBI agents too. This was spinning out of control.

My nightmares began to increase in intensity. They began **every** night like clockwork right around 3:00 a.m.. I was powerless to stop them. I hated sleep, yet was absolutely, completely exhausted. I literally felt a weight on my head and shoulders,

almost as if I was carrying something that would eventually crush me. I had to resist. This had to stop.

I tried not to panic when the FBI agent pulled up. There were two people, which was not part of the plan we had discussed. FBI agent Lou Glodek came to the door and rang the bell. He was low key and identified himself by showing me his Federal ID. He identified the man with him as, Wayne Samuelson, an Assistant U.S. Attorney. I was not comforted and actually felt uneasy, as I brought them down to my small office. My fear and growing paranoia were getting the best of me. We made small talk, and they both seemed like good guys.

I asked Lou if the complaint I had filed stayed in his office or if it went to the Philadelphia office. He said it stayed local. I asked him if he knew the agent I had been told about in Philadelphia. He said that he did know him. I asked if he was aware of the fact that he was an active Amway distributor. He acknowledged that he knew that as well. He told me that the agent in question was not a high-level agent but a lower-level training agent that had recently retired.

I was still fearful. I could no longer definitely identify the bad guys. This was not like an old western where the good guys wore white hats. Oh, how I wished it were! I provided Lou and the Assistant US Attorney with a large amount of information, which I asked them to return. They took it, but I never saw it again. Fortunately, I had developed multiple copies of everything, protected and stored offsite, in the event we were “burglarized.” I had also done extensive legal research into pertinent court cases. Wayne seemed to perk up when I handed him large quantities of pertinent legal documentation, referencing precedent setting court decisions. They left with the documentation I had provided them and took with them my hope for justice to be served.

The most pertinent came from a case called Webster vs. Omnitrition. This was a case that the United States Court of Appeals, Ninth Circuit received in September 1995 and rendered a decision on March 4, 1996. The plaintiffs, Shaun Webster and Robert Ligon, were distributors of a company called Omnitrition that handled health and skin-care products. They alleged and made a claim that they were the victims of a pyramid scheme that emphasized remuneration through personal recruitment instead of retail product sales.

The court found in favor of Webster, but the reason why was vital to our situation. Some background information is necessary for the importance of this decision to be clear. In essence, Omnitrition’s compensation plan may have been similar to Amway’s. Many multi-level marketing plans took this approach, as it kept them low under the regulatory radar, so to speak. In 1979, the Federal Trade Commission decided that Amway Corporation might resemble a pyramid structure but that it did not fit the definition of an illegal pyramid scheme. One of the biggest reasons that the regulators ruled in favor of Amway in their 1979 decision was this:

“Unlike pyramid companies, Amway and its distributors do not make money unless products are sold to consumers,” the FTC said in its ruling. “The Amway Sales and Marketing plan is not a pyramid plan.”<sup>3</sup>

An article in the *Baton Rouge Advocate* went on to describe the situation by saying this:

The FTC's 1979 decision found that Amway's own business plan passes legal muster because, among other things, it encourages retail product sales to consumers. In other words, the FTC said, the Amway plan has safeguards to keep distributors from making money just by buying products themselves and through sponsoring others to do the same, in endless chains. The FTC decision noted, for example, that one of Amway's rules "provides that distributors may not receive a performance bonus unless they prove a sale to each of 10 different retail customers during each month."<sup>4</sup>

This is very strange, as we were taught by Amway Diamonds to recruit people to buy things at 'wholesale' from their own business and to recruit others to do the same. We were taught to remain loyal to our product line with 100% self-use, which often resulted in the hyper-consumption of Amway products that were frequently far more expensive than what could be purchased locally. I was not sure if a single distributor, of the thousands our organization brought in, *ever* did 10 retail sales in a single month.

Amway senior management as well as the Amway Diamonds were well aware of the fact that bonuses were being paid without the mandatory retail sales. We had met Larry Harper, a senior manager in Amway's Distributor Relations department. He acknowledged publicly in an interview that bonus checks were paid to distributors who had no retail sales. When asked if a distributor could get a bonus without having retail sales, Larry responded, "Yes, you can."<sup>5</sup>

Let's jump back to the Omnitrition ruling. The Ninth Circuit Appeals Court found against Omnitrition. One of the key elements for the decision was the fact that although Omnitrition's compensation plan was similar to Amway's, there was no real evidence of enforcement of the retail sales requirement.

Amway distributors were often told that Amway's sales and marketing plan was the legal yardstick by which other multi-level marketing plans were judged. This gave a sense of credibility. As I read the court decision, I realized that Amway was flagrantly in violation of its own rules of conduct. If reviewed again with the same litmus test, the FTC would most likely find Amway to be an illegal pyramid scheme.

Rich DeVos made comments relevant to this issue when discussing the closed nature of the tool business, in which books and tapes were sold only to members of the organization. When there was no sale to a consumer end user, he described this type of business as an "illegal business -- in fact, it could be called a pyramid".<sup>6</sup>

From the information that I was uncovering and beginning to understand, it looked like Kathy and I, and perhaps millions of others had been recruited and induced to participate in not just one, but two illegal pyramid-type businesses. The first was the tool business that had no end user outside of the organization, and the second was **the** Amway business. From the FTC's decision, the Appeals Court decision, and Mr. DeVos' comments, it appeared that a multinational organization of distributors that had almost no retail sales was, in fact, an illegal pyramid. We would never have gotten started had we been told we were expected to sell Amway door to door.

With Amway's full knowledge, recruitment exploded when this very important detail was left out of the recruiting and distributor training. Retailing to customers was

not emphasized as the primary method of building sales volume. Zack and his leaders taught us exactly the opposite. We were told to recruit by never saying the words “Amway,” “products” or “selling.” We were told to recruit others by stating that we were offering a wholesaling business, in which you bought things from yourself and taught others to do the same. It was a lot easier to recruit large numbers that way. I had a Diamond on tape actually saying that he “didn’t sell stuff...” It was all beginning to fall into place.

I finally got it! We were able to recruit large numbers and were taught to sell them on the system, because that was where the Diamonds secretly made nearly all their income. Almost everyone in our global business lost money for two reasons.

- First, many were dumping thousands into mandatory purchases of books, tapes, and seminar tickets. They were mandatory if you wanted help from your knowledgeable and wise upline.
- Second, since we were taught specifically not to spend time retailing but instead recruiting, there was very little bonus money to create any sizeable net incomes.

The sheer recruiting effort and self-use propelled Amway into the billions in annual revenues, at estimated retail, and the tool money made the Diamonds rich. We thought they were doing it in Amway. I would soon be enlightened beyond my wildest comprehension when I obtained the actual figures from a tax return and saw how little an Amway Diamond made from Amway. However, there were battles to survive before that lesson in reality.

*“Go read the Old Testament. See how mad I can get. No big deal for me to just tear bodies apart and throw pieces all over. You want me to get upset cause they scratched your finger? Let ‘em pour it all out and then let me chop their head off, I’ll just snap their neck off, throw them on the pile of life. You’re mine, trust me. Trust me. You’re not here without knowing what I’m talking about.”*

- Amway Crown Ambassador Dexter Yager\*

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\* Dexter Yager, **Dex Tuesday Evening Part II**, Audiotape Stock No. GDL 96-40. Copyright Internet Services Corporation

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<sup>1</sup> *Journal of Business Ethics* 7 (1988) 489-495

<sup>2</sup> Ibid.

<sup>3</sup> *The Advocate*, 04/26/98 **FTC Says Amway no pyramid but...** Greg Garland Baton Rouge , LA

<sup>4</sup> Ibid.

<sup>5</sup> Ibid.

<sup>6</sup> Directly Speaking tape transcript, Rich DeVos

CHAPTER 13

# Rich DeVos Knew All Along

*“Rich DeVos is uniquely qualified to explain why Compassionate Capitalism can lead to financial success for the individual, the community and the nation. By his own lifetime achievements, Rich has proven why compassion for all of one’s fellow citizens is a mandatory key to success.”*

- Gerald R. Ford, Former President of the United States\*

Dan Bailey from Amway’s Rules and Conduct department advised us on repeated occasions that we had to get a signed servicing agreement from Kerry and Chris and pay them a percentage of our bonuses. He also told us that we had to buy back all the tools that members of our group who had quit were attempting to return. That was ridiculous. I was not aware of a single case where someone was charged a servicing fee for having their upline service their own downline. Whenever someone quit, you simply worked with the next person they had sponsored as a course of business. Kerry and Chris were free to unethically rape and pillage the group for meeting funds and take the small tool break that we had been receiving.

They were financially better off without us. They also had the benefit of ongoing income from our organization. We had spent what seemed like a lifetime trotting the globe to build it, and they were going to just step in and reap the benefits! We had no use for books and tapes from a business perspective, and we had no intentions of ever supporting or building The Business again. We had bought them all from Kerry and recommended he repurchase them, as he could re-sell them into his own group or return them to Zack, who made many of them for pennies on the dollar. I requested, actually begged, on multiple occasions by fax and certified mail that either Zack or Kerry just take care of this. There was no net cost to them. We just wanted to get on with our lives, or at least try to start a new life.

It appeared that Kerry thought he could blackmail us into signing anything. We made Dan Bailey, Zack, and Kerry aware of the fact that we were destitute. We were close to bankruptcy, and I was still unable to land a job. If Amway cut off our income, we would certainly go bankrupt, lose our medical insurance, and most likely our home. How far would they go? I was not impressed with their complete lack of damage control, if for no other reason than to keep their dirty little business hidden in the dark. We might have just gone away had they let us. The first pound of flesh they had taken by stealing our

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\* DeVos, Rich, *Compassionate Capitalism*, (Endorsement by Gerald R. Ford)

dignity was not enough. We were still far too healthy for them to stop the torment. When we thought it could not get any worse, it was just the beginning.

One of our downline Silver Directs quit The Business and called us. Thank God, Kirk and his wife finally came to their senses. They had lost a large sum of money and a vast amount of time away from their only daughter. They quit after going to a seminar where Zack's next Directs' trip was announced and promoted. The Diamond on stage was talking to Directs when he did the promotion. (Remember, the Directs were supposedly the first level of big income earners. The organization thought they were making from as much as \$54,000.) The Diamond told them that they all needed to get to the near week-long meeting in Miami, no matter what. All the leaders would be there. He told them that if they needed to get a second, third, or fourth job to pay for it, they should do whatever it took to get them there. It also had to be booked through the trip planner picked by Zack. How much blood could they suck out of those people? They were supposed to be working The Business and were told to go get multiple jobs to pay for yet another seminar? That was the final straw that blew Kirk right out of The Business.

I had my resume done professionally and sent out a large number of them for many different types of business. I thought that it would only take a few weeks to obtain a good, professional position. I had to camouflage the past nine years with Amway and describe it as business ownership. It was strange that I was out but still had to hide Amway. *That dreaded "A" word!* It was like a skin disease, I could not cover up or hide.

I studied interview questions and techniques at length. I was very well prepared. With global business and public speaking experience, I knew I would be working soon. I felt both excited and apprehensive about this at the same time. I dressed well and presented a good appearance at every interview. I wore my typical Amway warrior's uniform—a freshly pressed dark suit, a white cuff-linked shirt, and a red power tie. I did well in the initial interviews and immediately made it to the second or third interview phases for management and pharmaceutical sales jobs. They looked at my resume and smiled and all of them said, "Let me ask you the obvious question... if Jacobs Enterprises (my Amway business' name) did well, why are you applying here?" I developed a response that was honest and explained that, after almost a decade in business, I had discovered that my partners were corrupt.

This was not enough to overcome my two major interview challenges. The first was a question that literally froze my mind and left me unable to speak for a minute. On two occasions, I was asked to explain any exceptions that I had made in my business and how it worked. I could not even comprehend the question. I had made no exceptions. Everything was done exactly as prescribed by the system. I could not think of a single instance in nine years. I was certain there were a few, but it was as though I could not understand the question. It was as startling to the interviewer as it was to me, since I was doing very well until that point on each occasion. I did not recover well either time, because I could not even fake an answer. To this day, I remain uncertain as to how to answer that question.

The second problem was even more disturbing. I was becoming increasingly more negative, because in Amway, there were never any "problems." We only had "challenges or opportunities for growth," but I had to admit that I was having problems. The challenges I faced on repeated occasions were internal. I did well in a first, second, or third interview. I answered most of the questions with the appropriate response, and from

study, I could actually anticipate the next question. I even knew other questions they should have asked me. The problem was an unexplainable boiling rage that I experienced in the middle of interviews. I was saying all the right things with good posture, good eye contact, positive comments, and I was really hoping I would get the job. Another part of me was screaming at the interviewer with rage. This was where the brainwashing, or thought reform, really came to the forefront.

I wanted to jump across the desk and just kick the snot out of the little preppy punk who was interviewing me. He wanted to give me a J.O.B. and pay me as little as he could, so I could be Just Over Broke, be a Jack Ass of the Boss, Jerk On Board. He wanted to control my time and income. Controlling my time and income also controlled my life. He wanted to take my freedom away from me. He wanted to control my time away from my family. There were moments when I wanted to slap him right out of his seat. Imagine doing an interview and trying to smile and answer appropriately when, for some reason, something deep inside screams and wants to beat the guy unconscious? I was so tormented by these conflicting emotions and inner rage. Kathy asked how I did after each interview, and I could only shrug, hoping that I had done well enough.

A local, upscale, grocery store was hiring management, and it looked like a great place to work. They had a chain of family-owned stores that had grown to a billion dollars a year in sales, and I wanted to have a future there. Thankfully, I got to the third interview with flying colors. The manager was a gentleman named Mike, and we really hit it off. I would have enjoyed working for him. His team of leaders sincerely seemed to respect him. I met with him and his boss for a final look over. I was asked the dreaded 'exception' question and completely blanked out. I mumbled through a recovery. It had been going so well until then. I was one of those in the final consideration for the position. I was still hopeful and waited almost two weeks for an answer. I called Mike, and he told me that I just wasn't the right fit for the job, so they gave it to someone else. I thanked him for his time. I went downstairs and put my fist through the wall.

I was not a fist-through-the-wall kind of guy. I was unable to see myself as the man of the house, because I could not even get a stinking, lousy J.O.B and provide for my family. I was worthless. My mind was tormented with a raging stream of conflicting thoughts, feelings, and emotions. I did not know who or what I was. I felt no normal emotions. I wondered if I would ever become the same man that I was years ago. I could not even conceive what happiness felt like. I literally could not remember the emotion. I did not know what thoughts were truly mine.

I needed help. I went to my family doctor. I was beginning to suffer from both physical and psychological problems. The skin on my hands was actually peeling off until they bled. I was developing an ulcer and drank antacid like water. The nightmares and false heart attacks were becoming more frequent and increasing in severity. I could not think and could barely carry on a conversation. While waiting for him in an exam room, I read a poster on the wall. It listed all the signs of clinical depression. I had them **all**. I explained our entire situation to him, and he was very reassuring. He prescribed an anti depressant medication that would knock me out at night. Although I was able to sleep at night when medicated, my waking moments became more and more tormented. It was clear to me that I was not in control. Kathy was growing weary from the unending stress, and the fact that not only had we lost all of our friends, they actually hated us. Kerry refused to sign a trumped up "servicing agreement," even though there were a

handful of our downline distributors that picked up from them. Amway went to direct fulfillment, which meant that all distributors could order products directly from Amway. They would also be paid directly, so there was no bookkeeping now. All Kerry and Chris would be doing, essentially, was selling tapes, books, videos, and seminar tickets to the group, as well as doing training sessions that created a profit for them.

I have never heard in a single instance where a distributor in the Yager organization was forced to sign a servicing agreement. In fact, almost all of Dexter's Emerald and Diamonds picked up from someone other than their direct sponsor. For example, an Emerald would pick up from the next upline Emerald, and a Diamond would only pick up from the next upline Diamond. I now knew that was done to conceal the secretive tool breaks at the Emerald level and the huge income at the Diamond level. I informed Dan Bailey that nearly every Emerald and Diamond in the Yager organization was supplied by someone other than his sponsor without a written servicing agreement. I made him aware of many of the same long-term situations in Zack's, Kerry's, and my own distributor organization. Regardless of the above, he wouldn't relent. He and my upline seemed to be in a collaborative effort to destroy me both personally and financially. I felt like an isolated target of their silencing machine.

I told Dan Bailey of the above, but it made no difference. I seemed to be the target—no, my family and children were his apparent target as well. I made all involved aware of the havoc they were wreaking on our lives by the ongoing spread of these rumors and this economic pressure. They wanted me to “sell” The Business. The sale was a joke, as they had always had the massive tool income from it anyway. What they really appeared to need was my signature on a secrecy/confidentiality agreement.

## **What's Good for the Goose Is Good for the Gander**

Amway repeatedly attempted to steer me toward informal conciliation that would lead to binding arbitration. The BSMAA was written with a gag order embedded in it. Once you go into binding arbitration, you are no longer able to discuss the basis of your complaint with other litigants, or anyone else for that matter. Jody Victor, the mega-millionaire distributor who, by his own admission, helped craft the BSMAA, worked with Amway management and/or ownership to actually have it made part of the Amway application. Incredibly and unknowingly, one of the first acts a new Amway distributor commits is signing a document taking away their right to a trial by jury if and when they ever realize that they have been deceived. An attorney involved in current litigation with Amway advised me that it seemed to have been carefully crafted to also assure that there could never be a class-action suit brought against Amway or its kingpin distributors. That was a smart move, as a single, destitute former distributor seemed to stand no chance against an over-funded, legally advantaged Goliath.

I reviewed tapes of a leader's only meeting where Jody Victor described the BSMAA and its purpose as follows:

This is an important document. One that you will all come to know... a BSMAA I call it. But it is an idea to be able to say look, here it is you guys ...risk reduction of your business. In every kit that will be

signed by every distributor...<sup>1</sup>

The BSMAA is of course the Business Support Material.. ahhh.. Arbitration Agreement that we are drafting and writing... you and I, distributors, to place in the kit .. and the ADA Board and the ADA Board has instructed the Company, the Company will then collect them... as well as the other things that are going to be .. words that will be on your actually it's an actual document ...but actually words... new words on your SA-88 application and your intent to continue so that nobody can come in and mess up this business. It virtually shuts out the ability of a Hanrahan lawsuit but even more importantly than that, it means that nobody is going to mess with your kids. Their future, their business and that all risk reduction is totally stamped out, in other words, our goal was to do that.... Well, only if we can remain humble, only if we remain filled with integrity....<sup>2</sup>

So this is it .... beahhhh Business Support Materials Arbitration Agreement. It's a cute little document. So far the Company's even kind of staring at me about it. Or how about modifications for the intent to continue or even the applications... they told me, "Jody, the application will be two pages long." And I said rather it be that than have it be anything that would fuss up or mess up anything that our kids are doing .... (applause)<sup>3</sup>

One key area of promoting Amway versus other multi-level marketing businesses was the emphasis our leaders placed on the Amway Distributors Association Board. (ADA) This group was made up of many Diamond (and above that level) distributors that were voted into office to represent the distributor force on any policy changes. We were told that we were the only Company that had distributor representation on a policy board of this nature and that this protected our interests and futures. Each election, Zack would pass along a list by Amvox from Dexter as to who he was voting for. We were all to vote similarly, and consequently, the deck was usually stacked with Yager or Yager-friendly leaders. I was dumbfounded to realize that all these mega-wealthy distributors seemed to derive most of their income from the secretive, if not illegal, tool business and had just crafted a document that we were all forced to sign. The "risk reduction" BSMAA document limited distributors' legal options for recourse if and when they realized they had been robbed and deceived. The very people who alleged to represent our best interests just collaborated with Amway and reduced their mutual risk, in the event we discovered the truth.

We could most likely go into arbitration, walk out with a huge settlement, but then never be able to speak of what happened again. We could never help all those who were doomed to believe in the same people we had trusted. We could not, in good conscience, take care of ourselves at the expense of many others. Perhaps we were foolish and should have looked out for our own welfare. If only someone had spoken up years ago, we would not be where we were at that very moment. I did not want to be the spokesperson, but I felt a deep sense of moral obligation and saw no other choice.

It looked like Dan Bailey was intending to cut off our income, even though we had been told again and again that the income was residual and could be passed down to future generations. The whole Amway sales pitch revolved around entrepreneurship and personal business ownership. Did I ever really own anything? If I could work for a decade and then have someone randomly just stop my income from ‘my’ business, was it ever truly mine? I think not.

I worked on networking with others in my research and discovered some shocking news about both Amway and its multi-billionaire co-founder Rich DeVos. He knew of the rampant tool abuses and deception that we fell prey to as early as 1983, and most likely long before that. I had trusted him and my upline with all my family’s future and nearly a decade of my life. He knew exactly the deception and abuses that we, and millions of other distributors, were going to be subjected to, **six full years** before Kathy and I became loyal, trusting Amway distributors. This whole situation was far worse than I had thought. It was looking like the Amway owners and senior executives were involved at the highest levels. It is clear that they knew what people like Zack and Dexter were doing, and Amway seemed to now be part of it. Why would Amway collaborate with those involved in the deception and financial rape of its own global distributor force? The answer was soon to come.

*“We had two couples live next to us. They decided they were going to destroy us. They had made everybody who had bought that house that we lived in leave. They were the Mayor of the street. They had driven everybody away. Two years after they came against us with everything they had, all four of them were dead. All four of them were dead!”*

- Dexter Yager\*

My research continued as I dug deeper and deeper to find out how large this fraud really was and who the key players were. Through the Internet, I was able to develop a small network of trusted former distributors across the country that were eager to provide information. What I was to learn next broke my spirit. It was hard to believe, yet the facts are the facts. I found the following court documentation and comments on the web site at: *Amway The Untold Story*, which was researched and made public by web host, Sidney Schwartz. He discussed the ‘Cairns vs. Amway’ lawsuit, filed by a group of 77 distributor couples from multiple states in the Dexter Yager-Bill Britt line of sponsorship. The case was filed for abuses nearly word for word identical to the misrepresentation and fraud we were subjected to years later. Sidney Schwartz prefaced the documents by stating:

“In 1984 Cairns v. Amway was initiated by a group of Amway distributors; these documents were entered into the court records as

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\* Dexter Yager, **Dex Tuesday Evening Part II**, audiotape Stock No. GDL 96-20 Copyright Internet Services Corporation

evidence by the plaintiffs. These documents indicate that, at some point in the late '70's or early '80's, Amway Corp. became concerned at the increasing attention being focused on them by the FTC and various state attorneys general, and in response, conducted one or more internal investigations. The first two documents are Amway Corp. memos concerning the causes and findings of these investigations. Clearly, Amway Corp. was very concerned about what it found, and various courses of action were recommended. One of the responses to the findings of the investigations were the two "Directly Speaking" tapes made by Rich DeVos in 1983, in which he addresses a whole laundry list of problems and asks for the help of the Direct Distributors in eliminating them.

These documents have been reproduced here as accurately as possible, except where the copies were illegible, inaudible or impossible to understand. All emphasis is as it was in the originals. The documents were obtained from District Court in Cincinnati.”\*

**I have provided pertinent excerpts of the first portion of a court document listed as Exhibit “E” below. An internal Amway document advised the need to**

“Eliminate the illegalities and abuses inherent in distributor (motivational) "systems" of non-Amway designed / produced audio-visuals, literature and rallies and seminars. ”

*“Problems” that Amway senior management was aware of were described as,*

“Widespread illegalities inherent in Amway distributor designed "systems" of tapes, books, and rallies. While most of these "systems" were conceived in the late 1960's and early 1970's as genuine "support" programs to help Amway distributors develop their Amway businesses, entrepreneurial “higher pin” discovered and developed programs for substantial, separate, additional income, under the Amway “umbrella”.

*Internal Amway management documents filed in the case further revealed,*

“Subsequent legal evaluations disclosed that the disproportionate (to Amway) sales, intensity and solicitation of these "tools/systems" are illegal, per se, under several U.S. federal and state laws.”

“That operating and/or participating in a solicitation, sales and/or distribution scheme involving only non-consumer items - particularly motivational tapes - violates state pyramid / chain distribution laws, and

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\* Amway The Untold Story Web Site

could lead to Amway distributors being indicted and/or convicted of criminal fraud.”

I was shocked to read this, as the tool business was described in this **Amway internal document** as an enterprise that **violated state pyramid laws** and could result in Amway distributors being indicted and/or convicted of criminal fraud. If this was common knowledge in the early 1980s, why was nothing done to prevent me and millions of others from being lured under false pretenses into an enterprise that Amway acknowledged could result in a fraud conviction? The document continued with these statements:

“Increasing proliferation of Amway distributor participants publicly stating, "We're not in Amway", or "Amway is just a supplier", etc., could become self- fulfilling prophecy.”

Six years or more after this was written, in 1989, we were recruited and taught to recruit with that **exact terminology**. We were taught to recruit prospects based upon the fact that they would own their own business, and ‘we’ had just chosen Amway to act as our corporate supplier from the many companies we dealt with. Distributors were admonished not to hide Amway behind their upline group name.

“... Particularly where "organization names are used to "replace" the Amway name - e.g. "Mindbenders International””

We were told to tell people the name of the company was Walters International if they asked. Amazing! Amway was aware of rampant abuses. They knowingly let these practices remain in place, while millions of distributors were recruited through manipulation and deception. The founders of Amway became billionaires, because recruitment mushroomed as a result of these practices.

Amway has stated that its stance on the system is that it must be non-coercive; however, these programs were anything but non-coercive! Amway knew it then and knows it now. I explained to senior Amway management, in writing, that in the Yager/Walters’ organization, the purchase of tools was mandatory. They appear to have not only taken no action against them, even though this information had been provided via fax and certified mail. In fact, Amway has lavished the worst offenders with enormous financial bonuses. Amway was knowingly **rewarding** the behavior of the greatest offenders with year-end bonuses of millions of dollars. Distributors were recruited en masse with the presentation that they had *access* to a system of success, that had a 100% success rate. Once they were actively involved, the highest levels of Distributor leadership taught us to cut off support and assistance from anyone who did not buy into the system. If you wanted help from your apparently wise, wealthy upline, it was necessary to be willing to invest in ‘yourself’ and ‘your own business.’ It started out gradually, but we were soon coerced and manipulated into purchasing an unending array of standing order tapes, videos, books, CDs, and seminar tickets.

How far would this go? As a course of conduct and a specific, national pattern of business, distributors had been taught that there was no selling; we just bought from

ourselves. We were taught many creative ways to camouflage the fact that it was Amway. We simply “owned” our own business and taught others to do the same. It was made very, very clear that there was no success outside of the system. We **had to be** on the tape-of-the-week plan, and **we had to attend** all rallies (seminars) to be considered “plugged in,” in order to succeed. I am deeply shocked and saddened to find and read transcripts of tapes which reveal the fact that Rich DeVos had personal knowledge of fraud, illegalities and abusive practices. The quotes below are excerpts from the “Directly Speaking” tapes made by Rich DeVos. To his credit, these tapes were initially made and sent to the direct distributors to stamp out these abuses. The revelations of how much he knew in 1983 are shocking.

The quotes that follow come from a transcript in the Cairns lawsuit labeled “Exhibit "A", Directly Speaking, January 1983, Rich DeVos Amway Cassette Series VA-2160.

“And so we need your help on some of that stuff, we just got to clean it up. I get too many letters in here from people who are still being told, "You don't have to sell products, we're in a marketing group, we're just in a marketing outfit. No selling is necessary." Now you know, that's a lie.”

We were recruited and were taught to recruit others on the premise that this was a wholesaling business. Many people joined when sold on the fact that they were already generating this volume as consumers. Few would have been interested in direct sales. I would never have done it. We often heard that it seemed like a ‘no-brainer,’ getting paid for what you were already doing as a consumer. We just had to be 100% loyal to our own product line and teach others to do the same. That seemed to make sense, but in many cases, it coerced distributors to buy many higher priced items than they had previously been purchasing at the grocery store. Mr. DeVos was clearly well aware of the fact that there were wide spread rampant abuses when he stated,

“I'm telling you I need you're help on cleaning up some of these situations. Now, I got -- as we said -- I got stacks of letters that came in -- I -- I can't tell you how many of people have written. Hundreds and thousands.”

Incredibly, despite multiple lawsuits, bad press and “hundreds and thousands of letters” flooding Amway, they would later make a statement to the effect that distributors who got ripped off by the deceptive, completely non-voluntary tools system were an unfortunate isolated incident in the Amway business. Further research revealed that a couple named John and Stacy Hanrahan filed a class-action lawsuit over typical, systematic abuses on July 20, 1994. They claimed that they lost money after being coerced into participating in the tool business and nearly got divorced after succumbing to the cult-like teachings of their upline’s system, which included Mega- distributors, Bill Britt and Dexter Yager. They filed a class-action lawsuit on behalf of themselves and a

group of distributors. The abuses they alleged were nearly identical to those of distributors that had come both before and after them.

Amway's posture in this situation was mind boggling. Amway Vice President, Craig Meurlin, commented on the case in the 8/17/96 edition of the *Philadelphia Enquirer*. In considering the proposed settlement to the plaintiffs in the case, he stated,

*"We're just pleased to move on. Stacy Hanrahan and the other plaintiffs had a very abnormal experience with the company."*

That was ludicrous. This was anything but *abnormal*. This was **typical** of what was happening to distributors, and Amway had known this for over a decade. I was sickened by what I was learning. The 1983 DeVos transcript continued with Rich DeVos quoting an excerpt from a letter, a distributor had sent him.

“(Unintelligible) . . . I consider myself to be an -- ambitious, aggressive group. Directs, that was (sic) determined to reach their set goal at the expense of the Distributors, come hell or high water. Their philosophy, "Mortgage your home, cash in your insurance, get a bank loan and borrow from whosoever will loan you. We were told in our, and I'll leave the name out because it would identify the organization, in our so and so meeting, certain things discussed were to remain within the walls wherein discussed or suggested.”

This typified the terrible, often contradictory, financial counsel distributors received. They were lured into the business to develop a debt-free lifestyle. They were encouraged to pay the price and at any cost, to go Diamond. They were told to get out of debt, yet also told to buy 100% of their own (often expensive) products from themselves and to be 100% “plugged in” to the system. Over a period of time, the combined costs ran into tens of thousands of dollars for many needy, trusting distributors.

The comment regarding keeping some information among themselves was interesting. As I later discovered in my extensive cult research, that admission became very meaningful. There was a clear distinction of tiers of knowledge and what distributors were allowed to know at each level. Entry-level distributors literally had no idea what was happening to them, as their seemingly successful, warm, and encouraging upline sold them on The Business and led them into the system. As a high-level Emerald distributor, I still had no idea what the true agenda of our upline was at the time. As a reader of this book, you currently know more about Amway than I did after spending personal time with Rich DeVos, Dexter Yager and nearly a decade working with the highest-level distributors in the world.

Mr. DeVos went on to make the following statements.

“...Now, the tape business, if it is not used as a support for the Amway business, will oftentimes be an

illegal business -- in fact, it could be called a pyramid -- because, d -- does not get sold to the consumer. Which means that all the tape business does is take money out of the organization, and because the final person can't retail it, it never brings money into the organization.”

“...We have a major lawsuit going right now with an attorney general in one of the states based on people making what they say are excess claims and telling people they hardly have to work at all, telling them you can make \$50,000.00 a year and you only have to work twelve hours a week. Now, you and I both know, you know; that -- that just can't be put up with.”

“I got too many letters from people who have told me that they were told that if they didn't support their upline and buy his or her tapes, then they would not give them any help. I can't put up with that. It is a sponsor's responsibility to train, motivate and supply their people. That's for the privilege of being the sponsor; not whether they buy some extra things you've decided to sell....”

“If I offer tapes, books and rallies, they will always be presented on a voluntary basis. No strings, no pressure, and no force, and by 'force' I mean such as saying to somebody in your group that "You must take ten tickets. You must take a hundred tickets. Here's your hundred tickets. Pay me for 'em. You better get rid of 'em. We're going to fill this hall. Or saying, "You must subscribe to Tape of the Week, or I won't work with you." That's force. You know, you offer these things, but you do that voluntarily. If you do it that way, fine. It doesn't diminish your willingness to work with them. Pure, voluntary use of support materials. By the way, you ought to be very careful, because the moment you do anything more than what I am saying to you to do, which is voluntarily offer them, you are going to run the risk of having an employer/employee relationship. That's the last thing you need.”

If Rich is right about this employer/employee relationship, the Diamond distributors could be liable for hundreds of million of dollars in back withholding taxes. He continued with,

“Some of you have got to ask yourself whether you're really in the Amway business or whether you're in the tape business. You got to ask yourself whether you're

really in the rally business or in the Amway business. You must ask yourself if everything you're doing is to support your Amway business or is it really for a secondary motive....”

From a second tape that he made, also called Directly Speaking, date unknown (probably Feb. or March 1983), Rich DeVos Amway Cassette Series VA-2160, Rich talks about a deluge of nearly identical letters he received in response to his first Directly Speaking tape.

“Let me take some of the kind of nasty ones first. They kind of come in groups, by the way. You can always tell when some person in the business -- perhaps in a leadership position -- has called together his Directs and given them the word, because a whole bunch of letters or telegrams come in; and they all say exactly the same thing.”

This was an interesting comment, in light of the fact of what had happened to us with the cease-and-desist letters. Within three days of a meeting with my upline, who told our closest friends to send them, we were inundated with letters, all reading almost exactly the same. Some even had the same typographical errors in them. One distributor in our group, who called Dan Bailey to complain that Kerry would not buy the tools back at any price, was advised by Dan Bailey to file a formal complaint *against me*. He shared with Dan that he had no interest in that, but Mr. Bailey mailed him the complaint form anyway. The distributor said that he filled it out and filed a complaint against Kerry. It was amazing that Amway’s head of business conduct was advising distributors in our downline to file complaints against us. The apparent reason for this would soon become clear. Once a sufficient document trail had been created, they could then take action against us in an apparent attempt to financially starve us into submission.

***“Rich DeVos is one of our country’s most successful businessmen”***

- George Bush Former President of the United States \*

Through Internet contacts, I was able to meet an important figure in this whole situation. His name is Gerry Hayden. I drove across several states to Connecticut and met with Gerry and his wife, Edda. In 1997, the Haydens had filed a lawsuit against Amway, Dexter Yager and members of his upline for virtually the same fraud and abuses we had fallen prey to. They were very kind people to speak with, and it was a relief to talk to someone that understood what was going on. I provided them with documentation for their case, and we talked about the almost identical abuses and outright fraud we both had

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\* From his endorsement of *Hope from My Heart* by Rich DeVos.

perpetrated upon us by Yager Diamonds. The more we talked, the more striking similarities we discovered between what had happened to us. He had been a Direct distributor and had complained that he felt his group was being taken advantage of by the tool system.

After questioning the system and their all-knowing upline, they had been immediately labeled as troublemakers. Their group was told horrible lies about them in a smear campaign that effectively 'erased' them almost exactly as we had been. Amazingly, years earlier and several states away, he had received nearly identical cease-and-desist letters from his group.

My attorney contacted another attorney involved in litigating yet another case for Amway distributors. That attorney and the plaintiff, I was speaking with, confirmed that Chubb Insurance Company and other carriers insured the Diamonds against the costs of lawsuits. I would later learn that Zack was insured by State Farm. These attorneys were dealing with insurance carriers. I wondered if Chubb had any idea of the magnitude of the liability they might have to absorb with these policies. They could possibly get off the hook if they could prove intentional fraud against the Diamonds. I could not believe that the Diamonds, who professed deep love and servant hood to their groups, were insured against being sued when their often destitute downline realized what had happened. It looked very much like the odds were staked against the trusting distributor force on all fronts.

Gerry had a rage toward Amway, in that he felt they had known all along about what was going to happen to all of us. He had long ago discovered the Directly Speaking tape transcripts that I was reviewing. He warned me to be very careful, as someone had broken into his attorney's office and stolen documentation (tapes) for his case. I felt like I was now involved with the Mafia. My fears were increasing with the more I learned about Amway, Rich DeVos and my upline.

I returned home and began to review the last of the Directly Speaking tape Transcript in which Rich DeVos continues with:

“...to draw your attention to the kind of potential abuse that we thought was there, which we now know is there, with a kind of power and pressure I never believed; and I am not going to take all afternoon to read you the horror stories of the people who say, "I'm connected with such and such a system. I have \$8,000 worth of their tapes in my basement. They will not take them back," and the others who were told to mortgage their houses, cash in their life insurance, told to go to the bank to borrow because this big weekend seminar was so important. Well, that's extracting money.

Let me talk to you about the legal side, beyond price fixing, that deals with pyramids, that deals with the illegal operation of a business that does not have an end consumer, where the product is not retailed. That would include all books and tapes. The sad news, folks, is that when those

things go out that way and they become excessive, beyond my ten or twenty percent theoretical guideline, hopefully acceptable, to where it's a reasonable support system, but not beyond the reasonable element, then it becomes an out and out illegal pyramid.”

I would later go on to personally inform, by fax and certified mail, current Amway President Dick DeVos (Rich’s son) of the mandatory nature of the tools business. Distributors had actually been advised that if they did not have enough money for products and tapes, they could buy books, tapes, and seminar tickets to continue to educate themselves. Nearly every ‘plugged-in’ distributor in my organization had been induced to build what **Rich DeVos had years earlier defined as an illegal pyramid.**

The message continues with this:

“We thought competition between the people and the field would keep the pricing down. But it didn't work that way. There was a subtle pressure put into this organization that I never felt would exist. I watch people being intimidated, threatened, coerced, scared. My mail has got in it letters from people who didn't sign it. One man started, "This comes from John Doe. If I told you who I was, I would be threatened; because I have been told never to talk to the company. My upline is my source of all guidance and information." Hey folks, that's scary. That is intimidation.”

“...If I only had one letter like that, I might have dismissed it; but I had many more than one. And I have many others who signed their name, but spoke of the same pressure, fear.”

This confirmed that threats and intimidation were nothing new to those whom we had come to trust. Perhaps the death threat I received was not the only one. I would later learn of the kidnapping, beating, and murder of a distributor’s son. A full review of the entire transcript leads the author to believe that Mr. DeVos acknowledged a complete understanding that the Amway business was being utilized as a recruitment device to ultimately sell people on the secretive tool system. Amway was being used as a front company. The tool business would never stand on it’s own. This was a bait and switch of the highest order, in that people were lured into Amway, based upon the so-called lifestyle and incomes of the “Amway Diamonds,” when in fact, they derived nearly all their income from the ghost tool business.

The ‘bait and switch’ was a topic I had discussed at length with both the FBI and the Assistant U.S. Attorney. They both seemed to have a clear grasp of the situation. When I finally called FBI agent Lou Glodek to see what he could tell me about the investigation, he told me that he could not discuss it. I did not know if that was good or bad. An investigation could have been killed politically by now, or it could be in full

swing. I continued to obtain information regarding Zack's open and seminar meetings and faxed Lou updates so that the agents could attend.

Again, from Rich DeVos' 1983 message,

“I've not tried to say to you, you can't sell tapes or books or motivational aids to your people; but I am telling you that if your secondary business is other than a support mechanism in a reasonable volume level in relationship to your Amway business, it may very well be an illegal business.”

I understood why Zack warned us not to talk to a lot of people or get any new ideas when we went to Ada, Michigan for our Direct Distributor seminar. The “new ideas” were most likely the fact that the tools system was corrupt and that our recruitment into Amway was predicated upon misrepresentation. The other new information we might have received was that we were supposed to be selling products to customers to get a bonus. There were a lot of skeletons in this closet. I was deeply saddened, enraged and physically nauseated to learn that this had been going on for decades and to know that people, who were in a position to, did not stop it. The transcript revealed more, beginning with Mr. DeVos quoting yet another distributor letter complaining of abuses. :

“He says, My concern lies in two areas. The most recent event occurred last evening. Our sponsors told us that (and it's and an 'Emerald' under 'so-and-so') -- said that, "My wife and I were considered inactive and could no longer receive BV from our legs." Wow. "Therefore, our BV check for January was \$2.69, based on the BV of the products we use personally." Who said you have the right to cut anybody out because they don't follow you? Unbelievable abuse of power, arbitrarily deciding who's active and who's inactive and who is entitled. We will be following up on that one personally.”

That made my blood boil, because it was exactly what Amway was doing to me. I exposed systematic fraud and/or global abuses to my organization and to Amway. I declared that I was going inactive, and I was about to have my income shut off. Now it was **Amway** that was actually cutting my income out in collaboration with my upline. It was outrageous. It seemed as if we were trapped in an incredible web of deceit and hidden loyalties and agendas. I initially was led to believe that I owned and controlled my own business. Millions were brought in believing this. However, as Amway has clearly known for almost two decades, distributors would be cut off and put out in the cold if they questioned their upline or refused to totally buy into their system. The text went on by stating:

“In our opinion, we will go through that new adjustment period, deciding whether we really want to be in the Amway business or whether our other things are more important to us.”

The answer to this near two-decade-old, rhetorical question appeared to be fairly evident. It looked as if Amway, its leadership and ownership, sold their collective souls to the god of money, power, and greed. By working with Jody Victor and others on the BSMAA and its related gag order, they had effectively bound and gagged their own distributor force to be repeatedly and silently gang raped by the Amway Diamonds for system funds. Mr. DeVos’ intentions in 1983 appeared to be both noble and in the best interest of his company and its growing global distributor force. However, it was obvious that he did not follow through and stop the abuses. Did they have the power to take that next step? Certainly they did. They could have stopped the income of the abusing Kingpins, just as they were about to shut off mine.

There was a symbiotic relationship between Amway and its Kingpin leaders and their systems of success. The systems were of no value without Amway as a front company to recruit well-meaning, ambitious people. Amway’s success and exploding volume came almost exclusively, we were told, from these huge organizations. Certainly, Amway would have taken a financial loss in terminating the offending Kingpin distributors. It would, however, have protected the people who came into Amway believing it was a way for them to improve their finances.

By allowing the major distributors to continue to abuse and to deceive their people, Amway was catapulted to an estimated seven billion dollar a year global giant. Looking the other way may have had its perks, as Amway and its owners accumulated a large private island in the Caribbean (Peter Island), as well as a fleet of corporate yachts and jets. To hell with the families who had come to them with trust and hope! I am so sickened to learn that what happened to us could have been prevented. While Rich DeVos was accumulating his multi billion dollar net worth, he knowingly allowed countless families like ours to be systematically destroyed. I began, once again, to spiral into a deep depression and personal darkness that seems to know no end.

*“Tonight you had the privilege of being in a room with one of the richest men in the world, Rich DeVos, who went beyond my parent’s teaching to teach me so many principles in the business world. Birdie and I grew up loving this man. It’s been a special night when he came here out of retirement to honor Birdie and I.”*

- Crown Ambassador Dexter Yager \*

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\* Dexter Yager, **Crown Ambassadors Dexter & Birdie Yager**. Stock No. FED 94-12 Copyright Internet Services Corporation

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<sup>1</sup> Emerald Directs II GDL 97-20 Internet Services

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

CHAPTER 14

## “The War of the Roses”

*“Newsweek is proud of its marketing partnership with Amway. Amway’s extensive advertising campaign in support of Junior Achievement can play a significant role in bringing entrepreneurial ideas and opportunities to business people everywhere.”*

- Carolyn Wall, Publisher *Newsweek* Magazine \*

The “Directly Speaking” tapes started a battle between Amway and the motivational organizations over the tool business. The aftermath of these tapes caused what Billy Zeoli referred to as the “War of the Roses.” Billy was the President of Gospel Films and frequently spoke to Amway groups and particularly to Dexter’s Emeralds and Diamonds. He also worked closely in Michigan with Rich DeVos, who happened to be Chairman of the Board of Gospel Films. They also have Gospelcom.net, the most successful Christian Internet site in history, with over one billion hits a year. We ‘passed the plate’ at many seminars and contributed, at our upline’s request, to Gospel Films.

A literal legal war broke out between Amway and the high-level distributors that were reaping fortunes from their surreptitious tool businesses. The legal war, combined with some bad press, caused Amway’s annual revenues to plummet by tens of millions of dollars in twelve months’ time. It sounded as if Billy acted as a go between for Amway or Rich DeVos and Dexter, at some point in this war. At a leaders-only Emerald meeting, Diamonds talked about those hard times. Some spoke of being summoned to hearings at Amway headquarters and being told that Dexter Yager was a crook. One Diamond shared how she went to a meeting with a tape recorder and a bodyguard snatched it out of her hands before the meeting. Did Amway have a goon squad to intimidate people? Deeper research appeared to confirm Amway’s willingness to use strong-arm tactics on anyone who dared verbalize opposition. Amway was becoming a very wealthy, influential company. In 1991, *Forbes* did a story on Amway and its leaders. This article stated:

DeVos and Van Andel have become very powerful men. Former Presidents Gerald Ford and Ronald Reagan have addressed Amway rallies. Some Senators have been Amway distributors, as have celebrities like Pat Boone and former football coach Tom Landry. All of these role models help inspire the Amway movement with a patriotic and religious feeling.<sup>1</sup>

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\* Carolyn Wall, Amagram, June 1999

**The article went on to illuminate some of Amway's problems:**

Former distributors and Amway officials say that, like many movements based on a cult of personality, Amway's attitude toward any insider critical of the organization has bordered on paranoia. Edward Engel was Amway's Chief Financial Officer until 1979; he resigned over a disagreement with DeVos and Van Andel on how to run the Canadian operations. That apparently branded him a traitor; he says he and his family received threats for years after his resignation. "It was a Big Brother organization," says Engel today. "Everyone assumed that the phones were tapped, and that Amway had something on everybody."

In 1983, Engel's former secretary, Dorothy Edgar, was helping the Canadians in their investigation of the company. She was roughed up in Chicago, after she was told to "stay away from Amway." Engel, who picked her up after the incident, says he believes her story. Amway would not comment on the incident. There was extremely bad publicity in 1982 when a former distributor, Philip Kerns, quit to write a damaging expose called *Fake It Till You Make It*. Kerns charges that Amway used detectives to follow him and rough him up. Kern's expose prompted the Phil Donahue show and 60 minutes to run uncomplimentary pieces on Amway. Amway's recruitment dropped off; with it, sales plunged an estimated 30% in the early 1980's.

In 1984, another former Amway insider, Donald Gregory, says he started to write a book on Amway, but the company obtained a gag order against Gregory in a Grand Rapids court.<sup>2</sup>

In an Emerald meeting I attended with Zack and Dexter, Amway Triple Diamond Rick Setzer spoke of his personal legal war against Amway to defend and/or protect his tool business. He explained that, while he was incurring huge legal fees, Amway cut off his income completely in an apparent effort to starve him out. He had to sell many of his assets just to survive this period. Unlike Kathy and I, he had been wealthy at the inception of this financial assault.

Kathy and I did not have that luxury. This information was never passed to the group but was given to us, so we could "truly appreciate the price our upline had paid" in order to secure a strong future and the tools that we needed to grow. We had been told for some time that things had never been better between the field (us) and the company (Amway). Now I understood these references. Because we were cut off from outside or negative information, we had not had knowledge of what happened in the past. No matter how I looked at this situation and scrutinized the information, I couldn't find any relief, because I did not want these accusations to be true. But the real picture was becoming all too clear. It had been a rotten, stinking, deceptive mess many years before we came along. Worse than that, Amway was fully aware of the problems and did not stop the

abusive high-level leaders. I was an unlikely whistle blower, as I had wanted more than anything to discover that I was wrong about everything.

I read and reread the documentation several times over a few months. During the last couple of readings, the system-induced psychological coma had been wearing off, and I was now able to think more clearly and reason at times. My thinking was not yet consistent, but I had several days in a row when I could actually function almost normally. I would then crash into depression and a fog-like trance. This would last for well over a year.

## **Keep the Home Fires Burning**

*“You are God’s anointed!”*

- Amway Crown Ambassador Dexter Yager \*

I was now able to spend almost all my time at home with my family. Out of the horror had come the opportunity that I had striven for all along. I literally loved my family more than life itself. You would think this would be a relief to me, but I was tormented now by our time together. For years, I had been tormented by our time apart. How can I help you understand this? I was strangely nervous about the time at home and often felt compelled to leave at strange hours. I had not been home much in the afternoons, nights, and weekends for so many years that Kathy had developed her own life and schedule. We did not know where we fit into each other’s lives or what our roles should be. I was a stranger in my own home and being there, during what had been my non-stop work hours, made me panicky and nervous.

I played with my kids, and we actually took walks to the park as a family. Often, when we arrived at the park, it would be near 8:00 p.m., which was the time I would have been showing the plan. I felt panic stricken and guilty. If I loved my family, I would be out performing for them and securing their future. The old programs were still running powerfully in my mind—without my consent. We sat in bed and watched television shows as a family. We had heard again and again that it was the ‘hell-a-vision’ and the ‘electronic income reducer.’ We had heard of losers that would nightly succumb to the ‘blue hue,’ as they went broke. In my own seminars to very large crowds, I had often reinforced this point by imploring the men to be *real men* and *heroes* to their families by setting the example. They did not want to be “couch potatoes raising little ‘tater tots’!” It was an effective joke to make the point clear.

Previously, before a counseling session, the wives of Directs in our group would call Kathy or me and report on their husbands for watching TV when they should be out getting financially free. I would then address this problem by using third party examples, so the husband wouldn’t know he had been exposed. What a sick perversion of loyalties. I really felt ashamed of myself.

Continual letters from our upline and Amway arrived, and I was feeling a tremendous financial pressure. I had not been able to secure employment, despite a flurry

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\* Dexter Yager. **Dex Tuesday Evening Part II**, Audiotape Stock No. GDL 96-40 Copyright Internet Services Corporation

of resumes and interviews. I had not anticipated being unemployed for such a long period of time, as I had never gone without a job more than a few weeks in my life.

Amway was posturing to stop my income if I did not agree to buy back many books and tapes that were of no commercial value to me. I also would not meet face to face with my gun-toting sponsor. His over-the-edge loyalty scared me. I did not know what he was capable of doing, and I really did not want to find out either. There seemed to be no limit. I was unable to purchase the tools back, as I was financially destitute. Even if I had the money, I was unable to purchase them and then resell them into my group. I had been threatened with legal action for having any contact with my own organization. Most importantly, I now believed the tool business was completely deceptive, unethical, and illegal. I would have nothing to do with it.

Amway was going to cancel our income if we did not obtain a written servicing agreement from Kerry and Chris. They were well aware of our dire financial situation, because I had advised everyone that needed to know with certified letters. We are unable to make even the minimum payments on the massive debt we had accumulated while we had been Amway distributors. We attempted to keep our mortgages current but were forced to file for bankruptcy. It was one more degradation. We actually had to borrow money to pay the fees for an attorney to help us declare the bankruptcy. We had had so much of our human dignity stripped away from us that we numbly and painfully filled out all the appropriate forms. We were like Zombies by then. How far would this go?

Our upline seemed to find new ways to harass us, and once more, they pummeled us unmercifully. They made insane demands that looked very much like blackmail. Dan Bailey at Amway Rules and Conduct continued to try to steer us toward the informal conciliation process. This was a funnel that could lead to binding arbitration, perhaps an enormous check for us and then silence. We would not do this. Despite the fact that Kathy and I and Kerry and Chris have serviced non-personally sponsored distributors for years for no fee and without an agreement, they pressed for an agreement with a 15% fee of our total monthly income. At one point, they even pressed us to pre-pay other trumped-up costs, knowing full well that we were destitute and unable to meet any such financial requirement. During this, we told Zack, Kerry, and Dan Bailey that we were being forced into bankruptcy. We told them that we had already lost our medical insurance and were facing foreclosure.

Kerry made more far-reaching demands as our situation worsened. He agreed to sign a servicing agreement, which allowed us to save our home and keep our medical insurance, *if* we agreed to release Kerry and Zack from any liability related to our Amway business. In another ridiculous blackmail-like offer, they agreed to sign the servicing agreement *if* we signed a form stating essentially that we would not transmit, publish, or broadcast (in any form) our experiences in Amway.

We could save ourselves if we simply turned our backs on humanity. Had we signed it, you would not be reading these words. We wondered how long it could all last and how far they would go to completely destroy us. Dan Bailey seemed to be working in harmony with our upline and openly carbon copied them on some correspondence to us.

## **Water, Water Everywhere and Not a Drop to Drink**

We were feeling incredible pressured when I sent a professional letter to Dick DeVos, Rich's son and the new President of Amway. I was fearful that Amway would cancel our income, and we would lose our home. The letter that I sent was not hateful or angry, and I felt it would win him over with reason. Part of me wanted to still believe this was a good company. Naively, I believed that the letter I sent would resolve our situation. With the single exception of concealing my sponsor's name, the text you read below is the complete, unedited version of the letter that I faxed and sent by certified mail to him regarding our current status.

May 21, 1999

Amway Corporation  
Dick DeVos President  
7575 Fulton Street East  
ADA, Michigan 49355

RE: Amway Emerald Nightmare

Dear Mr. DeVos:

I am writing this to you as someone who, like you and your family, has shown total dedication to Amway. For nearly the past decade, I have driven and flown hundreds of thousands of miles in several countries to build the Amway business. It took enormous effort, work and perseverance to reach the level of Emerald. We brought in an enormous amount of people from every walk of life and spoke to thousands from stage. So far, this sounds like the type of Amway success story that your dad had envisioned decades ago. I have defended your father, my upline and Amway to all that I know.

The unfortunate truth is that my wife and I, like tens of thousands of others, were snared in a carefully orchestrated psychological web of deception called the system. This, combined with the cult like manipulative control techniques, employed as a normal course of business by the many in Diamond leadership, have led to me filing for bankruptcy. My wife and I walked from active participation in this business for ethical reasons (see letter enclosed).

I understand that both my upline and Amway have a vested interest in salvaging my organization. It is amazing that we were heroes to the masses a short time ago. However, since we left our friends/group have had the following rumors circulated:

- 1) I am a drug addict
- 2) I am an alcoholic
- 3) I have a gambling problem
- 4) I am having an affair

- 5) My wife is sleeping with one of our Directs
- 6) We are getting divorced
- 7) I falsified tax returns that were shown to my leaders
- 8) I told (Kerry's true name here) that the way to make big money in Amway is to go Emerald and sue

There are more, but I think you get the picture. **None of the above are true.** Those were enough to give my wife, whom I love dearly, a nervous breakdown. I had thought the attacks would be confined to me at least. This does not appear to be in the spirit of what your dad started.

Imagine our heartbreak as we just read the transcripts of the Directly Speaking tape. There is no way to express the depth of our shock or pain to learn that Amway was fully aware of these distributor abuses in 1983, a full six years before we started on as excited, young Amway distributors. Dan Bailey, in your Global Business Conduct Department, has a lengthy letter that we sent to our directs detailing the extensive abuses we endured as loyal Amway distributors. In the letter is a transcript of a tape recorded counseling session with my upline Double Diamond in which he teaches me how to coerce/force mandatory participation in the tool business. In this line of sponsorship, it costs a minimum of \$2,500 a year **just in system costs** to remain an Amway distributor. There are other, multiple examples of the "forced" nature of this "voluntary" support system in the letter.

To my knowledge, **Mr. Bailey has taken no action on any of these incredible violations of Amway's own rules of conduct and the BSMAA.** Quite the opposite is true. I just received a letter from him threatening to cancel my ADA over a non issue when the above rape of a huge distributor force is being apparently overlooked. Enclosed is my response to Mr. Bailey.

Sir, there is no way for you to right the wrong we have suffered at the hands of our upline. You cannot give me back the last nine and a half years of my life in which I was used as a pawn to unwittingly extract almost \$4,000,000 in tool/seminar money from the people I love the most (distributors). Almost all have failed economically from being taught to bring in more people and get them on the system as opposed to doing volume. **I will carry that guilt and shame for life.** What you can do is "call the dogs off". I am negotiating with my sponsor (letter enclosed) for the formal written agreement that Mr. Bailey is threatening to cancel my ADA and meager income over. I have not yet found a job. I have lost almost every possession I have with the exception of my home. I have three small children and would like to keep a roof over their heads.

I think the Yager "system" and other systems were perceived as a *necessary cancer* by Amway at some point. Your Dad mentioned in the

Directly Speaking tapes that the system should never be more than 10-20% of your dollar volume because this would be considered a pyramid as it only takes from the sales force with no end user to retail to. In many instances in our line of sponsorship, the system cost are **100% or greater** than the dollar amount of products that the distributor is moving. The system is now, in fact, the business. The cancer has overtaken the body and the tumor appears to be inseparably intertwined with something that was once so good.

I do not expect a personal response, but I would be glad to speak with you. We are not the average couple to buy a kit. We sacrificed all on the belief of the goodness and integrity of our upline and Amway. I am asking for your assistance in ending our nightmarish experience in something we once believed in with all our hearts and soul.

Thank you for your time.

John Jacob

I was relieved to send this off, as I felt it was well thought out and appealed to Mr. DeVos' sheer sense of basic integrity. I could not have been more wrong, judging by the response. You see, neither he nor his staff ever did respond to this certified letter and the fax that went directly to his office. Now you would think that the President of a multinational, multi-billion-dollar corporation would have an interest when a key leader exposed enormous global abuses. Perhaps, as the analogy goes, the apple does not fall far from the tree, as many distributors had previously written to his father for years over the same issues. Pathetically, Dick DeVos had made the statement below to us at a seminar.

*"I hope that you'll know that if there is anything that I can do personally to be of assistance to you, and to support you and help you achieve your dreams and your goals with this business. I stand ready to do anything I can. Because we are about a wonderful mission that you and I can feel very, very good about together."*

- Dick DeVos, President of Amway\*

You would have thought that all of the revelations from my research would have brought us comfort. But we felt even more injured and abused knowing that what happened to us could have been prevented. I was further sickened, knowing how we were used and manipulated from our very first contact with Kerry and Zack. This may be the largest, ongoing, most well coordinated, well-orchestrated theft by deception in the history of business. I could not believe it had gone on that long. I also could not believe the magnitude of the beast we were up against. How could I ever expose this and help people? How would I keep my home and feed my family? We now had bill collectors

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\* Dick DeVos. **Guest Speakers.** Stock No. 97-9 Copyright Internet Services Corporation

calling us sometimes twice a day, which added to our daily stress. We were fearful to go out in our own community. It was like a strange land to us now, and we were very uncomfortable with it.

There was never either an acknowledgement or response from Dick DeVos or his office staff. I did, however, receive a letter from Dan Bailey dated June 24, 1999, stating that indeed they were shutting my income off. They were not keeping it; they were just “putting it in escrow”. They also advised me that they were going to begin taking 10% of the money I was not getting and paying it to a Direct as a forced servicing fee. Although we received no money from the global business that we had developed, Amway decided to begin paying Kerry and Chris 10% of it every month, thereby, eliminating any need for them to want to reasonably negotiate a trumped-up servicing agreement. They began to get paid from our escrowed funds, and we stopped paying on our mortgages. Free enterprise is a wonderful thing. Rich DeVos had written a highly touted book called *Compassionate Capitalism*. Was this his version of compassionate capitalism?

We began to worry about how we would feed our children. I was stunned and in shock. I truly did not believe that they could be quite so evil. Our upline was probably dancing with glee, as we were further punished and humiliated.

I was so angry and ashamed. I had just gone to my father a few months ago and borrowed over \$10,000 to bring many bills current. We had been paying him and his wife Kelly monthly. I now had to default on payments to them, after I had lured them into Amway and extracted money from them for Amway products and system tapes. I did not know how I would ever face them again. More than anything, I had wanted to make them both proud of me. I felt like I was a total and complete failure to all who knew me.

I was now drowning in an image of the blood of good people being washed over my head, as I learned how many more were getting deeper into The Business and were being further seduced to buy large amounts of constantly changing tools, tapes, CD’s, laptops, and videos for the upcoming launch of the Amway owner’s Internet company, Quixtar. It was slick, sexy, and high tech, and I believed many more millions of distributors would be recruited. The new high-tech venture was mixed with the same mind-numbing combination of the system, patriotism, religion, and loyalty that overtook us.

My research continued as I learned of the enormous sums of money that Amway, its founders, and distributors contributed to the Republican Party. A Texas paper reported in a 1997 article entitled “Amway Has Voice in Congress” that Amway and “its top leaders have contributed at least \$4 million to the Republican Party during the past four years”<sup>3</sup> The article later went on to state:

Of course, it helps that Amway has its own caucus in Congress. Yes, the Amway caucus. Five Republican House members are also Amway distributors: Reps. Sue Myrick of North Carolina; Jon Christensen of Nebraska; Dick Chrysler of Michigan; Richard Rombo of California; and John Ensign of Nevada. Their informal caucus meets several times a year with Amway bigwigs to discuss policy matters affecting the company, including China’s trade status.

House Majority Whip Tom Delay, a onetime Amway salesman, also remains close to the company. Mother Jones magazine, which has

followed Amway's shenanigans closely, reported last fall that Myrick owes her election to the company – almost half of her total campaign funds came from Amway people.<sup>4</sup>

The Charlotte Observer reported that Dexter Yager “helped Republican - and Amway distributor – Sue Myrick raise about \$200,000 from distributors, the Yager family and employees.”<sup>5</sup>

The Amway yachts are used to entertain and host influential individuals that may be friendly to ‘the cause.’ Published reports placed, now President elect, George W. Bush, on an Amway yacht in the Philadelphia harbor during the 2000 Republican Convention. Jeff Birnbaum, from *Fortune* magazine, was interviewed by Brit Hume on the Fox news, and they discussed how large sums of money are being raised for a new committee called the Republican Majority Issues Committee. Hume asked who the possible contributors may be and Birnbaum responded:

“Well, I was told about a Delay briefing on the republican Majority Issues Committee on the yacht of Dick and Betsy DeVos (ph). Dick DeVos is the president of Amway Corporation, a very big contributor to conservative and Republican causes. He could certainly pony up some money.”<sup>6</sup> A Boston paper reported on Rich DeVos in that “The founder of Amway Corp. and his wife gave \$1 million to the Republican Party last month, one of the biggest single contributions ever made by an individual donor.”<sup>7</sup>

The Republican Party seems to be an off-site division of the Amway Corporation. In addition to direct contributions, many politicians garnered huge fees for speaking at large seminars and singing the praises of Amway, America, and Free Enterprise. Amway groups have had the support of such speakers as Newt Gingrich, Ronald Reagan, George Bush, Sr., Jack Kemp and many others. Former President Gerald Ford even spoke very highly of Amway. A former distributor told me that George Bush, Sr. may have been paid as much as \$100,000 to come and speak at a single seminar for Amway distributors. Newt Gingrich was known to sing Amway's praises at large Amway rallies across the nation. I met Newt when he spoke to thousands of distributors at a large rally in Hershey, PA. At this seminar, Newt Gingrich said:

**“Nothing would do more to help the people that used to live in what was called the Soviet empire to achieve prosperity, to achieve freedom, to achieve opportunity than to have sixty or seventy thousand Amway folks go over there and start recruiting”\***

*USA Today* ran an interesting article on Mr. Gingrich, stating that the former

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\* After All We Are Americans audiotope Newt Gingrich CE-50 Copyright unknown

Speaker of the House of Representatives raked in a windfall fee of “\$50,000 a speech.”<sup>8</sup> Could those large amounts of money actually be considered an investment for Amway or its motivational organizations? The answer to that question would soon be evident. One report discussed a “\$283 million payoff”<sup>9</sup> for Amway’s campaign contributions. It described a new budget package that was amended by an apparent friend of Amway. “The payoff for Amway was not in the original House or Senate version of the tax bill. House Speaker Newt Gingrich intervened at the last minute to help get the special tax break inserted in the bill.”<sup>10</sup> The book *The Buying of the Congress* sheds more light on this sweetheart deal:

It could not have hurt that from 1994 to 1996 Amway gave \$366,000 to Republican Party causes and candidates and that it employs Roger Mentz, who was the Assistant Treasury Secretary for Tax policy in the Reagan Administration, as its tax lobbyist.<sup>11</sup>

The more I learned, the greater the deterioration of my psychological well-being. I was overwhelmed by the contrast of wealthy, apparently corrupt billionaire getting a \$283 million dollar tax break for their company, while I was struggling to find food money for my family after telling the truth. Goliath’s shadow seemed bigger than ever.

## **Creatures from the Black Lagoon**

The panic attacks and nightmares came back, and Kathy and I were so shell shocked that we walked through each day like zombies. Survival was now a one-day-at-a-time goal for both of us. We had no idea how to communicate, after being silent for so long concerning our real feelings. She was able to tell me that she was angry at herself for not jumping up and down and shouting about how much she hated our life. She told me that she had hated our life for years and never trusted Zack. I, too, had hated our life but had no idea what was wrong during the last few years. She was angry with me for continuing against all odds. She was angry with herself for sometimes encouraging me, because the encouragement was what often kept me going. She knew I was doing it for her and the kids but was unimaginably hurt for literally being abandoned for years. She was a single mom, an Amway widow. It was so confusing when my love for my family was used against me to keep me out and away from them constantly.

I told her that I would have stopped had she let me know how she felt. We were now shouting. She told me that if she gave me the choice between her and Amway, I would have chosen Amway. I was now screaming that that was insane and that I loved her and that was why I did it. I calmed down after a while, and I realized that she was right. It was all so sick. Had she given me the choice between her and Amway, I probably would have gotten an apartment and worked non-stop to go Diamond to prove how much I loved her. That was crushing. I felt like I was entering a twilight zone. The torrent of conflicting, screaming thoughts returned. I had destroyed the very person I loved the most in a business that was supposed to give us income and family time. I had lost almost everything I had been promised.

I needed help desperately, but I did not know where to turn. I was in a cave of

darkness. I could barely decide whether to eat or what to wear at times. I went down to our swimming hole and smoked a cigar with my only trusted friends—the gun, a can of mace, and a beer. I prayed for death. I had ruined all that I had hoped for my entire life. All I wanted was to be successful enough to be a good father and husband. I was worthless. In the depths of the deepest despair, I decided there was no God. I renounced my salvation. If there even was a God, I would curse Him. I was utterly and completely hopeless. I told no one of this but was obviously no longer qualified to strap on my concealed gun and teach adult Sunday school.

Feeling broken and hopeless, I thought I was losing both my mind and family at the same time. I appeared to lose most of my sense of taste, and I saw everything almost in a subdued black and white. I never knew such a darkness even existed. I cried often for no reason. After it started happening in public, I knew that I was falling apart; yet I was obsessed with exposing this horror. We were going into foreclosure. I learned of other distributors who alleged that they had gone bankrupt, lost their homes, or gotten divorced as a result of their experiences as Amway distributors. I used to laugh at “losers” that said those kinds of things. Now, I was one of them.

I discovered that the cultish abuses and fraudulent business practices were global in scope. Through the Internet, I was able to make contact with many former distributors. I documented nearly identical systematic abuses in many countries. I became a low-profile member of an Internet underground of former distributors that shared information and encouragement. I contacted a few people myself, and some were sent to me for help, as they attempted to deprogram from their Amway motivational comas. One woman had just come from a Cult Wellness center called Wellspring. Her life had been destroyed in nearly every sense by her Amway experience. We offered each other encouragement and intuitively understood what the other was going through.

I continued to contact plaintiffs and their attorneys to offer high-level, insider testimony and documentation. I was talking to a current plaintiff when I received the most chilling news to date. He asked me if I had heard about the murder. I told him I had not. He asked me if I was familiar with the Morrison lawsuit in Texas. I was well aware of that suit, because it was one of the largest in Amway’s history and involved high-level distributors like myself.

Dr. Joe Morrison was a spokesperson for the group of 29 complainants, most of who were at the Emerald level. They collectively were seeking over \$200 million in damages. The number of distributors in the group had been estimated near as many as 40,000. Among the plaintiffs were three doctors, a chiropractor, and other professionals. Many of these people had left their full time careers, just as I had done. In a press release issued by their attorneys, Dr. Morrison made the following statements.

This lawsuit has been filed, because there is something rotten in the Amway organization. We have tried unsuccessfully to work out our complaint with Amway and others through the system, but it only gets worse. We had no choice but to take this step.

It is truly ironic that we have found out the overriding principle this company has preached so hard—integrity—is the quality that has been largely absent in the past, bringing us to this stage.

We all thought that Amway was the key to our future, and the future of our families. We worked as hard as anyone, and did what we were told to help our business grow. In the end, though, we weren't ready to sacrifice our own integrity to enhance our business.

We all thought we were going to be living the American dream, if only we worked hard enough. What we found out is that if we allowed the wrong to continue, it would be really more the American nightmare.

On 8/13/98, the judge in this case ordered it into Amway's forced binding arbitration and silence. When I spoke with the offices of one of the Attorneys involved, I was advised that they were shocked by this action, as some of the plaintiffs involved had never even signed the form. They were vigorously appealing this decision.

The person who had asked me if I had knowledge of this case had heard that one of the defendant's children had been kidnapped and killed in a possible attempt to get them to drop the suit. This sounded even too far out for me. It was reported by an individual who was very close to many of the Amway scandals and lawsuits. I called him and explained that I was a renegade Emerald and that I had discovered all the problems that he knew about already. Once he was comfortable that I was who I said I was, I asked him about this alleged murder. He not only had heard of it, but gave me the name of the convicted killer on death row. The name was Hilton Crawford. I asked him about the circumstances, and he did not know firsthand, but had heard from multiple sources in Texas that the original target was Dr. Joe Morrison's family. He had heard that on a seminar day, Dr. Morrison's house had been broken into, but no one was home. The murderer, he heard, went to another home and kidnapped, beat, and shot another distributor's child. I was shocked but tried to remain calm. As I began my own investigation, I did not even want to allow myself to believe that this could be true.

I researched this myself and eventually found factual information in *The Dallas Morning News*. The paper reported that Hilton Crawford was convicted of murder and sentenced to death for kidnapping and killing a 12-year-old boy named McKay Everett in a botched extortion attempt. Chillingly, the newspaper reported, "McKay was abducted from his Conroe home Sept. 12, while his parents were attending an Amway meeting. He was beaten and shot, and his body was dumped in a Louisiana swamp."<sup>12</sup>

I was in total disbelief and did not know if there really was a tie into the Morrison case but believed that possibly Amway and/or Yager operatives were fully capable of being involved in something like that. Just how low would they stoop? Murder?

I grieved for the poor family. They, too, were away at a meeting, hoping to improve their lives for their family's sake, and what they loved most was stolen from them. This could happen to any Amway distributor, as their schedules were so predictable. At least one night a month, they were away for a local open meeting at a hotel. One entire Saturday a month, most were normally away for a whole day and evening seminar. Their schedules were an open book and an open invitation to predators.

I took and have maintained extraordinary security measures to protect my family that will not be discussed in this book. I had told the FBI about my own death threat and felt it was very real. They took the Diamond's name and address that had made the threat.

They also requested copies of cancelled checks that had been made out to Kerry and Chris as well as Walters International (Zack's business name).

I felt certain that I was going to be killed. The terror was intense. There was too much money at stake. I became nearly insane with paranoia. When I walked alone, I walked in a stagger step, as I knew that kind of a gait made it more difficult for snipers. I was ready at any moment for my bullet. This was insane.

I had told too many people that I was going to expose everything. I had told too many people that I might write a book. One day, I was walking our children down near our swimming hole, when Grace, an older neighbor, stopped and began talking to us. She was always walking and was a delight to talk to. We shared pleasantries for a moment and then it happened. We both instinctively winced as a staccato of gunfire erupted from behind us. I arched my back toward them and tensed, looking her in the eye as the bullets ripped through my flesh. Somehow, I had thought it was going to hurt more than that. Time froze. I realized that this poor woman and my children were about to watch me bleed to death. The kids were okay. I was the target. Thank God, she would take them home. It would all be over in an instant.

The 'gunshots' were firecrackers set off by kids on a small walking bridge behind us. She jumped a little, laughed, and continued on her way. I turned the other way and was gasping for air. My chest was heaving uncontrollably. I could not catch my breath.

There was no end to the torment. I could tell no one of the events in my now seemingly insane world. I caught my breath after about fifteen minutes and joined the kids who were already down playing by the water. I heard nothing they said. They were so sweet, but I could not even hear their voices over the mounting clamor in my mind. I did not know what was happening or maybe I did...

## **Reach Out and Touch**

I reached out for help and attempted to locate Ashley Wilkes, the formerly 'evil' web site owner. He no longer seemed evil to me. There was no way to contact him through his web site, but I learned of where he worked and tracked him down through his employer. We corresponded by e-mail, and I thanked him repeatedly for helping deliver me from the bowels of deception. He, too, had paid an enormous price as a distributor. He felt that it had cost him his marriage, because his wife left him and was now living with a man that would help her to build The Business. Ashley had lost custody of his precious daughter, Ruby, and it pained him greatly.

We set up a time to talk, and we bonded immediately from our shared Amway experiences. He had been in Amway in a completely different motivational organization, but the deceptions and lies were identical. I read a transcript of the plan his upline did, and he used the exact same joke I did to make a point. We talked and laughed when I told him that I had fantasized about meeting him and beating the crap out of him for being a negative loser and for taking shots at my upline. He shared how he felt like a total failure. I encouraged him by telling him that he was far from being a loser and that one-day Ruby would know and recognize him as a hero. He wept openly on the phone, and I cried too. It was such an avalanche of emotions. It was a comfort to speak with someone who understood.

He, too, was under siege from Amway in the form of a legal process. They were draining his nearly non-existent resources in an apparent attempt to get him to shut his web site down by tying him up with subpoenas for his computer hard drive at home and work. Ashley informed me that his legal bills were near \$14,000 by the time they were done with him. When he could afford no more legal fees or psychological strain, he had to allow Amway access to his computer hard drive. He also had to shut down his web site. This was terrifying to me, as his hard drive may still have had many emails from me on it. Big Brother was alive.

It appeared that Amway had to “hit squads” that would take you down financially if you spoke against them. The first I had plenty of experience with. Amway’s Rule and Conduct Department, headed by Dan Bailey, seemed to have no qualms at all about starving us into submission by cutting our sole income off. The second seems to be an external legal hit team that is a law firm called Warner, Norcross & Judd LLP in Grand Rapids, Michigan. Their point man for these issues was an Attorney named Norbert Kugele. He is the attorney who caused Ashley Wilkes (and many others) to incur massive legal bills and personal stress beyond comprehension. Who would do this for a living? From what I heard, he seemed to be a monster in a suit. Little did I know, I would meet him face to face when Kathy and I would be sucked into yet another Amway legal action. Ashley had helped many people like myself to “deprogram”. He offered this service for free to any who contacted him. It was a therapy to him to help others as he felt almost defenseless in stopping this burgeoning, dark predator. To shut down his site and not be able to help people was a crushing blow to him.

Ashley became a close friend, mentor, and confidant. We had much in common. The greater the personal destruction that was heaped upon us, the greater our resolve became to stop the harm being done. He proved to be a tremendous resource to me, as I uncovered more and more about ‘The Business.’ At times we felt strong but most of the time we felt entirely helpless against this towering dark force that was coming against us. He mentioned that there was quite a bit of information on Amway and cult mind-control techniques that were being used on distributors. It sounded a little far out there, but I listened.

I shared this idea with some of our friends who had quit and explained that there might be some type of mind control involved with The Business. In a few days, one called and told me to turn on a talk show named *Leeza*. I turned on the television and tuned into the show. It was, indeed, about cults and destructive mind-control techniques.

There were two guests on the show. One was a well-spoken woman named Deborah Layton, who wrote the book *Seductive Poison* after being in the Jim Jones cult, which resulted in 913 tragic deaths in Guyana in 1978. She was one of the few survivors. Her mother had died there. Some of the deceptions she talked about had vague similarities to situations that had occurred to us in Amway, but I *knew* that I had not been in a cult.

The other guest was a gentleman named Dick Joslyn who had been one of the few surviving members of the Heaven’s Gate cult. He, too, was very articulate and said something that caused the audience to mock him. He said something to the effect that any one of them could be recruited into a destructive cult. They jeered him, as I silently disagreed. I was too smart for that. When the audience quieted down, he made a point that altered the course of my life. He told the audience something that they had not

understood. He explained that cults do not recruit stupid, weak people. They recruit smart, ambitious, well-meaning people, who would in turn recruit others. A red flag went up. We had always been told to sponsor up. Sponsoring up meant to recruit the sharpest, most credible people you knew, as others would come into The Business quickly based upon their credibility. I was not jumping up and down yet, but there were some parallels that I needed to explore.

It was strange. I could tell that I had flashes of clarity and then, without rhyme or reason, I fell off the deep end. As I watched that show, I was able to think clearly, and I acted quickly. After some quick web-based research, I ordered the books *Seductive Poison* and *Cults in our Midst*. I also began to do preliminary research on a man named Steve Hassan. His name came up quite frequently. He had been a former high-level “Moonie” in the Unification Church, a group that former members had branded as a cult.

The books were helpful. *Seductive Poison* was informative, as the author described how she was seduced into the cult by deception through the charismatic leadership of Jim Jones. There seemed to be several parallels between her experience in leadership in the Jones cult and our experiences as young leaders in Amway. Jim Jones had used the credibility of then California State Assembly Speaker Willie Brown, as well as that of President Carter’s wife, Roslyn, in building his own image. He demanded total loyalty from his followers, who thought of him as a father. He even had “a makeshift goon squad to enforce his perverted will.”<sup>13</sup> Jones also had a habit of keeping his followers off balance. They both loved and feared him at the same time. This was sounding too familiar.

*Cults in Our Midst*, was even more informative in relation to my experience. Below I will quote bits of text that seemed to jump off the pages at me, as I devoured this book.

Others have thousands of members, operate multinational businesses, and control complex multimillion- if not multi billion dollar organizations. Cults are not always easy to recognize at first glance.<sup>14</sup>

Readers should know that a number of cults are highly litigious and use their wealth and power to harass and curb critics. Citizens, academics, journalists, former cult members and their parents, and publications ranging from *Time* magazine to the *Journal of the American Medical Association* have been the targets of legal suits brought by various wealthy cults in efforts to intimidate and silence critics. Defending himself or herself against the false accusations made by some of these cults can break the ordinary person. It appears that winning is not the most important goal for the cults. Their motivation appears rather to be to harass, financially destroy, and silence criticism.<sup>15</sup>

Cult leaders tend to be determined and domineering and are often described as charismatic. These leaders need to have enough personal drive, charm or other pulling power to attract, control, and manage their flocks. They persuade devotees to drop their families, jobs, careers, and

friends to follow them. Overtly or covertly, in most cases they eventually take over control of their followers' possessions, money and lives.<sup>16</sup>

Cults are authoritarian in structure. The leader is regarded as the supreme authority, although he may delegate certain power to a few subordinates for the purpose of seeing that members adhere to his wishes and rules. There is no appeal outside of the leader's system to greater systems of justice.<sup>17</sup>

Other groups want to recruit members into pay-as-you-go programs and, therefore, target employed persons with money-making skills, to whom the cults will sell "courses," gradually hooking these people into greater and greater commitment to the group, as well as selling them more and more expensive courses.<sup>18</sup>

The key to successful thought reform is to keep the subjects unaware that they are being manipulated and controlled—and especially to keep them unaware that they are being moved along a path of change that will lead them to serve interests that are to their disadvantage. The usual outcome of thought-reform processes is that a person or group gains almost limitless control over the subjects for varying periods of time.<sup>19</sup>

Put forth a closed system of logic and an authoritarian structure that permits no feedback and refuses to be modified except by leadership approval or executive order. If you criticize or complain, the leader or peers allege that *you* are defective, not the organization. In this closed system of logic, you are not allowed to question or doubt a tenet or rule or to call attention to factual information that suggests some internal contradiction within the belief system or a contradiction with what you have been told.<sup>20</sup>

In particular, when you question, you may be made to look ridiculous and called a renegade, a spy, an agent, a nonbeliever, or Satan, or whatever disparaging terms are used in your particular group. There's always an internal language with terms to ridicule or denigrate. In some way, you are made to feel bad for doubting or questioning. You're convinced by the closed logic of the cult and by peer pressure that to question means you don't believe enough. So you stop questioning.<sup>21</sup>

Exhaustion and confusion increase cult member's inability to act. In most groups, members are made to work morning, noon and night. It's no wonder they become exhausted and unable to think straight.<sup>22</sup>

In this context, to think about leaving becomes completely overwhelming. If escape even crosses your mind, you think - where would I go? What would I do? Who would accept me? You have lost so much

self esteem that the thought of leaving is unbearable. You can't imagine abandoning your protected little universe to go out into the horrible world that all the time you've been trained to believe is the other, the evil, the bourgeois society, or of Satan. The non-believers are not going to accept you. The minute they find out that you were in "that," you are going to die on the spot or be chased away. Nobody would hire you; nobody would want you; you will never have a relationship. You are a loser.<sup>23</sup>

Then, back at the cult, they are denounced and defiled. They are entered on a roster of enemies and non-people. Horrendous lies are told about them to reinforce the cult's line on why they are no longer members. Such denunciation is not a pleasant prospect for someone thinking of leaving. The pariah image takes on enormous proportions and coming to fit that image seems a fate worse than death.<sup>24</sup>

Thank you Margaret and Janja. Thank you so much. You were angels of mercy. I was not insane. Maybe I wasn't a loser. Maybe I did not deserve death. They are two people I hope to meet, if not work with one day. Their work, in part, saved my life. I was far from healthy but now had a small glimmer of hope. I was still in bad shape but continued my cult research with incredible vigor while having 'healthy' days.

I discovered the work of Robert Fitzpatrick while researching the legal aspects of Amway and the system. He is a nationally recognized consultant, speaker and author on distribution trends. His work involves evaluating factors of trust, ethics and integrity in distribution channels. He co-authored *False Profits: Seeking Financial and Spiritual Deliverance in Multi-Level Marketing and Pyramid Schemes*. This book revealed much of what I had discovered in the Amway organization. However, his book brought my purpose more clearly into focus, because it revealed the deceptions that are often an integral part of these businesses.

Robert wrote another small book that specifically addressed Amway entitled, *The Case for Reopening the Amway Pyramid Scheme Case*. This book is not written for the mass audience as it addresses, in great detail, the legal issues and FTC rulings involved. It is written specifically for regulators, attorneys, journalists, talk show hosts and business leaders whose work requires sorting out finance from fraud. I located a copy at [www.falseprofits.com](http://www.falseprofits.com) and subsequently provided it to the FBI agent that I was working with. This detailed why my book *had* to be written. Someone had to stand up to protect the many silent victims.

*"Victims are rendered silent out of shame, embarrassment or guilt. In Multi-level Marketing programs, many are kept silent by being convinced that they are not victims of a scam but only of their personal failures. Failure, they have been told by the promoters, is attributable to their own weak character, lack of ambition, negative thinking, inadequate commitment, unhealthy fear or pathological*

***attachments to poverty. Little wonder they do not rush to the Better Business Bureau, to newspapers or their state Attorney General to announce they have lost their money."***

- Robert L. FitzPatrick\*

The leads, I now had, made it easy to learn a great deal about Steve Hassan, who is an expert in cultism and in rescuing people from the psychological meat hooks that gripped people in cults. I went to his web site, [www.freedomofmind.com](http://www.freedomofmind.com) and was both shocked and elated by what I learned there. On his web site, under the Common Psychological Problems of Victims of Cult Mind Control Section,<sup>25</sup> is a listing of seventeen symptoms.

Out of all the symptoms listed for cult members, I had all but one. I was both shell-shocked and wonderfully surprised to find information that led me to believe that I might make it.

I found other information on Steve that enabled me to be willing to take the chance and trust him. At that point, I trusted no one but Kathy. Steve Hassan had been a high level Moonie recruiter in the Unification Church. He had personal contacts with leader and multi-millionaire industrialist Sun Young Moon. He, like me, was recruited into the group by deception. He was love-bombed and told how sharp he was in the initial recruitment phase. He eventually was indoctrinated to cut all social contacts outside of the group and believed he was part of a great good for the world. He, too, had his male leader replace his own blood father while in the cult. He described it as follows,

In looking back and analyzing the relationship, I see that I allowed Kamiyama to take the place of my father. The kind of verbal approval and physical affection I sought from my father was given to me by this man, who used this emotional leverage to motivate and control me.<sup>26</sup>

***"We're parents to our downlines... We take the knowledge we learned the hard way and give it to our people. And we help them mature in the business until they become our peers. They pass their knowledge on to their 'sons and daughters,' and soon we have our 'grandchildren' and 'great grandchildren' in the business."***

- Amway Crown Bill Britt\*

As Steve progressed through the ranks, his experiences in many ways paralleled those of mine as an Emerald in Amway. Being an Emerald was an elite status, and few

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\* FitzPatrick, Robert L. *False Profits: Seeking Financial and Spiritual Deliverance in Multi-Level Marketing and Pyramid Schemes*. Copyright 1999

\* Britt, Bill *Profiles of Success*. Copyright American Multimedia, Inc.

ever attained it in comparison to the number of distributors recruited. Mr. Hassan describes his rise as follows,

Although I had never liked being in groups before, my elite status in this group made me feel special. Because of my relationship with Kamiyama, I had access to the Messiah himself—Sun Myung Moon—who was the ultimate father figure.<sup>27</sup>

He made another statement that sounded as if he knew Dexter and Zack. He wrote,

Mr. Moon and Mr. Kamiyama knew how to cultivate their disciples to be loyal and well disciplined. Members of the core leadership were trained to follow his orders without question or hesitation. Once I had become totally indoctrinated, all I wanted to do was to follow my central figure's instructions. I was so committed that I had suppressed the real me with my new identity. Whenever I look back now, I am amazed at how I was manipulated and how I manipulated others "in the name of God."<sup>28</sup>

Steve revealed that *The Washington Times* was a Moon-connected enterprise. I was surprised to learn of it, because that was the newspaper that Ronald Reagan said he read every day. The *Freedom of Mind* e-mail newsletter recently broke the story on a Moonie enterprise purchase of UPI. It stated that,

Buying UPI gets a seat with the President of the United States aboard Air Force One. Buying UPI gets editorial control over what stories get written and how. Anyone who believes that the Moonies have never exerted editorial influence over the Washington Times should speak with James Whelan, founding editor of the paper. He quit along with the editorial page editor years ago, because they said they had no editorial independence.

Moon has reportedly spent over one billion dollars to operate The Washington Times in D.C. since first acquiring it. The newspaper loses millions of dollars each month, but apparently buys lots of legitimacy and clout. U.S. President Ronald Reagan endorsed the Washington Times. Later, George Bush received a reported two million dollars to do speaking engagements for Moon owned entities throughout the world.<sup>29</sup>

Steve provided invaluable documentation to a congressional subcommittee that was investigating the Unification Church's activities. The documentation he provided was a copy of the "Master Speaks, a set of private speeches by Moon reserved for Unification Church leaders and members"<sup>30</sup> Incredibly, I had copies of the secretive, leaders-invite-only YNMI seminar tapes. One of the tapes that I am making public is one by Dexter Yager, entitled "Teachings from the Master." It was so bizarre. It was my life; yet I could barely believe what I was learning. I not only might have been in a cult, I

could possibly have been a cult leader. The more I learned about cults and destructive mind-control techniques, the more clearly I saw what was done to us and countless others. It certainly explained the rampant confusion in our group when I revealed the truth. That explained the enormous slander and now financial bullying we were enduring.

I felt certain now, that to some degree, Kathy and I had endured a cult experience. I studied more about Mr. Hassan. His family rescued him from the cult, after having an accident while in a total state of exhaustion. He suffered a severe fracture of his leg, but it gave his family a chance to get him away from the cult. His exodus from the Moonies was nearly word for word identical to what Kathy and I had been going through. He went on to describe his exodus by saying,

How could I believe that the Messiah was a multimillionaire industrialist from Korea? How could I have turned my back on virtually every moral and ethical principle I had? How could I have done so many cruel things to so many people? The fantasy that I had used to inspire myself day after day and month after month was gone. What was left was a frightened, confused, yet proud person. I felt as though I had awakened from a dream and wasn't sure what was reality, or as though I had stepped off a skyscraper and was headed toward the earth but never crashed.

I was overwhelmed by many emotions. I was sad and missed my friends in the group, particularly my “spiritual children,” the people I recruited. I missed the excitement of feeling that what I was doing was cosmically important. I missed the feeling that single-mindedness brought. Now, all I knew was that my leg was broken. I felt tremendous embarrassment about having fallen for a cult. My parents told me it was a cult. Why hadn't I listened to them? Why hadn't I trusted them? It was weeks before I could thank my parents for helping me. It was months before I could even refer to the Moonies as a cult.

I read for months. For me, the burning issue was how the Moonies had ever managed to convert me and indoctrinate me so thoroughly that I could no longer think for myself. I read everything I could get my hands on. At first, the act of reading itself was extremely difficult. I had read only Moon literature for more than two years. I had difficulty concentrating and was sometimes spaced out for long periods, not comprehending what I was reading.<sup>31</sup>

I was elated. Not because of the pain he had gone through, far from it! I finally had some answers! It is about three in the morning, and as usual, I was down on my computer doing research. I typed up a lengthy letter and faxed it to Mr. Hassan to thank him for all the work he has done in exposing cults and as a cult exit counselor. This new information, combined with what I learned from Margaret and Janja, had given me a small measure of peace. He, too, played a large role in saving my life. This role was soon to expand greatly. I did not know what to do next.

How was I supposed to tell Kathy the ‘good news’ that we have been in a cult for almost a decade? I knew it all sounded strange, even though I knew it was true. I felt so

stupid. People left cults broken, destitute, and in silence. They were like the rape victims who would rather go away quietly than to have everyone know about the violation. Worse yet was the condemning stigma that their own actions might have caused the rape in the first place. Cult victims often carry the same burden of judgment for their own victimization.

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<sup>1</sup> *Forbes* 12/09/91 “The Power of Positive Inspiration” Klebnikov, P.

<sup>2</sup> *Ibid.*

<sup>3</sup> *San Antonio Express-News* August 12, 1997 “Amway Has Voice in Congress” Molly Ivans

<sup>4</sup> *Ibid.*

<sup>5</sup> *The Charlotte Observer* “Amway The Yager Way” March 19, 1995 Jim Morrill and Nancy Stancill

<sup>6</sup> *Fox News Special Report with Brit Hume* 05/20/99 Copyright Federal Document Clearing House

<sup>7</sup> *Boston Globe*, “Amway Founder, Wife give \$1M to GOP,” May 24, 1997 page A5 Associated Press

<sup>8</sup> *USA Today* Feb 09, 2000 p 21A “Gingrich Out of office, but hardly out of ideas” William M. Welch

<sup>9</sup> *San Antonio Express-News* August 12, 1997 “Amway Has Voice in Congress” Molly Ivans

<sup>10</sup> *Ibid.*

<sup>11</sup> *The Buying of the Congress* Charles Lewis Copyright 1998 by The Center for Public Integrity

<sup>12</sup> *The Dallas Morning News*, 07/25/96 Associated Press

<sup>13</sup> *Seductive Poison* Deborah Layton, An Anchor Book, Copyright 1998 Deborah Layton p xxiii

<sup>14</sup> *Cults in Our Midst*, Margaret Thaler Singer with Janja Lalich, copyright 1995

<sup>15</sup> *Ibid.*, page xxIII in intro

<sup>16</sup> *Ibid.*, page 8

<sup>17</sup> *Ibid.*, page 9

<sup>18</sup> *Ibid.*, page 22

<sup>19</sup> *Ibid.*, page 52

<sup>20</sup> *Ibid.*, page 68

<sup>21</sup> *Ibid.*, page 269

<sup>22</sup> *Ibid.*, page 270

<sup>23</sup> *Ibid.*, page 272

<sup>24</sup> *Ibid.*, page 273

<sup>25</sup> [www.shassan.com/problems.htm](http://www.shassan.com/problems.htm)

<sup>26</sup> *Combatting Cult Mind Control*, Steve Hassan, copyright 1988, 1990

<sup>27</sup> *Ibid.*, page 20

<sup>28</sup> *Ibid.*, page 21

<sup>29</sup> *Freedom of Mind* e-mail list May 16, 2000

<sup>30</sup> *Combatting Cult Mind Control*, Steve Hassan, copyright 1988, 1990

<sup>31</sup> *Ibid.*, page 30

CHAPTER 15

# The Truth Will Set You Free

*“The similarity between Amway and the Moonies is so profound that one wonders if the two are in cahoots. Maybe at the top of the ladder they scratch each other’s backs.”*

- Stephen Butterfield\*

What a wonderful surprise when Mr. Hassan called me from his office in Boston. He insisted that I call him Steve. He is a kind and gentle man. He was glad that his efforts had helped me, and we talked at length about the similarities of our cult experiences. His call was a very kind gesture, after all Kathy and I had endured. I promised to keep in touch and let Steve know how we were doing. I also kept in touch with Ashley Wilkes, and that seemed to help. I felt so badly for Kathy, as she had almost no one to talk to and was alone in her experience. Her only way of surviving this was to simply shut down emotionally. I had to let her find her own way. She had been told who to be, what to do, what to feel, and how to think for too long. It broke my heart not be able to help her. I agonized for her as she suffered silently, alone with her thoughts.

Amway continued to financially starve the life from us. One month went by with no income, then two, then three and four. We lost our medical insurance. We were going to lose the house soon. Friends fed us and brought groceries over to our house. We still were conditioned not to “pass negative” and told almost no one how bad our situation was becoming. I mentioned to Steve the problems Kathy and I were experiencing with regard to open communication after having followed the “never pass negative Cardinal Rule” for so long. He had heard that the Moonies had a nearly identical principle called ‘Multiplication of The Evils.’ If you repeated negative information, which was of course inherently evil, you had multiplied the evil. Those were nearly identical techniques that effectively suppressed the communication of any beliefs or information contrary to the cults’ doctrine.

At one time, I had held our little church in contempt, as more people came to the Lord at Amway distributor seminar services than in the church. Guess who came to our aid when we were down and out? Our precious little church provided us with a check that bought us food for over a month. I had been led to believe that Kathy’s parents and my four parents were all naïve people. We had been warned not to take advice from them or other well-meaning people. They all came to our aide with financial assistance in the process.

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\* Butterfield, Stephen. *Amway, The Cult of Free Enterprise*. Copyright 1985, page 149.

My mother and her husband had almost nothing financially, but in a visit to our home, they made us a loan that kept our home from going to tax sale. We were overwhelmed at their kindness and will be forever grateful for their compassion. Kathy's parents also loaned us large sums of money to help out. They were so kind. I felt as if I had let them down terribly. They had trusted me with their beautiful daughter, and I was so ashamed of the pathetic life I had given her.

My faith in God was being restored. I quickly came to believe that perhaps God had been there all along, and He is a God of new beginnings—even when we desert Him. He is a constant protector and an unconditional God who loves us and keeps His promises. He is certainly not the God of success that was used to promote Amway. People who had lost thousands of dollars in Amway and who had quit The Business helped us with gifts of meat for our freezer. We received anonymous cash in the mail that seemed to come when there was nothing much left in the refrigerator.

One Silver Direct couple, Taylor and Suzanne, who had lost well over \$10,000 on their Amway business, traded in jewelry and a small sailboat as a down payment for a used car when ours died. They had nothing yet they gave what they had after we had helped lead them to financial slaughter. We were overwhelmed with gratitude and the contrasting goodness in these people. Ashley Wilkes, who was broke after having exhausted his funds for his Amway legal bills, took a cash advance on a credit card and sent us \$300 to buy food with. I cried when it came. We had never even met in person. He became a true brother to me and we referred to each as “Bro” in most of our communications. The goodness of humanity was burned upon my heart.

Even with all the generosity from others, we still were completely destitute, had no jobs, no medical insurance, and were losing our home. Amway was a wonderful business wasn't it? Our upline still refused to sign a servicing agreement to “service our group” and repurchase the tools they had sold to me. They initially had asked for ten percent to do this. Then they increased their demands to 15%. They seemed to become more arrogant and abusive in their demands as our situation deteriorated.

Now picture yourself in our shoes for a minute. I am not an author but a regular person just like you, with the desire to take care of my family. Imagine not knowing where food money is going to come from. Our cupboards were nearly bare, and my beautiful wife and three children were looking to me for protection and support. Old cars, that were barely safe, were in our driveway. Foreclosure loomed ahead, and bankruptcy had already been declared. Money was owed to nearly everyone we knew and loved. All we had to do was “sell” The Business and most likely sign a lengthy non-disclosure/ secrecy agreement, and all our financial problems would go away. Better yet, we could go into binding arbitration with the BSMAA agreement we were blackmailed into signing. There most likely would be an enormous check, based upon all the extensive documentation of abuse, fraud, and misrepresentation we had collected. All we had to do was agree to never speak of it again.

How much would your silence be worth? Could you rescue your family from a burning building and walk away while many others, unaware of the danger, burned to death? What if it was a big check, **I mean lots of money?** How much would it take to drown out the screams? “Make it easy on yourself, pal, your wife and kids need you to take care of them. Just walk away. Take the deal!” I heard that voice again and again. No

book ever written on Amway had ever made it to serious publication. Was I a fool to believe that I could make a difference? Just take the money.

That was precisely what nearly every person we knew and loved advised us to do. Just walk away. We could not. **I would not!** If someone had stood up years ago and exposed these problems, we would have had a different life. The entire situation was a slow torture. Amway and our upline were and still are very good at what they do.

At this point, Amway surpassed the threshold of merely pretending to look the other way in reference to its own kingpin distributors' activities. They have become apparently willing accomplices to the deception of the tool and seminar business. Second generation DeVos and Van Andel family members now manage Amway on a day-to-day basis in executive positions. The very same people, who publicly sing the praises of Amway, free enterprise, and entrepreneurship, are now beginning to speak at Yager and Walters' system seminars. They have chosen to be part of the cultish system that has cut a path of personal and financial destruction across the nation and around the world. Their messages normally center on capitalism, free enterprise, faith, patriotism and personal business ownership. The very system that they are part of, in and of itself, creates a caste system whose results far closer resemble socialism or communism. The rich (Amway Diamonds, DeVos and VanAndels) get richer and the poor (distributor force) get poorer, as more and more "positive" products and "creative tools" drain their resources. Many of the fortunes of the super-rich Diamond-level distributors were culled from the financial losses of their loving, trusting flock. The more the group lost financially in system money, the richer they became. The wealthier they became, the more cars, homes, jets and yachts they purchased. The more luxuries they possessed, the more people were recruited into Amway, based upon this illusion of their success in the Amway business.

How much of the Amway Diamonds' income is derived from the system versus Amway income? I was afraid it could be as much as 70% or higher. I was way off the mark. A powerfully revealing book was released in 1999 entitled *Amway Motivational Organizations Behind the Smoke and Mirrors* by Ruth Carter. It documented what I had thought to be true. Its contents were truly shocking. She and her husband had been an Amway distributor and worked in the office of a Yager Diamond couple for years. She does not name them, but from her description, I immediately recognized them as Diamonds we had worked with in the past. After years of working in the Yager Diamond's office, she and her husband began to experience the same gut-wrenching feelings that I had. Something was wrong, and she could smell it. She discovered many of the same problems, but she went one step further. She published the Diamonds' tax return figures for 1996. I believe that the publication of these numbers will lead to the prosecution of many Diamonds for fraud or statutes involving theft by deception.

In 1996 their total gross income was \$2,923,000<sup>1</sup>. This includes massive sums from tool sales, seminars ticket sales, and speaking fees. The gross amount of commissions that they made from Amway that year was.....\$130,000! This is only 4.447% of their income. This is an outrage. It gets worse. If they did not have the tool income and maintained the same level of expenses from their Amway business, they would lose nearly \$250,000 a year! After all the badgering about 'be a man' and 'succeed' etc., here's an Amway Diamond, allegedly at the pinnacle of success, who might lose \$20,000 a month if he only had Amway money. That's all the bulk of his distributors have to live on. This is pathetic. We were sold on the critical nature of the

system and its success rate, when it was close to 100% of the Diamond's income. Zack may have a higher percentage than this one. A recent Direct of his who dropped out told me Zack has a secret taping facility in his warehouse and makes his own tapes, cutting out Dexter.

*"I didn't get my kit until I was twenty four years old. I went full time in the business when I was twenty eight... ain't had one dime of income other than Amway income ... and it's a pretty good deal"*

\* Amway Diamond Brett Deimler

This information makes me angry beyond description. I had been recruited and used to suck millions of dollars out of good people. This money was then apparently, in turn, used to feed a phony "Amway" Diamond lifestyle. I had submitted myself to the authority of people that I should never have trusted.

## **The Man in My Mirror**

*"He's the greatest person I've ever known. When I look at him', you said 'I see JESUS. I want you to listen to him. I know that you'll see Jesus too."*

\* -Mike Wallace Quoting Birdie Yager

Although for years I had been programmed to be totally submissive to my upline, I now went to the other extreme and developed deep rooted psychological problems in dealing with authority figures, who appeared to me to be even slightly out of line. This became quite evident when our son Josh went to summer camp. I had planned on being a counselor but now was working feverishly just to find a job. I visited the camp about four days into the week and was to stay on as a counselor for the rest of the week. When I asked the staff how things were going, they said that things were going well, except Josh cried every night, and they had refused to let him call me and told him the telephone was broken or having problems. He had hoped I would be there earlier. They had told him each day that I may be there the next day when they knew that was not true. Each day was another emotional disappointment when I did not arrive as "promised."

My blood was boiling. I pulled him aside, and he seemed fine. I asked him if he was okay, and he broke into tears. He had been a tough, well-adjusted boy, but the stress of our situation had taken its toll on him too. He begged me to sleep on the floor by the bunk in his cabin or to take him home. He was an emotional wreck. I was on my way to

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\* CDE-9915 **I'll Race Ya!** Audiotape 1998 Internet Services Corporation

\* Birdie Yager, 60 Minutes taping of Free Enterprise Day Seminar, Labor Day weekend 1983

talk to his counselor when the camp Dean came up and told me that my presence in his cabin was completely unacceptable and against the rules. I shared with him that Josh was emotionally shaken and that we would have to go home. He told me to take him and leave. The argument escalated to shouting.

I lost my mind. He was standing between the cabin, where Josh was staying, and me. A rage exploded within me to the point where I felt I could tear him to pieces. Thankfully, he stepped aside, just as I was about to violently assault him. My response might not seem too bizarre until I tell you that the camp Dean was my good friend and pastor. Josh collected his things, and we left in a hurry. At that time, I felt justified in my response and could not see that I was not emotionally stable.

I got home and explained the situation to Kathy. We were both confused by my reaction. I had always been the peacemaker, the one who could help people to find an amicable middle ground. I had helped resolve many personality-type clashes among people in our organization, and suddenly, I was ready to assault my own pastor. What had happened to me? Who or what had I become?

I was quickly plummeting into the darkness again. A growing terror was gaining momentum within me. I did not know how to kill the beast when it came from within me. It was so incredibly frustrating, because I had been getting better for almost five days. I had thought I was recovering. We had naively thought we had our freedom when we walked away from what we now knew was clearly a cult. We were still as much prisoners at that moment as when our upline was manipulating us.

The straw that broke the camel's back was about to come. Kathy could see that I was rapidly headed downhill psychologically again, but I was unaware of it. It was the fourth of July at about 10:00 p.m.. Under Kathy's supervision, Josh decided to go out back and light off a few small fireworks in our backyard. I went to our front yard with our family dog, a playful black Lab. We were in the front yard in the dark when I heard something or someone moving rapidly in the woods across the street on our property.

Nothing should be over there. I dove behind my parked car in our driveway and pulled the dog close to silence him. What ever it was, it was coming closer and closer. The dog struggled, and I pummeled it with my fist to silence it. I did not want any sound to give away our location. The dog struggled more, and I twisted its collar as hard as I could to cut off his air supply. I almost killed the dog. My heart was pounding violently. The death threat, the questions about the murdered child in Texas, and a dozen different scenarios all raced through my mind. What I had feared was finally here. A car came down the road and acted as a brief barrier between me and whatever 'it' was! I dragged the dog, as I raced around the house to the back yard. I was screaming, ***"Get in the house! Get in the house! Get in the house!"***

Terror stricken, Kathy and the kids ran in the house. I rushed them back to the bedroom and turned off all the lights in the house. I slid a shotgun shell into the chamber and sat in the dark. We all huddled in our bedroom for quite some time. The kids were crying. Kathy was scared. After what seemed like an eternity, Kathy and I ventured out into our darkened living room and peered into the woods. They were now silent. Our hearts were racing. We both looked for ***"it"*** or ***"them,"*** but we saw nothing. Part of me knew that my reaction might not have been an appropriate response, and part of me knew I did the right thing. What had happened to me? I used to hang glide, skydive, rock climb and rappel down cliff faces. Now I was terrified of things that went bump in the night? I

needed some help. The enemy was both strong and relentless. We were in a daily war for survival. This could not really be happening. How long could this go on? How long could we go on? I was really at a point where I felt I could not make it through another day. Knowing more of the truth did not help. I was losing my will to continue.

This was another turning point for me. After thinking about the behavior that I displayed in front of my wife and children, I realized that I needed some professional help. I will never know what kind of creature was racing along the stream that night, but it certainly brought me to the conclusion that enough was enough. I needed to make some changes.

As the summer neared an end, we faced another major hurdle. We moved through each day with financial burdens beyond definition. We had no money for the Christian School our kids knew and loved. For years, we had told them very bad things about how evil public schools are, and now we had to prepare all three of them for their first year in public school. They all burst into tears and were very fearful. This was a sad and difficult situation. What had we taught them? They were going into first, third and fifth grades, and they were terror stricken. They began to have nightmares, and I had to sleep with Josh to calm him. They, too, had been influenced by the cult-like teachings, and for them, starting school was like facing a large, ugly monster.

## **Throw Out the Life Preserver**

*“About the only limit I like to accept in the Amway business is that every person in the world will be involved with it someday. And until God says there are people on other planets I will accept that limit.”\**

- Doug DeVos, Head of Amway North American Operations

I had kept in touch with Steve Hassan by telephone and email. He would occasionally call or send an email to see how Kathy and I were doing. We developed a friendship that had great meaning to me. He was one of the few people on earth that seemed to understand what had and was happening to Kathy and me. I trusted almost no one at this point and had done my homework on him. He is a best-selling author and has a Master’s degree in counseling psychology from Cambridge College. He had been on *The Oprah Winfrey Show*, *60 Minutes*, *Dateline*, *Good Morning America*, and many other television shows. To be honest, none of that carried much weight with me, as I had just succumbed to people who appeared superficially to “have it all together.” The reason I trusted him was that he had been described as formerly being a cult leader in the Unification Church. He must have some idea of what I was going through. Mr. Hassan’s web site contains a wealth of information about cults. Perhaps, he could help me understand what I was going through.

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\* “Amway Special Guests Speakers D. DeVos, B. Kerkstra” audiotape GDL 96-21 Copyright Internet Services Corporation

I called Steve Hassan in complete desperation. I explained the 4<sup>th</sup> of July commando raid and other challenges we were facing. He agreed to see me the following week. Kathy and I had a knockdown, drag-em-out argument, as she saw that I was getting worse and worse, learning more about Amway, the system, the deception, and the cultism. I could not give this up. Exposing Amway and stopping the abuse seemed to be my only salvation. Kathy didn't see it the same way and said she would not live like that any longer. I think she secretly feared I was going crazy if I thought I needed to see a cult exit counselor. It just sounded so far out to her.

I was beginning to think seeing Steve was my last hope. I had to get my act together. I was afraid I would lose my family if I could not become healthy soon. It was a help that my father lived a little over an hour from Steve's office, so I was able to stay with him and Kelly. They were very kind and understanding. I knew I was a basket case. Thank God, they had quit Amway before they were in too deep themselves.

Late one night, my Dad and I walked out to a patio in his backyard and began to talk. I broke down and told him that I had to get better soon. If I didn't, I stood to lose my family, and they were my reason for living. I had only seen my father cry once in my life. Many years before, during a bloody custody battle, he realized that the strain was destroying my sister and me. We had been put in the custody of the state, and he took us to a bed and breakfast on his visitation weekend and, crying, told us he had to give up the battle for custody because of what it was doing to us. He had had to make the agonizing decision to give up his own children for their emotional well-being. To this day, I cannot comprehend the sense of loss and grief that must have accompanied that decision. Nothing could possibly have prepared me for what was to come. I soon would be forced to make the very same gut-wrenching decision to protect the ones that I loved the most. With tears in his eyes, he was very direct and told me that I had better get my act together *and fast*, or I would probably lose *my* wife and children too.

With tears streaming down his face, he told me why he had coached youth. Working with kids helped him feel closer to being a good father and mentor. After that disclosure, we were both crying. My dad was giving me good fatherly advice. How could I have let someone like Zack replace him for the last nine years?

I traveled early the next morning to Steve Hassan's office in Boston. I had mixed feelings, even some fearful ones. I did not want anyone probing my mind. My palms were sweaty, and my heart pounded forcefully as I parked in front of his nondescript office in Boston. As I rang the buzzer, panic struck, and I was suddenly as afraid of him as the cult that was trying to destroy me.

He greeted me warmly. His friendly low-key manner helped me get my bearings while he showed me around his office, even pointing out pictures of his family and friends on his refrigerator. We talked very casually, and he let me lead most of the conversation. His mannerisms were non-threatening; he seemed to know instinctively what I was feeling emotionally.

I felt I needed psychological surgery to rewire myself to think and feel the way I did before entering Amway. I shared these feelings with him and added that I was "fearful of handing him the scalpel." He laughed and told me to "put the scalpel away," because there would be no use for it. We spent most of the day discussing the similarities of our cult experiences. I was amazed how nearly identical the Moonies were in their practices to what Kathy and I had experienced as Amway distributors. Steve and I

watched several videos about cults that he had in his office. To my surprise, he then produced an old tape of *60 Minutes* from the early 1980s that exposed Amway for employing many of the same cultic practices that were revealed in his book.

I was a sponge, and Steve had a gushing fountain of knowledge to share. His professionalism and kind manner helped me feel more comfortable. I had not been sure what to expect, but I learned many things from him. He explained that there are many different types of cults. There are religious, political, financial, self-improvement, UFO, and other types as well. There are even churches that have crossed the line and become cults. As different as they all are, most have certain defining characteristics that lump them into the category of a cult. I was stunned as nearly all the characteristics he described were evident in techniques that were used to recruit, control, and manipulate us until they almost destroyed us.

*“ We are going to control the world influences because of this business.”*

- Jeff Yager (son of Dexter and Birdie) \*

In a cult, he explained, you are recruited through deception. The word “recruited” is vital. Most people do not join cults. They are targeted and recruited by members. As Amway distributors, we had been instructed to join any activity where we could meet and recruit new distributors. These people thought they were just meeting a nice couple with whom they would want to become friends. All the time, we were developing a relationship and gathering information to recruit them.

Few would get involved in a cult or cult activity if made aware of the ultimate purpose of their involvement. This was usually handled by having different tiers of knowledge available to members. We would not think of giving Dexter’s tapes to new distributors, because the messages were “too advanced.” Similarly, as an active ‘Moonie’ recruiter, Steve would not have exposed new recruits to high-level teachings of Rev. Moon. (Many of his followers believed that he was ten thousand times greater than Jesus Christ and the father of all mankind.) We had both used the *identical* phrase of ‘you don’t feed steak to a baby’ to justify not revealing all levels of the teachings of our leaders to new recruits.

A technique called ‘love bombing’ normally occurs during the recruitment phase of cult indoctrination. Members of the group edify the recruits with great sincerity by telling them how sharp they are and what potential they have. Notice this is not some miscreant dancing in a sheet on the street that lavishes people with praise. You’d know to stay away from him.

A cult member today is more apt to dress in a suit or in good casual clothing. I had pictured someone in a cult as a weak-minded person, living in a commune, and submitting to a powerful leader. The most successful cult leaders will often be intelligent, very likeable, and have charismatic personalities. My paradigm of destructive mind control or thought reform was something that must have come from a movie in the 1960s. I had pictured Chinese water torture and solitary confinement.

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\* GDL 97-29 audiotape “Tues. Evening” Tape copyright InterNET Services Corporation

***“I just wish I could crack your brain open, reach in there and yank all the crap the world has put on you and give you a brand- new brain with no hurts, no pain and no negative crap.”***

-Amway Crown Ambassador Dexter Yager\*

Actually, nothing could be further from the truth. One of the most important factors for effective thought reform (which is a form of brain washing as recruits are pulled deeper and deeper into the cult) is that the person being reformed must be completely unaware of it. We all have the same knee-jerk reaction and think, “It wouldn’t happen to me, because I am too smart to let that happen.”

Being recruited into a cult has a honeymoon phase in which most people feel a great deal of comfort. It seems that you have found new friends that truly understand and appreciate you. Succumbing to a cult is a very, very gradual process. The best way to describe it is the frog in the pot analogy. If you throw a frog into a pot of boiling water, it will immediately jump out and save itself. The difference between those two temperature environments is blatant. However, if a frog is placed in lukewarm water, it feels good. It feels comfortable. If the temperature is then increased only one degree every few hours, the rising temperature is unnoticed, and eventually the frog will boil to death. This is what happens to people who are unknowingly victimized by destructive mind control. Most distributors will at first vehemently defend Amway and their upline leaders, as they are in the warm water phase and have no idea of what goes on in higher leadership. Most have never been fully exposed to what is revealed in this book.

The belief set, values, and power structure of the cult are slowly woven into the indoctrination process. The leaders are treated with tremendous respect and seem to have an abundance of knowledge. Steve explained, “Cults seem to work very hard to use the credibility of the current celebrities, religious and political leaders of the time.” Some are recruited and are active members. Many others are just paid large speaking fees to come to conferences. They knowingly or unknowingly have their credibility used to give validity to the group and increase recruiting. In late 1999, a reporter broke a story that seems to be of relevance to this topic:

Is there a link between George W. Bush and the Rev. Sun Myung Moon? Some Bush foes are alleging there is---and are scrambling to prove it. The rumblings originated because former president George Bush has accepted substantial fees from Moon, the head of the controversial Unification Church (whose followers are sometimes called “Moonies”) and the owner of the conservative *Washington Times*. Bush has allegedly accepted at least \$1 million from the Church for various speaking engagements (some put the figure closer to \$10 million). He has called Moon “a man of vision” and has spoken on his behalf in front of groups in Washington, Tokyo and Buenos Aires, Argentina. In 1996, Bush gave the keynote address when Moon launched his publishing venture in Buenos

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\* Dexter Yager. **Charge!** Audiotape Stock No. YNMI-12 Copyright Internet Services Corporation

Aires. “I want to salute Rev. Moon, who is the founder of *The Washington Times* and also of *Tiempos del Mundo*,” the former president said. He lauded the *Washington Times* for “promoting sanity”--- and said that Moon’s new Argentinean newspaper “is going to do the same thing.”<sup>2</sup>

Is Bush aware of all of Moon’s activities? Certainly not. I believe he was used, as many were in Amway, to unknowingly lend credibility to something they would not have intentionally. In the cult portion of my research, I discovered that the Unification Church or “Moonies” consider Jerry Falwell to be a good friend of their cause. This was a shock to me. Dexter had brought Jerry Falwell in to speak to his high-level leaders at Go Diamond. I remember one such meeting very clearly. Mr. Falwell spoke of free enterprise and praised Amway and Dexter profusely. We had been taking a lot of flack on the Internet, so he had written the letter below that was posted on the web.

I was motivated to personally write the following article after I saw on the Internet some unbelievably slanderous and fallacious criticism of a great business enterprise called Amway. I later learned that these critics are either actually paid by Amway competitors or are long time “sour grapes” enemies of Amway.

Recently, I was shocked by the reckless comments of certain persons who are using the Internet to spread their venom about a direct-selling company called Amway. Since I have been personally involved with many wonderful “Amway people” through the past 25 years, I was energized to rebut their slander.

The two primary charges made by Amway critics are: (1) Amway is a cult and (2) Amway people are worshippers of money and preach a “prosperity gospel.” Both claims are patently false.

First, Amway could not be a cult, because Amway is not a religion. Amway has no dictatorial cult leaders within its ranks. Amway has never proselytized persons away from any faith or church. Amway does not damage families or “program” its people. Amway is an exciting and successful experiment in free enterprise. Amway gives honest and hard working employees in other industries and enterprises an opportunity to work for themselves in Amway and provide well for their families.

Second, Amway does not promote greed or lead its people into materialism. Instead, Amway promotes the work ethic and provides opportunities to earn money and achieve personal goals. Money is not the root of all evil. The love of money is what God forbids. There is nothing wrong with having things as long as things do not have you.

Amway, headquartered in Ada, Michigan, is one of the world’s

largest direct selling companies with over three million independent distributors and 14,000 employees. Two committed Christian businessmen, Rich DeVos and Jay Van Andel, founded Amway in 1959. Global retail sales last year exceeded \$7 billion in 80 countries, based over 450 unique, high quality products in fields of personal care, nutrition and wellness, home care, home tech, commercial products and a variety of services.

Thomas Road Baptist Church in Lynchburg, Va, where I served as pastor for 42 years, has within its membership a large number of Amway distributors. They are among our best workers, witnesses and givers. I have met Amway people in hundreds of churches across America and their pastors speak highly of them. It has been my privilege to speak for many Amway gatherings through the years. It is my observation that Amway has more dedicated Christians within its ranks, per capita than any international company I know about. I have also been impressed that significant number of husband/wife teams are involved in Amway. Further, as I have listened to the leadership lecturing their downline distributors, their messages could easily be delivered on national television with a very positive result and little or no criticism from any fair-minded person.

Jeff Yager, son of Amway superstar, Dexter Yager, is a member of the Board of Trustees at Liberty University. Dexter, Birdie and the entire Yager family are all exemplary Christians and are strongly committed to Biblical principles in their families and businesses. Co-founder Rich DeVos has spoken to the student body at Liberty University and is admired by Christian leaders worldwide who have had the privilege to know him. Rich's son, Dick, Amway's current president, is actively involved, along with his entire family, in Calvary Church in Grand Rapids, Michigan where my former associate, Dr. Eddie Dobson, is pastor. My friends, Bill and Peggy Britt, have helped hundreds of thousand of couples to literally change their lives. Likewise, Jim and Nancy Dornan, whose son David, is a Liberty student, are positively impacting lives around the world, There are thousands just like the Yagers, Britts and Dornans.

In my humble opinion, critics of Amway are either misinformed ...motivated by funds from Amway's enemies and/or competitors ... or persons who are generally critical of others who work hard and succeed in life. God bless Amway for the good things they do for the families of the world who are willing to dream and work.<sup>3</sup>

This letter, when read carefully, is out of place. It would be almost impossible for a layman to know that many facts about Amway. This looks like a PR piece that either Dexter's people or Amway wrote. Perhaps they just collaborated with Mr. Falwell on the

letter. An outsider could not have all that information at hand. In any event, Jerry Falwell very clearly put his stamp of approval on both Dexter Yager and the families that own and run Amway.

Research I did in August of 1999 revealed that the Institute for First Amendment Studies, Inc. had made an interesting discovery. The institute reported that, “Significant among Amway religious right donors is millionaire Dexter Yager, an Amway products distributor. Every month, Yager gives a whopping \$100,000 to the Rev. Jerry Falwell’s Liberty University in Lynchburg, Virginia.”<sup>4</sup> As I could not afford to make this kind of contribution, Mr. Falwell may never sign a complimentary letter about me to be posted on the Internet. Is credibility and character truly for sale in America today?

What I would soon discover about Mr. Falwell makes the above revelation seem inconsequential. Upon digging deeply into cult research, I was able to locate quite a few pro-Moonie sites. They take essentially the same conservative political stances that were massaged into the system. Strangely enough, on a page entitled books of interest, I found a list of books that included many of the same books that distributors are force fed in the system. I learned that many of Moon’s followers believe that he is the Messiah and the father of all mankind. I was so numb at this point, it seemed like no other discovery could shock me.

Once again, I was wrong regarding the depths of degradation indulged in by so-called “good people.” I came upon a site that shocked me beyond words. Posted on this site, and now in my possession, was a picture of Rev. Moon embracing a smiling Jerry Falwell. The text implored followers to “Choose God’s side and hug Rev. Moon as Rev. Falwell does.”<sup>5</sup> Now why would a Pastor, who publicly claims to follow Jesus as his Savior, be caught on film embracing a wealthy Korean who believes he is the Messiah? Was this a fund-raiser for Liberty University? We have a former President of the United States and one of our nation’s most respected religious leaders allowing their credibility to be used to bolster Amway and Unification Church related entities. Amway and its motivational organizations now has the distinguished honor of showing up on cult-awareness sites along with groups of concern like Scientology (that *Time Magazine* referred to as “The Thriving Cult of Greed and Power”)<sup>6</sup>, Heaven’s Gate, Jim Jones and many others.

There were a few more things that shocked me during this discussion. Steve continued my education by explaining that once the cult had control over a member, they may very quickly drain off all the recruit’s financial resources. Additionally, almost all of the member’s time would be dominated by recruitment or fund raising for the group—usually to the point of exhaustion.

Both Steve and I had worked beyond the threshold of exhaustion to the point of hallucinating. He asked what helped me to decide to come out of Amway and when I had begun to think clearly. I told him about the *Leeza* show and the gentleman from the Heaven’s Gate cult. Steve then said, “That’s Dick Joslyn ...He’s a client of mine. Would you like to talk to him?” Steve had counseled Dick after many of his friends had committed suicide at the Heaven’s Gate compound.

I called Dick and introduced myself and was totally overcome with thankfulness as I explained to him the impact that he had on my life. That was an emotional conversation. Steve later explained that, from an insider’s perspective, there was no

legitimate reason ever to leave a cult. This explains not only why it is so difficult for members to leave, but also explains why their character is immediately assassinated.

The day had sped by, so we made plans to meet the following morning. I was exhilarated. I felt an incredible sense of relief to know what had really happened to us. For the first time, I began to feel as though I would be able to return from the darkness. I felt normal human emotions for the first time in years.

With new energy and excitement, I went back to my father's house and told him and his wife Kelly that I was making tremendous progress. The fact that I was seeing a cult exit counselor must have sounded crazy to them, but I had to share this good news. I left early the next morning and returned to Steve's office in Boston. I stopped and ate at a Kentucky Fried Chicken and savored the food. My senses, which had been completely subdued, seemed to be returning. Even the sky seemed a brighter shade of blue.

At the office, I excitedly told Steve how much better I was feeling. He was very calm about it. He asked many questions that did not challenge me but helped me think through my current belief set(s). He explained that cults often utilize phobia-building techniques to keep their members fearful from ever leaving. We had heard countless horror stories during our Amway years about distributors who had left and then gone totally downhill. After several years, I had been so thoroughly indoctrinated that I believed there was no happiness, success, or any way to fulfill God's call in my life but to build the Amway business. Additionally, everything that was pro-Amway was of God and anything else was of Satan. Was this type of indoctrination an isolated incident? Certainly not and Amway is very much aware of it. In 1985, *Amway The Cult of Free Enterprise* was published. This book revealed that the same techniques and deceptions used upon hundreds of thousands of distributors in the 1990s were being utilized as early as the 1980s. The book exposed it on a small scale and stated:

God is Positive, and the Devil is Negative. The Devil wants people to have jobs and worry about money and be under financial pressure ... people out there are praying the Lord will show them a way out. And you know what? This business is the answer to those prayers.<sup>7</sup>

Did Amway knowingly look the other way when a book was published that exposed cult techniques being perpetrated upon Amway's own loyal distributor force? Were the DeVos and Van Andel families, who owned and managed Amway, aware of these abuses? There appears to be little room for doubt. In 1985, *Forbes* did an article on Amway that revealed:

Last year DeVos and Van Andel brought in William Nicholson, former president Gerald Ford's appointments secretary, to reorganize Amway. Nicholson says the firm is cleansing the sales force, and there is a new approach, downplaying evangelism and cultism and emphasizing real sales training instead.<sup>8</sup>

How outrageous! "Downplaying" cultism?!?! Isn't that like downplaying the raping of nuns or the murder of children? This is reprehensible! It appears obvious that this "downplaying" of known cultism never took place. From a liability standpoint, this

could be crushing to Amway, as senior management acknowledged “cultism” in Amway; yet the corporation allowed, if not encouraged, the offending distributors to flourish.

Additionally damaging were the comments of Amway-insider Don Gregory in the same article. Don Gregory was Van Andel’s former speechwriter. From his inside perspective he stated, “Recruits are brainwashed into spending a fortune on peripherals while consuming Amway products.”<sup>9</sup>

“Brainwashed” seems to be an accurate description. Why would Amway allow this abuse to continue? The answer seems to be quite simple. One of the key cult-like teachings of the motivational organizations (that allegedly control most all of Amway’s volume) is the hyper consumption of Amway or Amway-marketed products.

Cult leaders, Steve explained, may use a technique called *planned spontaneity*. The leader would gather information about certain followers and then ‘spontaneously’ have a revelation that applies directly to them. This would make him appear to be omnipotent. For a time, we thought that Zack could almost read our minds. In our counseling sessions, he knew almost intuitively what struggles we were having. It was almost scary. He had a deep penetrating gaze, and it looked as if he were peering into your soul at times. Now, I know that he and Kerry communicated by fax, phone, or voice mail before our counseling sessions, so he had tons of information from which he would reveal ‘insights’ as we counseled. We had duplicated this perfectly and had used the same information gathering techniques on some of our leaders, thinking it was helping us to better counsel them. It gave them the mistaken opinion that we had tremendous wisdom for our young age. Realizing what I have done intensifies the shame and guilt I carry.

One key point that Steve covered with me is why people in cults are regarded as fools or weak minded, and why so many leave in silence. He refers to it as the “illusion of choice.” In your mind, in the recruitment and indoctrination phase, you feel as if you are making certain choices that will enhance your life. In reality, your paradigms or belief sets have been slowly changed, and you are being led down a specific, pre-ordained path. Distributors have the illusion that they are choosing to get on the programs of tape-of-the-week and book-and-video-of-the-month. They have the illusion that they are **choosing** to spend a great deal of money and weekends away from their children to invest in themselves. From the moment they were sponsored, their environment and social contacts within the group were shaped and molded to make these “choices” their only option if they truly loved their family and wanted to succeed. When distributors leave the group emotionally and financially broken, they are cast off as weak and become “losers” to those who had allegedly loved them like family when they were buying tapes.

My meeting with Steve was going very well until he asked me one final question. Essentially, he told me that I had both my freedom and my life back and asked what I had to look forward to. With little or no expression, I told him, “**nothing**.” I knew it was illogical, but that was how I felt. He explained that my perception was normal and that former cult members had to go through a grieving process for several reasons.

First, they feel as if they have lost their God-ordained, great commission in life. They seem to feel adrift without this great, driving purpose. Second, they often feel survivor’s guilt, as they think about those they recruited, loved, and left behind. Everything in terms of your thoughts is black and white in a cult. Your life is pre-ordained. There are few real decisions to make. To suddenly become free and stare into the vast expanse of your future is not yet liberating. It is like staring into a deep,

bottomless chasm. He warned me that it might be at least a full year before I would begin to feel like myself. I naively thought that he did not know how great I was really feeling at that moment.

*“I just want to crawl inside your brain and clean it up...”*

- Amway Crown Ambassador Birdie Yager\*

“Sponsors have seen some distributors change character so completely they hardly recognize the “new” person. Not really “new”, of course. The person is the same. But now his “negative space” has been replaced with positive accomplishment and appreciation. For him, it’s a whole new world. The World of Amway.”<sup>10</sup>

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\* Birdie Yager. **Ladies Session Saturday Morning Part II**, Audiotape Stock No. GDL 96-2

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<sup>1</sup> *Amway Motivational Organizations, Behind the Smoke and Mirrors*, Ruth Carter copyright 1999

<sup>2</sup> [www.msnbc.com/news/321138.asp](http://www.msnbc.com/news/321138.asp) Article by Jeannette Walls 10/13/99

<sup>3</sup> [http://www.internet-services.com/secure/company\\_info/free\\_enter.cfm](http://www.internet-services.com/secure/company_info/free_enter.cfm) 08/15/99

<sup>4</sup> [www.ifas.org/fw/9701/Amway.html](http://www.ifas.org/fw/9701/Amway.html)

<sup>5</sup> [http://members.tripod.com/~dpcopy/1\\_apology/apology1b.html](http://members.tripod.com/~dpcopy/1_apology/apology1b.html)

<sup>6</sup> *Time* May 6, 1991 Cover Story Copyright 1991

<sup>7</sup> *Amway The Cult of Free Enterprise*, Steve Butterfield Copyright 1985

<sup>8</sup> *Forbes*, March 25, 1985 "Cleaning Up?" Richard Behar

<sup>9</sup> *Forbes*, March 25, 1985 "Cleaning Up?" Richard Behar

<sup>10</sup> *Amagram*, March 1998 "From the Policy Board" p.4

## CHAPTER 16

# It's a Small World After All

*"I'm going to tell you something, based upon what I've learned from my life, the ones of us that accept Christ and we carry this banner of Amway and we go with it, we're the Christian soldiers marching as to war. We're the anointed. Read the 91<sup>st</sup> Psalm."*

- Amway Crown Ambassador Dexter Yager \*

Because of the vast amount of information and contacts I had culled globally, I was able to obtain user names and passwords to Bill Britt's, Dexter Yager's and Zack's web sites. From one site, I was able to garner access to a schedule of Amway meetings in Bill Britt's massive organization. Steve and I went to the Holiday Inn in Dedham, Massachusetts to crash a recruitment meeting. I arrived early to scope out their protocol for entering the meeting, which was to be held in the Midland room. They had a sign-in book at the door, where the distributor paid his fee and signed in his or her guest.

I rendezvoused with Steve in the parking lot and gave him the details. He met me in the foyer area, trying to look like a prospect. For ethical reasons, he signed in using his real name. We walked into the lobby, and I registered him as my guest, and then we proceeded to the meeting area. Everyone was wearing business suits or dresses—the usual Amway required attire. The distributors walked around chatting excitedly; their gleaming 1,000-tape smiles pasted on their faces. The meeting was not billed as an Amway meeting but as an e-commerce pre-launch for Quixtar.

The host went to the microphone and brought the room to order. As was the custom, he gave the speaker a glowing introduction, and on cue, the distributors stood up and cheered wildly. I had become accustomed to speaking at those meetings and felt awkward just sitting in the audience. Like clockwork, the host rattled off a few 'good ole boy' jokes and set the audience at ease. He then ran through the same song and dance. I recognized certain cult techniques, and his talk was loaded with phobia-building statements that caused the audience to feel uneasy about the certainty of their financial future. He talked for over an hour and mentioned Amway in passing at the very end. As scripted, the host took the microphone and reminded everyone of just how fortunate we

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\* **Dex Tuesday Evening Part II**, audiotape Stock No. GDL 96-40 Copyright Internet Services Corporation

were to have someone who was successful come and teach us how to win in life. The whole thing now gave me a new definition for the word *pathetic*.

The host then brought up the Direct distributor couples and had them say a few well-rehearsed words. The men were essentially the same, and the women, like good Ambots, all but one proudly announced that they were full-time mothers. One poor woman talked almost ashamedly of her career but let the audience know that it was a short-term challenge.

The one thing that always seemed to amaze me as I did my research was how the group ideology and deceptive practices were perfectly duplicated among different groups in many countries. The three major groups I identified were Yager, Britt and a group called World Wide Dreambuilders, Inc. that was based in Spokane, Washington. I obtained a seven page Diamond contract that the World Wide group actually utilized to specify speaking fee and tape royalty details. Each of these groups utilized Profiles of Success books to show the lavish lifestyles of the “successful” Amway Diamonds. I was able to procure examples of each from across the nation. The scripts, positive professions, beliefs, and false representations were nearly identical in America, Europe, South America, and Australia.

Steve and I left and compared notes. He loaned me the manuscript of his book, *Releasing The Bonds, Empowering People to Think for Themselves*. In it, I read about the strategic interaction approach, which he used to *help me* break down *my own* false set of beliefs. (This book is a must-read for anyone who would like to help someone who is in a cult or trying to come out of a cult.) If you simply challenge people in a cult, they have been well conditioned to block out the negative. The book offers a subtle approach that slowly allows people to begin to think for themselves. The techniques taught in his book literally helped save my life. The information contained in this book is ground breaking, and he has created, perhaps, the greatest resource of its kind to assist loved ones in reaching a family member who is lost in a cult. I receive no commission from the sale of this book nor will I ever accept one. I promote this sound and helpful work, because the strategies outlined could save someone else’s life. You can read more about it and information about cultism in the Amway distributor force at [www.freedomofmind.com](http://www.freedomofmind.com).

I left Steve and began my journey home with a sense of elation. At home, I gathered the family around and told Josh, Ashley, and McKenzie that the new ‘happy dad’ was home and that we would now have a great life together. All seemed well. Kathy remained cautiously optimistic.

I did very well for two or three days, and then the bottom dropped out with no warning. I was flung into a deep, dark void of depression, nightmares, and renewed paranoia. How could this happen? I had been getting better. This was not fair. I had told my family that everything was all right, and now I was falling apart again. I continued my research, as I was unable to stop. There were too many people being harmed. I made contact with the following former distributor who agreed to tell her story if she could remain anonymous. This is her Amway experience *exactly* as I received it,

Dear Friend,

My story begins a couple of years ago. My husband and I had been married at that time 5 yrs. We were happy and doing well. We'd just had our first child 3 months before we were shown the plan. My husband immediately loved the idea. I was more skeptical, but figured "What did we have to lose?" If I only knew what we could lose, but that will come later. So, we signed up. My husband and I started going to open meetings, where they taught him how to "show the plan". I was upset that I was going to be leaving my 3 mo. old baby at home with a sitter, but I understood that you don't bring kids to professional meetings. Then, as all avid listeners of the Standing order tapes know; "you must show the plan 6 times a week". Well, my husband was determined to make a success out of this business, so he began to show the plan almost every night. Still, at this point I supported him. I knew if we could only go diamond he'd be home with me and our daughter. Well, after showing the plan and showing the plan and showing the plan and not signing anyone up; we were advised to start getting the standing order tapes (SOT's) and the book of the month club. SO, we signed up. Then we were told we needed the go-getter tapes and Amvox. SO, once again we signed up. After all, our upline told us, "You would have to pay for college...Just think of Amway as college." At this point, things were getting expensive for a family of 3 who only made 12,000 a yr. We believed our upline when he told us we just had to follow the "system" and we'd go diamond. He told us that God blessed Job in the Bible when Job survived his trials. Our upline said "God wants you to be rich".

"IF you back out now, we are turning our backs on God's blessings". So, when they told us it was time to start going to functions in order to make our business succeed, we went. We went to Michigan, Ohio, North Carolina, Tennessee etc. We were soon spending \$250 just to get into functions. That is not counting the costs of transportation or food.

These functions became more and more frequent. Soon, we were spending so much each month, we could not pay our house payment. This is when I wanted to back down. I wanted to stay in, but not go to every function. This is when I realized how brainwashed my husband was. He said, don't worry about the house. I'll buy you a really nice one when I go diamond. I could not believe what I was hearing. I didn't want to lose my home, but lose it we did. We were forced to move in with my parents to survive. Still, he stayed involved. I quit going to functions and opens at this point. My husband was concerned about my not going, but his upline told him not to worry about how I was feeling..that I would come around when he started making money. MAKING MONEY...HA. At this point, we were spending a couple hundred a month on Amway and making about 6 bucks off of bonus checks. We were "being loyal to Amway" and purchasing our products from Amway even though they cost more. I was willing to keep doing that, I just wanted my husband back. Well, while we were living with my family, he was still showing the plan and going to

functions. I wanted a father for my child not the money. I asked him to quit and he refused. Our breaking point came, while he was on a trip to North Carolina. When he left, He had no idea which hotel they would place him in. I had no idea where he'd be, but assumed he would call and let me know. He didn't. He called after being there 3 days. I was sick with worry the whole time. He said he was caught up in the excitement of it all. He only called to tell me to write down 150 dollars in the check book for tapes that he bought. Plus, he wanted to let me know that they would not be home as soon as he thought..that they were going to see Dexter's house. That was it. When he got home I wanted him to move out. He refused saying he would not leave his family. Finally, we agreed to get counseling. Of course, his upline offered to counsel us which I refused. I wanted a professional, which we went to. Well, my story pretty much ends here. We have since worked things out. It has been a long road. He still won't get out of Amway, but has since then went inactive. We are now renting instead of owning. We are repairing our credit. We have since then had another child. Our marriage is doing well, but we still don't talk about Amway. He still firmly supports it and I am strongly opposed to it. He says he would still like to become involved again someday and I beg him not to. I pray that once he finishes college and gets his degree and a good job, Amway will only be a bad memory. I said it ends here...well it never ends. I have had our phone number unlisted for fear our uplines will call and get him involved again. I won't even give the number to my grandparents for fear they will give out the number. You see, you make out names lists...our upline has those lists. I can't give out our number to anyone for fear someone will slip and give our number. I have used my parents mailing address for our Amway mailing. I fear our uplines will get our address from the company directly. You see, it never ends. I live in fear of losing everything again. If we can lose our home once, what's to stop it from happening again. I will do anything to prevent my husband from becoming involved, because our marriage could not survive Amway again. This is why I stay anonymous...because Amway must never find me.”

My heart grieves for her and the daily Amway terror she lives in. My faith in God has been restored miraculously in this process. I am glad, as this woman's plight drove me to my knees in tears. After I read it at 3:00 a.m., I was on the floor of my office crying and praying for someone that I do not know. I also prayed for forgiveness, since I was also used to seduce people in the motivational cult that could lead others to this level of destruction.

It would not be very long until a good friend named Jim dropped out of the group and made contact with me. Jim was a Philadelphia police officer when he was recruited to become an Amway distributor in our organization. He had lost his home while proudly staying on tape-of-the-week and paying for all the seminars. He had almost assaulted his elderly father in front of his children on Easter while defending the Amway business and

its virtuous leaders. He wanted me to explain to him how this happened, and I began to explain what I knew to be true. Reconnecting with friends like this gave me some strength. Jim was not alone, by any means, in suffering large financial losses.

Many, many business savvy individuals have lost out to Amway or its related motivational organizations. The MLMsurvivor.com web site, run by author Ruth Carter, made this comment regarding two CPA's public:

“Claiming business losses of nearly \$25,000 annually over eight years, Kenneth J. Nissley and Terri C. Connor-Nissley are Amway distributors in Indianapolis. They are both Certified Public Accountants (CPAs), and both have worked for a number of years for the prestigious “Big Five” firm of Price Waterhouse. You would think that their professional credibility and business acumen would help them to become “successful” in Amway. You would be wrong. Following upline advice, instead of accepted business standards and practices, has proven very expensive for them. In addition to business losses of more than \$187,000 in eight years, the Nissleys have just been denied three year's worth of tax write-offs.

The Nissley's Amway business losses have been quite significant. With about 75 distributors in their group during each of the three years (which should put them at or near the Direct Distributor/Platinum level), they claimed losses of \$27,407 in 1994; \$33,539 in 1995; and \$27,787 in 1996. The tax court looked at their profit/loss for each year of their Amway involvement. Between 1991 and 1999, the couple lost a total of \$187,754, or an average of almost \$25,000 annually.”

Amway and its motivational groups would like you to believe that these are isolated incidents. The sad truth is quite the opposite. Most everyone in our organization lost money. The only question is how much. Paradoxically, some of the distributors who lost the very most were the ones who were the most loyal to the system of ‘success.’ Some of our Direct distributors are tens of thousands of dollars in debt after getting in Amway, buying its often expensive products, and committing completely to a system that claims to have a “100%” success rate. We had been sold the belief set that only broke people would keep shopping at Walmart, helping Sam Walton get wealthier.

We could win and win big for our families by shopping from our own business and getting paid for it. Distributors were often asked rhetorical questions like, “How long would you have to shop a Walmart to save enough to send your kids to college? You're just taking care of Sam Walton's kids. Shop from yourself and take care of your kids' futures.”

After our exodus from Amway, Kathy and I were shocked when we started shopping at Walmart. We found a large savings overall, but in many cases, we could purchase similar products there for one-half to one-third of the price we were paying through ‘our’ Amway business for the same type of consumer goods.

One of our former Silver Direct distributors dropped out. He was immediately shut off socially by his upline and treated as a non-person. He didn't do what I had done;

he just decided he needed more time with his family and left quietly. His upline Emerald actually told him, in what he described as a shrieking phone call, that she thought he was being very selfish putting his family above the group. He later shared that he felt paranoid and would check and re-check to make certain all the doors and windows of his home were locked at night. Eventually, he checked himself into the emergency room with what he thought was a heart attack. It was only a panic attack, which is a common symptom of cult withdrawal. We had many of the same cult exit symptoms. He advised us that after our exodus, he had been told that I was a cocaine user, had a gun and was planning to come to a seminar and kill people backstage. Some of my closest friends were there with loaded guns, prepared to kill me if necessary. Another distributor that dropped out and called and advised that I was referred to as “Judas” at a large public seminar in my hometown. Hearing this was like a terrible movie that we could not fast-forward or eject.

## **SA-4400 Fact, Fraud, or Fantasy?**

The more I researched, the more obvious it became that Amway was anything but the best business opportunity in the world. It may very well be the worst. In my experience, over 99% lost money. Many lost tens of thousands of dollars. Amway needed a way to satisfactorily conceal this, yet still satisfy the Federal Trade Commission. The SA-4400 is a document that was supposed to be shown to all prospects before they could become Amway distributors. Distributors had been told that this was a Federal Trade Commission Document. It is actually a document that is produced by Amway to show potential earnings to prospects. It shows a graphical depiction of how a new recruit sponsors six distributors, each of whom sponsor four distributors, each of whom then sponsor two more. For example, Amway depicts each distributor as doing 100 PV (Point Value), which is a little over \$200 in merchandise.

The 1997 Amway Business Review depicts a distributor at this point making a gross income of \$25,656<sup>1</sup> and Amway Sales at a whopping \$6.8<sup>2</sup> billion dollars at estimated retail. The document also shows the average monthly gross income for “active” distributors to be \$88.<sup>3</sup> Now let’s look at these numbers from the perspective of reality. First, we found that this configuration of 6-4-2 is nearly impossible to achieve, let alone maintain. Most of our distributors were only able to personally sponsor three or four others before they became disillusioned at the pricing of the products or the difficulty in sponsoring. Amway openly admits, “only 41% of all distributors of record were found to be active.”<sup>4</sup> The turnover or dropout rate is incredible. In a single month, we never had anyone maintain a 6-4-2 structured business—this in almost a decade in The Business. With the dropout rate alarmingly high and about half of the new recruits quitting, we needed to sponsor twice as many new people into The Business. Additionally, our experience showed that the 100 PV per distributor was greatly inflated in relation to what kind of volume distributors actually did. As Directs and Emeralds, we received monthly printouts, which showed an average PV per distributor of fewer than 40.

Given these facts, we needed to sponsor even more people to get the volume near the projected goals. Many people were lured into The Business for the \$25,656 income. “If you just shop from yourself and teach others to do the same, you can make a residual

monthly income of over \$2,138,” was the ‘pitch’ we received at open meetings and the same one that we gave to thousands of other people.

Amway left out some very important information here. Gross income is your income before expenses. Amway has been well aware of the high pressure, mandatory purchases of books, tapes, seminar tickets, and other peripherals. These averaged well over \$200 a month for distributors on the system in our organization. Then there was the cost of voice mail, extra gas mileage, dress clothes, accounting, long distance, and flights, as well as gifts and meals for your upline. Many distributors were induced to “invest” over ten thousand dollars a year in expenses involved in building “their own” Amway business. Wait, if the average gross income is \$88 a month before expenses, then you would be losing a lot of money right from the start, right? No, you just don’t understand yet...it’s ‘your’ business, so you need to invest in yourself. Now you also need to buy all your own products from your business. So what if you and your wife used to spend twenty dollars a month on vitamins. You may spend \$60 or more each month on Amway’s brand of vitamins—but they are really good... get the picture?

Also, the figure of \$6.8 billion in sales is very misleading, if not deceptive for two reasons. First, it is a super-inflated number, because it is “estimated retail.” Our experience in the North American market was that almost all the goods and services moved were purchased and self-consumed by distributors at their ‘wholesale’ price of often 30% less than the published “retail” price. Given that, we now know that this \$6.8 billion may be off by over a billion dollars! Who does their books? Here’s where Amway may have crossed the line into material misrepresentation. The SA-4400 is a document used in recruitment in North America. The super inflated sales number of \$6.8 billion is a representation of Amway’s **global sales**. In the mid 1990’s, it seemed as if the North American market stopped growing or died all together. However, these **inflated, global sales** figures were used to induce participation in a market (North America) that appears to have been going into a steep nosedive. The numbers were a tightly held secret, because Amway is a privately held company in the US.

Let’s get this all straight now...Almost all distributors in the US will find it is nearly impossible to build and maintain a business like the model that was shown and used to recruit distributors. Amway had to have the internal statistics and be well aware of this. They have always had the ability to track everything and do it well. Even if you, miraculously, did sponsor six who sponsored four who sponsored two, half would outright quit or go inactive. Of those left, only a small handful may do 100 PV. The huge (artificially inflated) billion dollar sales machine, you are a part of, may do the majority of its volume in foreign markets, while the market you live in may be crashing. However, you will not be made aware of that fact.

You will also not be adequately warned of the massive system expenses and destructive tactics of these cultish motivational organizations that have existed with Amway’s knowledge for two decades. You will not be told of the divorces, bankruptcies, and foreclosures that former distributors claim as a result of their involvement with either Amway, one of its motivational organizations, or both. You will not be told that some distributors will have to seek cult exit counseling upon leaving the organization. You will also not be told of the distributors who are having past year’s deductions wiped out and face a large tax bill after an IRS audit. The theft by deception has been in place for many years. Have you heard enough yet? Amway presents information in the SA-4400 that

may be factually correct but is morally inaccurate. To use this document to induce participation in Amway is the moral equivalent of selling a home to a young couple but omitting to advise them that it is fully engulfed in flames.

Amway seems to be in a downward spiral now, as it prepares to lay off 2,000 employees. I think this may be attributed to the Internet and the now free exchange of information available on it. It was easier to keep problems isolated prior to the World Wide Web. With the Internet, I was able to gather information from distributors across the US and Canada as well as the rest of the world. It also allowed me the luxury of going back in time to document what had been taking place in the Amway business for decades.

I learned of a man named Bruce Craig. He served as the Assistant Attorney General of the state of Wisconsin for 30 years until his retirement in 1997, at which point he went into private practice. While acting as the Assistant Attorney General, he prosecuted pyramid cases, including what he describes as “extensive litigation” against Amway in the early 1980’s for income misrepresentations. In the discovery process of this litigation, distributors tax returns revealed that the top 1% of Amway distributors in his state (Direct distributors) had net annual incomes of “minus \$900.”\* The system and its related costs have grown dramatically since then. The income figures could actually be worse now.

Why is Bruce Craig a relevant player in this drama? He has submitted a letter to Robert Pitofsky, the Chairman of the Federal Trade Commission, requesting that the commission revisit its 1979 decision, declaring that Amway was not an illegal pyramid. This decision was based at least in part on the appearance of there were certain safety rules in place to protect distributors. These rules, specifically the retail sales rule, seem to have been all but completely ignored by Amway. In light of this, Mr. Craig made this remark in his petition to the FTC,

***“Since investments in pyramid type offerings have resulted in billions of dollars in losses over the years, I believe it critical that the Commission, initially, determines whether in fact Amway currently enforces its rules to the extent that they produce the results the Commission anticipated in its decision.”***

Billions of dollars is a significant sum. I had believed that Amway has been used as a front company for the motivational organizations to siphon off *well over* a billion dollars from its’ loyal distributor force. This seems to confirm that estimation. Through a secretive Internet contact, the message is delivered that I am willing to provide insider information, documentation and testimony to the Federal Trade Commission. Mr. Craig calls my home a few days later, and I tell him what I have in terms of documentation. I send off a large federal Express box to Chairman Pitofsky, full of documentation and a letter expressing my willingness to testify, despite an active death threat. I receive confirmation from Fed-Ex that it is delivered but never hear from Mr. Pitofsky or his staff. It’s getting harder to tell who the good guys are.

Senator Rick Santorum came in for us and spoke to a group of thousands of Amway distributors in the Hershey Arena just prior to his election. He won the election

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\* Letter from Bruce A. Craig to FTC Chairman Pitofsky requesting re-opening of Investigation of Amway

by only a few percentage points, and we all felt, at the time, that perhaps the Amway vote swung the election for our state. He seems like a good, honorable man. Kathy and I had spoken with him and his wife back stage, and we had our pictures taken together at a photo opportunity. I sent his office an 8 X 10 picture of Kathy and I with him and his wife and informed him that, unknowingly, his credibility may have been used to bolster a scheme that has drained millions of dollars from his constituents. I provided very detailed documentation that is nearly identical to what I sent to the Federal Trade Commission. With the picture of him, his wife and Kathy and I, I am certain to get a response, right? Like Mr. Pitofsky of the FTC, neither he nor his staff even acknowledged getting the Fed-Ex box full of documentation.

I would later make a discovery that would shock me regarding campaign contributions to Rick Santorum. In 1994, Dexter, Birdie and Doyle Yager, who were all North Carolina Residents, each gave \$1,000\* to Rick Santorum's campaign. Why would people from North Carolina donate to a Pa politician? Elizabeth DeVos made a 10/24/00 donation of \$1,000 in the name of The Windquest Group\*. Why would a Michigan resident do this? Here's the most shocking to me. Zack, his brothers, family members involved in Amway and his daughter in college made a combined total of 18\* donations to Santorum from 1994 to 1999. Additionally, another one of Zack's Diamonds made multiple contributions to Santorum.

Is there anyone left in American politics, regulation or law enforcement that has more character than Amway has money or influence? Is Rick Santorum or his staff corrupt? I do not think so but have no way of knowing. But for him or his staff to not even acknowledge receiving information, regarding the financial rape of his constituents is unconscionable. The fact that the people who seem to be perpetrating this fraud are contributors does not look good. The FBI has not yet come back for any of the extensive documentation I have nor will they tell me if they are even investigating the case. I contact David Sumner, an attorney with the Pennsylvania Attorney General's Office, Department of Consumer Affairs. I explain the situation, but as soon as I mention the FBI, he backs off. If they are doing anything his office cannot touch it. The Attorney General's office will not touch it, because the FBI is involved. I don't think they are doing anything. I feel like a man without a country.

Who will take care of this before I am killed or my evidence is stolen and destroyed? I make multiple copies and get the originals of everything off site and out of state, after being advised by an attorney that I "could have a house fire" very easily. The pressure is mounting, as everyone that knows us wants me to just walk away. My bank is calling about my late mortgage payments. This is too evil to let go on. I wish I could walk away at times. I was told a distributor had committed suicide but was unable to discover whether this was actually true. I felt certain there had been far more than one suicide from what I had learned. Our finances continued to erode as Amway and our upline seemed to collaboratively starve us out. We were near the breaking point. I was unable to walk away from the evil that was destroying me. I wanted to walk away desperately but could not. By far, the greatest personal damage I struggled with daily was the financial ruin that my family lived in. This created more stress than any other situations.

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\* [www.opensecrets.org](http://www.opensecrets.org) 01/25/01

I was a tired, nearly broken man. I could not stop but do not know how I could go on. Once again, I felt like I was falling apart psychologically. The nightmares were becoming more vivid. I felt as if I could not go to sleep one more time to die a hideous death in the contorted realm of my dreams. I could not bear to see Kathy or the kids hurt, maimed, or killed in yet another nocturnal no-way-out scenario. Last night, I dreamed we were living in hiding like Anne Frank. A group of soldiers discovered us and dragged Kathy and my beautiful daughters from me and into a home for their own pleasure. I exploded into consciousness heart pounding, sweating and panting to the sounds of their screams for help. I was again powerless to help them. I lived in a state of agonizing daily powerlessness. Days were hell. Nights were hell. It was all getting worse and I was falling apart one day at a time. I could not get a professional job, and so I took work that paid near the minimum wage. I shoveled tons of corn inside huge drying bins. I was willing to do almost anything at that point. It was hard to imagine that I had once had a career in the corporate world, a retirement account, rental properties, peace of mind and time with my family. All that had changed for me.

The job shoveling corn in drying bins was strenuous and caused physical discomfort, as I breathed large amounts of dust. I would cough up black chunks of this dust at the supper table. I came home filthy and always looked forward to a cool shower. At night, my eyes fused shut from the large amount of dust that had collected in them during the day. On the other hand, it was healthy, as I was learning that there is no shame in a J-O-B, no matter what you do to provide for your family. The job involved a good deal of solitary time and allowed me to begin to deprogram a little.

Amway continued what appears to be a campaign to financially destroy anyone who dares speak against them. Their external "legal team" begin to seek depositions and other information from web site owners Sidney Schwartz, John Hoagland, Dave Midgett and Ruth Carter. In some cases, they attempt to obtain access to the entire contents of these people's hard drives. In some instances, they are actually granted access to this, and mirror image copies are made for Amway's legal team to review. This is terrifying to all of us who are now exposed to even greater risk by having Amway know our names and contacts. On these hard drives are e-mails from many who have been harmed by their participation in Amway, who are seeking help. Sidney had deleted many of these, but unknown to him, they are still stored in unused memory on his hard drive, and Amway gets them. I begin to use a program that does a high level, government encryption wipe of the free space on my hard drive to assure that the information and communications that I delete are destroyed. This is like a George Orwell story that we are all trapped in.

Big brother is powerful, alive and well. One soldier after another falls from the financial pressure of mounting legal bills. Sidney Schwartz and Ashley Wilkes are forced for financial reasons to remove their web sites from public view. The MLMsurvivor.com web site run by Ruth Carter is pummeled but still up. Ruth is subpoenaed, along with the contents of her hard drive, by Amway four separate times for lawsuits that she is a non-party to. She too had this done by Amway's attorney Norbert Kugele. He too is very good at what he does. In every case, Norbert or Amway dropped the request at the last moment and never even gets a deposition for her. To fight these legal actions, she and her husband run up nearly \$15,000 in legal fees. Freedom of speech is any but free. I do not understand how they can keep going but admire her courage and commitment to the victims of Amway and its motivational organizations. More and more sites are shut

down. You have the right to free speech in America, but God help you if you use that right to speak against Amway. Now, people searching for any information about Amway are bombarded with an enormous number of pro-Amway pages put on the web in an apparent effort to combat the publication of this “negative information.” My number is coming up, as I have been in close contact with some of these people. My name and e-mails are on their computers. The pressure is immense.

I began to drink again at night, on occasion, to drown out the hell of my life and the shame I felt for my family’s living conditions. I am haunted by the lives of those I recruited who are still in the cult. It seemed as if there was no end. Just when it appeared we would hit rock bottom, we would fall deeper. Our upline continued to make outrageous demands for me to sign the servicing agreement. They knew we had lost our medical insurance and were in the process of losing our home. We are fearful that one of our children could become very ill or injured and have no coverage. Our torment must have brought Amway and our Upline delight, because they would not let up and continued to apply more pressure.

Kathy and I both landed professional jobs at nearly the same time. She worked in the front office for a local pediatrician, and I got a job in the marketing department of a large, family-owned business. It was agonizing to try and find our place in this now foreign world. We did not know how to make basic conversations with people outside of the group. Fear gripped us both, like children on the opening day of first grade. Financially, it was too little too late to save our home on our incomes. Fighting this depression and cult withdrawal was an all-consuming, enormous, daily struggle for me. I never knew what my emotions would be from day to day. I would be healthy for three or four days straight, and my spirits would be lifted, and then I would crash again.

I had been the social leader, and Kathy had been a little shy and slower to meet people, but now the tables were turned. She had counted on me to handle social situations in the past, and now I followed her like a new puppy. I rarely spoke in social settings. We would run into people we knew, and I would stand by her side or behind her and not say a word. We had new neighbors move in, and I just sat inside and watched them for months. The thought of any prolonged conversation or social interaction terrified me.

The pressure was really on, as we got closer to losing the house. We were amazed that they were going to push it this far. Didn’t they have any sense of damage control? It looked as if they were going to randomly enforce a rule as punishment but not apply the same rule to Dexter, Zack, and all their other leaders that had not spoken out against fraud and deception in the distributor ranks. As the pressure intensified, I relented and agreed to Amway’s informal conciliation process but made it clear that it was not a request for, nor did I have any interest in, binding arbitration. We needed to get our bonus money out of escrow fast if we were to save our home. We were also very much afraid one of the children could get hurt, and we did not have any medical insurance.

The first meeting was scheduled by Dan Bailey of Amway Rules and Conduct, and I was later informed that neither Zack nor Kerry could attend. That seemed odd, as I had listened to them both talk about having no schedule and “six Saturdays and a Sunday” for the last 9 years. The meeting was rescheduled at a later date, and I became increasingly more anxious.

I was told that one person would mediate the conciliation, and he would essentially pass judgment on my situation. If I didn’t like the results, then I could go into

arbitration.... I don't think so. I learned that Crown Direct Jody Victor was to act as Judge and Jury. This was incredible. He and Zack had been friends for close to two decades. Not only that, they had been paying each other large speaking fees to speak to one another's group. Jody would come in to speak for us, and about six months later, a tape of the speech was sold as a tape-of-the-week to all the distributors.

I exposed massive fraud and deception in the tool business from which Zack and Jody apparently derived nearly all their Amway related income. They were long-term acquaintances, if not good friends, who benefited financially from each other and common deceptive business practices. Now Jody was going to sit down and impartially mediate a dispute between us? To call this a pathetic farce gives it far more credibility than it merited. This was beginning to smell more and more rotten as it aged. It seems clear that Amway was rotten to the very core.

If I hadn't already felt like vomiting, I would have laughed when I later learned that Zack served on the legal and ethics committee of the IBOA International (Independent Business Owners Association - formerly the Amway Distributors Association (ADA) board). It got better... Jody Victor was the Chairman of the Committee.<sup>5</sup> What a twisted, contorted perversion of everything on earth that was promoted as good and honorable. I cancelled the meeting for reasons that are quite evident.

My job was progressing well, and I led a sales team that was going to Billy Graham's Amsterdam 2000 conference for 10,000 third world Evangelists. Just prior to the trip, one of my key players left the company, and I took his place for the trip. This was the beginning of another strange odyssey. As an Emerald, my name and address had been placed upon several mailing lists. One of those lists belonged to Gospel Films. The President of Gospel Films is a man named Billy Zeoli. We had heard him speak several times. Dexter often brought him to our Emerald clubs. We had been to one such meeting where Dexter insisted upon giving Billy a new Cadillac of his choosing. Mr. Zeoli was an engaging speaker and normally spoke on topics that related to faith. He did a rousing talk at one meeting about what God could do in our lives if we would just be available. His message was powerful, and it impacted my life. I trusted him. He almost invariably praised both Dexter and Rich DeVos with the highest accolades. Just prior to my trip to Amsterdam, I received a mailing from Billy that was very odd. It was sent on Gospel Communications International, Inc. stationery and advised that we had an incredible opportunity to share the Gospel of Jesus Christ worldwide. It also said that, "We need your gift, as this great opportunity is upon us now. Please respond by sending a check today."<sup>6</sup>

This actually was only a short cover letter for another letter, addressed to Kathy and me, from Dexter Yager. Dexter's letter stated that Gospel Communications "has been asked to take a major role in Amsterdam 2000. Their responsibility at this conference will be to serve, encourage, and empower the Nationals from hundreds of different tribes, nations and people groups and to train and supply them with the evangelistic media tools they so desperately need."<sup>7</sup>

I did some checking with my contacts at the Graham organization and found that Gospel Communications was going simply as a vendor in the exhibitor hall, just the same as my company. I looked at our conference map and saw that our booths actually shared a common wall. I was sending our team to Amsterdam for a little over \$9,000. This

included all flights, hotels, meals, telephone, booth charges, and a large amount of resource materials that my company made to give away free to encourage these evangelists.

Dexter's letter went on to say,

"I'm writing you today to ask you to join me in supporting this special cause. Only the spirit of God could lead men and women to go to one city in the world and begin personal contact with leaders from 185 countries from every corner of the globe. What a unique opportunity! I'm asking you to give all you possibly can and a little more. The cost for GCI to minister at Amsterdam is only \$185,000, and I know you will join us and send in your check or pledge today."<sup>8</sup>

I was sickened by their deception. How could they do this to honest, well-meaning people? **\$185,000?** The trip to Amsterdam was uneventful, and I was anxious to see what Gospel communications was displaying at this event. They had a much larger booth, but after talking to Billy Zeoli's son, Zack, and some of his managers, it seemed clear that they were there for one reason...to sell videotapes. Their staff advised me that they were not giving out any media resources but had discounted the prices of Christian Videos to near \$10.00.

I work for a small, for-profit company that is *giving away* resources, and Gospel Communications is attempting to raise somewhere near \$100,000 more than it may need to sell videos at a large profit to third world evangelists. *God bless America!*

I began to honestly wonder if **everyone** connected to Amway becomes corrupt. I had a friend snap several photos of me with Billy for documentation. As soon as I told him that I knew Dexter, he put his arm around me, thanked me for all "our people have done" and walked me right out of the booth. It was very strange.

While at the booth, I picked up several copies of their literature. Gospel Communications and its web site [www.Gospelcom.net](http://www.Gospelcom.net) look like a branch office of Amway. Rich DeVos is Chairman of the Board. Doug DeVos, his son, is Vice Chairman. The rest of the Board includes Dexter and is made up almost exclusively of Amway Diamonds. These guys seem to have their hands in many religious and political activities. It certainly sheds more light on Amway, its owners, and Diamond leadership.

## The Tables Turned

I was beginning to feel a little better when the events of the past year finally got to Kathy. She had carried the kids, herself, and me through everything. I had been so completely absorbed in just surviving each day that I had no comprehension of the hell she had lived through. She had watched me time and time again go to the swimming hole with a cigar, a beer, and my loaded gun, never knowing if I would return. The toll on her had been enormous.

She succumbed to the darkest depression I had ever seen. It only took about three days to totally consume her. Her once radiant eyes were sunken and lifeless. She was

exhausted constantly. We both had cried so much that we no longer had tears. We were totally spent. There was nothing left inside either of us. At times, she climbed into bed at 4:00 p.m. in the afternoon and slept the rest of the day and all night. My dear, sweet Kathy was dying from the inside out, and there was nothing that I could do. Our upline was robbing her of her will to live. She withdrew not only from me, but also from the children she loved more than life itself.

Kathy retreated into a quiet world of darkness, and I was powerless to comfort her. There was a point where I was supposed to get tough and pull myself together to be the solid rock that she needed. I tried with all my might, but I, too, was falling apart at the seams. Kathy was unable to take care of the children when she got home from work and needed help. The family-owned company I worked for had nearly a hundred employees to worry about, but I met with Robert and Evelyn (the owners), broke down, and told him that I was losing my family. I worked for their nephew Thomas. They prayed with me, for my family and for Kathy's healing. Not only that, the three of them got together and changed all my responsibilities and my work schedule, allowing me to come in and leave an hour and a half early, in order to spend time with the kids and to help Kathy. They also provided me with books to help attempt to piece our relationship together. I had seen the very worst in human nature but from them I saw the best. I was surrounded by new friends, who encouraged and uplifted me daily. It helped me greatly, but it did not help Kathy. She was alone and falling deeper into the abyss.

This beast of the darkness had her in its teeth. She was going from bad to worse. Watching her further succumb was hell. It was like watching her burn to death and being unable to put out the fire. I had always been able to protect her. I felt useless and could do nothing, as the cancer of depression ate at her soul. I could put on the game face at work and function effectively but fell apart in my car on the way home. I lay awake next to Kathy night after night, and there were no words that brought her comfort. I put my hand on her back and prayed for her healing night after night, but it did not come.

I realized that I had brought all of this upon her. I think that if I could go back in time to the day we met, I might have avoided Kathy to spare her the living hell that had become her life. Being with me was like having hot coals heaped upon her day after day. I believed that I was no longer capable of even the most mundane acts as a father or husband.

I began thinking thoughts like, "They will all be better off without me." I could not bring any more pain or disappointment into their lives. I prayed for death and that did not come. I was the target that needed to be silenced by the powers of Amway. I could no longer place my family in the line of fire. Suicide was not an option, so I decided that I would have to leave them for their own good and their safety. This was the same terrible decision my own father had to make many years ago. Kathy is my soul mate and the woman of my dreams. I have never met another person as good or as kind as she is. It tore my heart out, as I realized I needed to leave her and the children I love more than life itself, for their own good. Now I understood what my father had had to do.

I left Kathy a letter telling her of my decision and enclosed my wedding band in it. My heart was broken as I drove to work. Amway and its related cult had won. They had taken or destroyed all that I valued in this life. I was completely destroyed spiritually, emotionally and financially. Kathy called me at work and asked me if I really wanted to end our relationship. We were both completely numb and emotionless. Of course, I didn't

want to do that, but I couldn't stop the insanity in our lives any other way. We spoke like robots. We were completely drained and could cry no more. There was not much left within either of us, but we did agree to talk after work.

Thank God, somehow we decided that we could pull through this—*together*. We had no idea how we were going to do that. I wrote Dick DeVos another letter and begged him to release our funds to save our home. He did not respond. Our bank told us that they had stalled the foreclosure process four months past when they should have taken action, because they knew the situation. They felt bad, because we were long-time customers and had perfect credit ratings before Amway. The account had to be turned over to their attorneys for processing. I understood that they had to take that action. The pressure was mounting. I did not know how we were going to tell the kids that we were losing the home. They had grown up in that house. They had played with their dog in this yard. I could not bear the thought of telling them.

On the way home from work one day, I began to experience pressure on the left side of my chest. I ignored it at first, because it seemed minor. We were sitting down for dinner when the pains became sharp and frequent. I knew what was happening to me. There was a very real pain coursing through my chest. I was sure I must have been having a heart attack. I pulled Kathy out of the kitchen and told her not to worry, but that I was going to the hospital to have it checked out. When I arrived at the hospital emergency room, I was soon strapped to all kinds of machines and monitors. I did not want to die now. I wanted to live. Kathy soon arrived and waited by my bedside. She had always been by my side. I loved her so much. She did not deserve this. The pastor (the one that I almost attacked) came to be with us, and I felt overwhelmed by the mess our lives had become. He was a good man and a true friend.

After many tests, it turned out that I had pleurisy, which was described to me as an infection or irritation of the sac that surrounds the lungs. What a relief, but I knew I had to end the stress, before the stress literally killed one or both of us.

I sent a fax to both Amway and my sponsor, Kerry. I told them that I had digital copies made of photographs of myself with Rich DeVos, Dexter Yager, Zack and Molly, Oliver North, Robert Schuller, Dave Thomas and others. I told them that if I did not have the funds released and in my account by Friday at 4:30 p.m., I would release the photographs to the global media with my story. Incredibly, after nearly a year, they decided to release the almost \$20,000 of ours that had been held hostage. They actually wanted to know if they should overnight the check or do a wire transfer.

We were able to pay the back interest on our mortgages and stop the foreclosure. Not all that long ago, we had been out of debt completely, with the exception of a first mortgage on our home. We had then gone bankrupt, lost our retirement account, sold our investment properties, destroyed our once-perfect credit and had three mortgages, and the IRS had a lien on our home. All of this was a result of our Amway experience.

We had junk cars with high mileage on them. Despite this, we were beginning to feel more freedom than we ever had in the group as Emeralds. We went to the movies and did activities as a family. This felt rather awkward at first, but it was good to be together—even though there was a deep chasm between Kathy and I. She had been 'harmed' into silence. I tried to keep things at a fairly superficial level, but I was not emotionally stable either. My innermost being wanted to fix everything. We were free but imprisoned at the same time. We do not know whom we were or what to do with our

lives. We had spent nine years sharing false hope with others, and now we were unable to enjoy genuine hope in our own relationship.

## **A Rose by Any Other Name**

Amway went on what seems to be a corporate mission, which seemed to focus on removing any hint of “Amway” from Amway or its distributors. The *Amagram* magazine was a monthly magazine distributors sent to distributors now called *The Loop*. Distributors are now called IBO’s (Independent Business Owners). What an incredible farce. I have, perhaps a more accurate acronym for IBO. It’s... **I’m Bending Over**. The Amway Distributor Association is now the IBOA International. The Amway Mutual fund is now the Activa Mutual Fund. Dexter’s bi-monthly magazine is no longer called *Dreambuilders*, but it is now called *The Business Owner*. Amway now seems to have, once again, morphed into a new parent company named Alticor. It appears that Amway has been broken down into smaller companies called Access Business Group and Pyxis Innovations. Amway, Quixtar, Access Business Group and Pyxis Innovations are now subsidiaries of Alticor. I believe that Amway ownership is expecting a huge class action suit or Federal interdiction against Amway and is skelatonizing its assets as an umbrella of protection. There has been a huge push for Quixtar and its new “IBO’s.” The sad part of it is that many people, earnestly seeking opportunity, think they actually have all the rights of a business owner when they become Quixtar Independent Business Owners. They may want to check with the IRS and see what could happen to them in the event of an audit. They also should know that they could work for a decade or longer and have their income shut off by a company that was described to them as merely a supplier. Nothing much has changed. The Quixtar business is the bait by which the masses still are being lured into the exact same motivational organizations that seem to clearly be destructive cults.

To truly find what is at the heart of a business, one needs to be around its leaders. I am about to share some statements that have never before been made public. They are statements from a transcript of an Emerald meeting that Kathy and I attended. It was on a Tuesday night after a Marathon of non-stop meetings at a “Go Diamond” weekend. Nearly all of us attending this meeting were completely exhausted. The setting seemed surrealistic. Here we were after midnight in a room with Dexter. Heads bobbed and jerked occasionally, as people tried to stay awake. Some were actually drooling in their sleep, while others had already collapsed and slept with their heads on their note pads. Here are some quotes that may be of interest.

“Some of you Emeralds need to dream with your group more. You’ve got to stretch their mind and stretch their mind and stretch their thinking and stretch their thinking; you’ve got to take them dreaming and take them dreaming, and take them dreaming, so the world doesn’t wipe them out with their sickness, their stupidity. “Just like Amway but better.” What an asinine statement. You know, say, “You don’t deal more and more with it. You’re going to hear it over and over.” There is nothing as

asinine as thinking you can pluck from our tree as your only source of existence and ever get as big as us. Say nothing about pass us. You are taking our sweet, little, innocent people, trying to rob them from us. We didn't rob them from a competitor. We took them out of another lifestyle, a different ballgame they were tired of. And we took the thirsty, and we brought them fresh, cool, soothing water. Water that they could put to their lips to take the heat away. Water that they could pour down their throat to quench the thirst. Water that would take the dryness away. And you are bringing them muddy water with a stink. Because we go their vision so high, you are trying to cloud their eyes.”<sup>9</sup>

**On people who leave the group Dexter advises:**

“‘Whose next?’ Where’s your brain?’ Now, you took a good guy, and you turned him into trash. I look at that when somebody takes our people away. When they are gone, they ain’t nothing but prostitutes. They ain’t going to make it there. They ain’t going to make it no where. They’re gone. They’re lost. It’s not my loss; it’s theirs.

But see, my biggest problem is, when we have them, when they are going, and they are being taken away by the latest, “just like Amway, but better.” My biggest concern is you. I don’t want to lose you. One person ain’t going to make that much different. I understand you. We struggle; I struggle; that’s part of us feeling the hurt of God. One person does mean that much. Their life does count. But we’re not in control. They have freedom of choice. God gave it to us all. Freedom to be stupid. They got the right to be wrong. And over and over, they got the right to be wrong. Somewhere, we have each got to learn that we are responsible for us, our family and our group. That this is our one chance, our one chance to be an Abraham Lincoln or George Washington or Thomas Jefferson of our time. The unheralded hero that may never have a statute put up to, ever. But if ever, we’ll be dead and gone before they realize what we meant. It feels so great to be worthy. You know, you are going to have to learn to be quick thinkers. You are going to have to tell people, you are going to have things like Internet coming out all the time with all this crap. You are going to ...like one guy is loading all this crap on Internet. He’s got such a hate for Amway and somebody that he wants to destroy it. God does not deal with hate in his heart. So that’s not God’s man. If you are a Christian, you better understand that. And I’ll tell you something, when push comes to shove, and I get with that guy and that situation, I can look him right in the eye and until you can look people in the eye and say,

“We are right. We love you. You have the right to be stupid; it’s your life. I’ll hurt over you, cause I love you. But you are making a decision that will affect you and the future generations of your family. If you leave, you won’t be back. My door won’t be open. Probably your pride will keep you away, or they’ll have spent all your energy. You can’t

afford this decision, but if you do it, I love ya. But if you do it, you're no longer welcome here. I don't let the disloyal come here. If you are going to be a competitor, you have told me, you are the materialistic one. I brought you into my family, and now you would like to come rape my family? I'm not going to let it happen. Remember, you are walking away from all your friends. If they've conned you that well, and I can't convince you otherwise, you won't ever have to say you're sorry, the world will know it. I'm not "sorry" in the apology way; you leave, you're just sorry. I think you're more guy than that. I know you're more man than that, don't prove me wrong."

I'm not going to beat him up; *I'm going to tear his stupid heart out!!!* You are not going to destroy yourself. I don't let you commit suicide easy. But if you are going to be damned, it's your choice. I'll love you in your sickness. But when you walk out that door, it's over." "Every now and then, I have to make a decision in this business, I have loved you, and I have loved you, and I have loved you when nobody else could love you. But, if you leave, I'll have more time for somebody else." It is amazing when I get people split from me, and they do this, and they do that. See, at one point let me tell ya, and I am telling this for your own worth, for your own knowledge, the Bible says Jesus came to separate the chaff from the wheat."<sup>10</sup>

## He's Really a good guy ...

*"The leadership in this organization from the Yager family on throughout are committed... doing every thing that they can do to make sure you have every opportunity to succeed. An equal opportunity for everyone in this room regardless of what your background may be."*

- Doug DeVos, Head of Amway North American Operations \*

One minute Dexter was "feeling the hurt of God," but in the next minute, he said he would "**tear your stupid heart out**" if you left. He won't let you commit suicide easily, and he'll "love you in your sickness." I cannot believe we sat through this with hundreds of intelligent people. No wonder we were terrified to leave. Telling distributors who would leave that they will be damned, are "sorry" or will have their hearts torn out are tactics described by cult experts as phobia building techniques.

When Dexter or Birdie talked, they would often reflect on direct conversations with God and shared this in a role-playing format. When they talked to God on stage or

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\* "Amway Special Guests Speakers D. DeVos, B. Kerkstra" audiotape GDL  
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reenacted a conversation, it normally went like the rest of the transcript below from the same night.

“Why should I sacrifice and give up what I have committed my life to? If you are going to be the Australian leader, you are going to have to travel to America to learn. I am not going to Australia. ‘Okay? I am not going to China personally. I am not going to Poland personally. Lord, I hope I’m not. He does change my mind once in a while. “Oh, God, why do I have to?”

“Cause I told you.”

“I know, I’m going. I ain’t gonna like it.”

And he always said, “Yeah, but I’ll make you fall in love with the one thing you can’t deal with.”

“Okay, you’re going to make me love the people. I know it. Nothing else would make me do it except for my love of people.” My love of the people. If you don’t love the people, then God’s not planted in your heart. Once you love the people, sort of like having that little baby come into your life, you can never believe that little piece of flesh and blood can grow to occupy your thinking and your prayers and never believe that you can raise seven kids, and think and pray about them as much as you do. Birdie and I, we’re still a couple of teenagers in love. A couple of kids that are just getting older. Did we ever pick this spot? Nope. But we know this is where we are supposed to be. And we know that if you are not part of it, you’ve missed it. You haven’t lived until you fought somebody else’s battle for them. You haven’t lived until you’ve stretched yourself to where you go home. You go, like, “Oh my God, I did that?” You haven’t stretched yourself until you’ve done your best talk. And walked off stage and can’t remember it. You have never lived until the best talk you ever gave got taped and put out and then have to deal with people coming to hear him or her. And you know you were anointed that weekend. You go, like, “God, put your hand back on me. I got nothing to say. I’m dry. I’ve prayed and prayed and prayed, and I’m going to walk on that stage. I don’t want to go. I’ll make a fool of myself.”

He says, “If you make it for Me, it’s okay.”

“Yeah, okay, that’s fine, okay, I’ll be up.” Then...when you are anointed, that’s when you are standing there going like, “Where’s my pad and paper? I want to make notes on this guy.” “Oh, I’m the speaker, I can’t.” I had that happen on a regular basis. It normally is Tuesday, Wednesday, and Thursday I’m counseling somebody. I don’t want to get them too excited. I’m trying to get a message across, and it’s coming. It’s like, “I’d like to have this message for this weekend myself. Heck, maybe

you are just here so I get the message.” Saturday afternoon you go like, “What happened last week? What was that message? Where is it? It was for him? I thought it was for me. God, you don’t make it easy, do you?” Life isn’t easy. Life isn’t easy. It’s not easy.”<sup>11</sup>

This is a little hard to follow now, let alone after three or four days with little sleep. Later in the talk Dexter says,

“At some point, you’re going to go like, “Oh, my God, I gotta run this way, and I’m being pulled this way, and...” Then you go back. Amway is the best thing I ever had. It’s the best thing. You know, somewhere along the line, when you get totally sold out to this, were you willing to do it? Were you willing to do it every waking hour? You’ll find the joy and the peace and God will say, like, “Okay, now you’re doing my work.”<sup>12</sup>

It is important to understand that Dexter is arguably Amway’s most powerful distributor, through which massive amounts of their corporate volume flows. There he was looking out over us, his key leaders, perhaps his disciples, when he said,

“I’m going longer than what I planned. I wanted to tell you, this little room, this little group of people, I understand what it is like to be Christ, and look out around amongst the disciples. Don’t be a Judas. Don’t be a doubting Thomas. I know what it is like to be Moses. To keep saying, “God, why me, I’m not worthy.” He says, “You’re all I got!” “Just you and me but all these millions.” “Yeah, it’s pretty sad, ain’t it? I gotta use you. That’s the way it is. You’re stuck with it, cause I’m stuck with you. Okay, let’s go.” “I’ll make you look special sometimes.” “Well, thank you.” But then, I have to let you be you, oh my God. They’ll have to live with it, and I will to. Sometimes I got you, and sometimes you left me out there. “But I gave you some good warriors.” “Oh, okay, thank you Lord.” But sometimes, I’ll be as stupid as you. Oh, my God. But I’ll make you feel good cause sometimes I’ll, so you know much more stupid they are, so you will feel good. I won’t let you feel too smart, don’t want you to get a big head. But I want to show you with all the gifts they got; you got other ones. “Thank you, Lord.” Tell ya, it’s a fun journey. If life was all over today, if I died right now, I’ve lived a full life.”<sup>13</sup>

What is most terrifying about having followed this leadership is that by the time we all had gotten to that level of leadership, the indoctrination was so intense and so complete; we were unable to see any of this or think rationally. We did not believe he was Christ, but we did not have the ability to question it either. The same night he shared this wisdom:

“I’ve had people that hated me. They hated me so bad. They tried to destroy me in so many ways that I’ve seen them die a cancer death. I had one woman in her last six months of life, come to me, and she said “Dexter, I hated you so bad. Only to find out when I was dying, you were the one that kept coming to me with love. I hated the wrong person, but I know I’m dying a death because of my hate. It’s not your faith, it’s mine. I chose not to know you. I chose to destroy you. And I got me by mistake.” Well, I prayed and prayed and Birdie and I prayed for the girl. I’ve had other people. I’m going to tell you something, based upon what I’ve learned from my life, the ones of us that accept Christ, and we carry this banner of Amway, and we go with it; we’re the Christian soldiers marching as to war. We’re the anointed. Read the 91<sup>st</sup> Psalm. I don’t care what type Bible you read it in; read it. You are God’s anointed. You are God’s anointed. When you are God’s anointed, that 91<sup>st</sup> Psalm applies to you. People will die on the left, and they will die on the right, and you can walk on the snake’s head; you don’t do it on purpose; it just happens. And the lion can (choking sounds), something got him. I have watched my enemies attack me and lose all they had financially. I’ve seen neighbors decided to go do me in. We had two couples live next to us. They brought that house that we lived in leave. They were the Mayor of the street. They had driven everybody away. Two years after they came against us with everything they had, all four of them were dead. All four of them were dead. I remember reading a book, happened to mention Rome and Utica in it and old Evangelists. He went through struggles, but sometimes there were times when somebody would attack him in the pulpit verbally. Only to find they went home and died in bed that night. You don’t mess with God’s anointed. Ask God to anoint you. You will find, He says:

“Okay, show the plan. Love the people. This is where you gotta work. This is it. Give it all you got. Your God’s anointed. You fall on the 91<sup>st</sup> Psalm. Your job’s not easy. You gotta dig the trenches; you gotta get down in them; you gotta fight the war. But go read my promise of the 91<sup>st</sup> Psalm. Just read it. Believe in Me, not them. They hurt you; they maim you; don’t you understand? My Son gave His life for you. So you could have life more abundantly. Go for it! Don’t let them steal your dreams. Don’t let them take it. Get your roots in deep. Stand to fight. Be ready to move as a man of time. That you’re ready, you’re going; you’re unbeatable. Not because you’re so good or so strong, because of Me. I’m your shield. I’ll protect you. You look at the miracle. You’ll see the enemy die and fall. And you go like, “Oh my God, Lord, take it easy on them, they weren’t that bad.” “Revenge is mine! Don’t touch my anointed. Don’t touch

my anointed.” We go like, “God, don’t you hear me?” You go like:

Yeah, you ain’t had enough crap yet. That one really gets you; let ‘em irritate you; let ‘em get you hurting. The more they do, the madder I’m getting; let me get really mad. Go read the Old Testament. See how mad I can get. No big deal for me to just tear bodies apart and throw pieces all over. You want me to get upset, cause they scratched your finger? Let’ em pour it all out and then let me chop their head off, I’ll just snap their neck off, throw them on the pile of life. You’re mine; trust me. Trust me. You’re not here without knowing what I’m talking about.”<sup>14</sup>

What does Amway think about one of their largest distributors, whose system of success has been blamed for bankruptcies, broken homes, foreclosures, and former distributors requiring cult de-programming? Are they horrified? Are they going to take immediate punitive action? Will they starve him and his family to bankruptcy and foreclosure? Not exactly. The July/August 2000 issue of Dexter’s *Dreambuilder* magazine reported that there was a great celebration to recognize Dexter and Birdie for their outstanding achievement in hitting a new level in the business. It stated,

“The public recognition by DeVos marked the end of a three month celebration that began January 25 when Chairman of the Board of Amway Corporation, Steve Van Andel, surprised Dexter and Birdie at their Florida home with a bonus check for \$2 million, the largest single bonus check in Company history.”<sup>15</sup>

Later in the celebration, Dick DeVos said, “You are a tremendous role model for Amway, and I am proud to call you my friend.”<sup>16</sup> The next year, they gave Dexter and Birdie a \$2.5 million dollar check for their “achievements.”

Deciding to make these discoveries public has been a very difficult journey, one for which I have already paid a high price. I could not find a single person who told me to do the right thing. Out of love, most all wanted me to walk away and take the money, but I was tormented by all those still ensnared and the thousands of people yet to come. A recent report estimated between “from 30,000 to 40,000 new IBO’s sign up every month to build a business powered by Quixtar.”<sup>17</sup> Is Quixtar much different than Amway or just a new, slicker wolf in sheep’s clothing? If you take a pig with festering sores, dripping in sewage, put it in a prom dress, call it Sue, and give it a laptop, has it really changed in essence?

My crossroad decision to expose Amway came when I was traveling with a very well known pastor on business. I explained my plight to him and waited for his advice. I got one more ‘walk away’ response, again, out of love and concern for my family and me. I had hoped for an affirmation. I had, perhaps, the first clear thought in almost a year. I said, “All right, I’ll walk away. Now tell me how, tomorrow, I can teach my children to

do the right thing in every situation and trust God when the road looks too rough. How do I look my wife in the eyes and tell her I love her when I am no longer a man?" The answer was within me all along. I was not afraid to die, but I was **terrified of living as a coward**.

The fact that thousands are being systematically recruited and seduced gives me nightmares constantly. It is like a cancer eating at me. The Federal Trade Commission, The FBI and Senator Santorum do not even seem to be patronizing me. They are ignoring me. I do not think they are doing anything but do not know for certain. The Attorney General's Office, who has a big anti fraud push on right now, will not touch it, because the FBI is involved. This seems like a catch 22. I have a death threat and volumes of documentation of global fraud, and no one seems to want to do anything about it. The rage within me grows and pushes me further.

I continue investigating on my own, since no one else seems to have an interest. I discover that Dexter has his system tapes, CD's and videos made at his 385,000 square foot facility in Fort Mill, South Carolina. Dexter's company, Internet Services Corporation, is not the company that does this, but a company called I.C.C.A handles these services. I.C.C.A is described as a division of Internet Services Corporation and is housed in the same enormous building. Industry sources, I find, advise that they have far more facility than they need and are looking to do duplication work for other companies. I am able to secure an appointment with Harrell Canning, their Vice President of Operations, under the auspices of doing large volumes of duplication work for my employer. We arrange for a meeting and a full tour of the facility.

Their web site, [www.iccanet.com](http://www.iccanet.com), reports a duplication capacity of 1,600,000 Compact Discs per month, 500,000 Videos per month, 2,200,000 Audio Cassettes per month and 10,000 Distribution orders per day, despite the fact that Birdie Yager has professed publicly that they have never made money off the tools. I am somewhat nervous as I pull into the parking lot of this massive facility. This looks more like an airport than a business. Huge is an understatement. It looks to be about the size of five or six Wal-Marts under one roof. My last few months in the business "undercover" were more of a fantasy. They were more of a fact-finding mission, because I was unsure of the truth. Now I *knew the truth*, and I was now truly undercover and walking into the nerve center of what I believe to be one of the largest white collar, global frauds of our time.

What if Zack is down here meeting with Dexter? What if I run into Dexter, and he recognizes me? Not long ago, I was alone with Dexter and Zack on his private jet. I am logged in at the reception desk and given a visitor badge for building access. Harrell Canning greets me with a very gracious, southern charm and takes me to his modestly decorated office. On the way, we pass shrine like pictures of Dexter and Birdie as well as one of the Yager boys, who runs Internet Services Corporation for Dexter. I cannot believe I am on the inside! My heart is racing. We talked shop for a while, and it is clear that Harrell had no idea what is going on with Dexter and Amway. He seems like a good guy, who has a background in managing these types of operations. He had owned a similar operation in Oklahoma, before being recruited by Dexter to manage this facility.

John Firestone, their sales manager, joined us briefly as my lengthy tour begins. The office space, manufacturing and warehousing areas are enormous. The odd thing is that most of the warehouse seems vacant. You could park a jet in the open spaces. They have the ability to duplicate over 500 videos in real time in an hour. Our organization

purchased these for \$16.00 and was told that they were at or near “cost.” I now know that they cost about a dollar to duplicate. Harrell advised that most of Internet Services’ many overseas offices handle their own duplication. The 225,000 square foot distribution center has over 10,000 unique pallet locations. Everything, but the employees, is bar coded and automated. They boast 10,000 orders shipped a day. It looks like a combination of a science fiction scene and a Fed-Ex center. The entire facility is functioning at a fraction of capacity.

My heart raced as Harrell took me into the high security, climate controlled master tape room, containing thousands of master tapes, and we talk for almost twenty minutes. It was surreal being in there. Many of these tapes almost certainly document the massive fraud I have discovered. This is a treasure trove of documentation for investigators and Attorney Generals. Both John and Harrell are tight lipped about their current business volume and will only refer to plant capacity. It looks like there is nowhere near enough business to support this enormous facility. I thank them for their time after a few hours and leave feeling truly sorry for Harrell. He seems to have no idea what he is part of and is an honorable person. I was shocked at how easy it was to get inside. I leave and snap off a few pictures from the parking lot. Seeing this makes it apparent that Dexter’s Amway income may not be his primary source of income...I learn from a confidential industry source that Yager’s tape production has gone from millions to several hundred thousand a month. It has been said that Dexter’s Diamonds, like Zack, split off and started their own tape duplication when they realized how much he was making.

I had discovered that Amway mega distributor Bill Britt owned a similar facility in Burlington, NC. His company is called American Media International, Ltd (AMI)\*. I had contacted the President of his company and made arrangements for the same tour. With my heart was still pounding from the I.C.C.A visit, I drove a few hours to AMI. I signed in and got a visitor badge and am greeted by the operations staff. Again, I was shocked to be in so easily. I thought these places would screen visitors like Fort Knox. This also is an enormous facility. It is not as new or high tech. However, it is in full operation and is utilizing nearly all it’s square footage. They appear to have a decent amount of non-Amway business. The staff here seems to have almost no knowledge of Britt’s activities, other than the fact that he is one of the most successful Amway distributors. This facility also has a full graphic design shop, video, CD and cassette duplication lines. They, too, load their own blank cassette shells with bulk tape stock on huge automated loaders. The staff advises that Britt even owns the patent on the tape loading machines. The retail dollar volumes of tools that has flowed through these two businesses boggle the mind. Conservatively, we may be looking at hundreds of millions of dollars. This does not appear to be “non profit,” as we had been advised. My disgust grows with each new revelation. How many hundreds of thousands if not millions of people were deceptively recruited into Amway to then purchase and sell tools from these facilities?

### **How long will it go on?**

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• see [www.ami-media.com](http://www.ami-media.com)

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<sup>1</sup> SA-4400 Amway Business Review copyright 1997 Amway Corporation USA

<sup>2</sup> Ibid.

<sup>3</sup> Ibid.

<sup>4</sup> Ibid.

<sup>5</sup> *Achieve* magazine July, 2000 p. 25

<sup>6</sup> Letter from Billy Zeoli 06/19/2000

<sup>7</sup> Dexter Yager letter May2, 2000

<sup>8</sup> Ibid.

<sup>9</sup> GDL 96-40 audiotape Copyright Internet Services

<sup>10</sup> Ibid.

<sup>11</sup> Ibid.

<sup>12</sup> Ibid

<sup>13</sup> Ibid

<sup>14</sup> Ibid

<sup>15</sup> *Dreambuilder*, July/August 2000 p.6

<sup>16</sup> *Dreambuilder*, July/August 2000 p. 7

<sup>17</sup> *Success Magazine* September 2000 p.80 Debbie Selinsky

## CHAPTER 17

# Club Fed

*“Accountability is always about assuming responsibility, not deferring it. Unfortunately, we live in a time when our national leaders seldom admit sin – even when caught red handed – and when people at every level of public life avoid accountability. Rather than “fess up,” we cover up. Instead of telling the whole truth, we engage in “spin control,” a euphemism for putting a bad situation in good light.”*

- Rich DeVos\*

This felt like a calling that I had to complete, but it was also a curse. Calling or curse, I was driven to try to stop the harm that was being done. It seemed impossible. The adversaries were so large, powerful, wealthy and well connected. We were completely broke. We had no social or political influence. We were mentally and psychologically drained. We did not even know *who we were*. Our personalities had been lost in the cult.

This was the hardest struggle of our lives. We were out of the Amway motivational cult but in many ways were still prisoners. When we shopped for non-Amway products, I still felt a mixture of euphoric freedom and guilt. We were fearful that a distributor might see us with a cart full of negative products (products not from Amway). It was not rational, but these thoughts and emotions had been hard-wired into us after thousands of hours of tape and seminar indoctrination. We were trying to find our place in our relationship and in our new lives.

Our children were having the hardest time in their young lives changing to a public school where they knew no one. They, too, were very much strangers in a world they had been taught to fear. Undoing the programming will take time for all of us. Josh, Ashley and Mckenzie all had wonderful public school teachers, and an incredible guidance counselor, Jennifer Drury, helped our entire family make this difficult transition. She has such a peaceful, calming, sincere way about her. Maybe that’s it. She was sincere. There is something wonderful about how genuine she was. These are the things we began to cherish.

I called all over the country to find a firm that would take our case to file a lawsuit against our upline, Rich DeVos and Amway for the hell that their business had made of our lives. I was turned down again and again and again. No one wants to represent a

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\* DeVos, Rich, *Hope From My Heart*, Thomas Nelson publishers, Copyright 2000, p. 70.

destitute client against a towering multi-billion-dollar giant. If I had a \$10,000 retainer and could pay \$100-300 an hour, most could put aside their objections and take our case. But we had no money. I was just trying to keep up with my now enormous mortgage and IRS payments. Despite the documentation I possessed and my background as a Federal Auditor, I learned that no money means no legal representation. Justice does appear to have a price tag. Amway could drag a case out until anyone determined to fight them would have well over \$100,000 in legal bills. Gerry Hayden warned me that he had far more than that into his case before it settled. This entire scheme was extremely well done, when you think it through. People were bled to financial ruin and then cast off like rubbish, in no position to file a case against the wealthy people who plundered them. No wonder the abuses had gone on for so long.

The reality of the situation was that we had no way to be compensated for what happened to us. In light of this, I gave up on the thought and contacted current litigants against Amway and their attorneys to provide testimony and documentation. If I was unable to help us, at least I could, perhaps, help others.

Through the Internet underground, I learned that an attorney named James Meade was representing Sidney Schwartz pro bono, as Amway had sucked Sidney into the legal process. It seemed obvious to me that they just wanted to crank up his legal bills until he had no more money and then close his web site, *Amway: The Untold Story*. After he could no longer afford legal counsel, he had to shut his site down. He had also been named in a suit involving Proctor and Gamble. During our Amway indoctrination period, Zack and others had told us that the CEO of Proctor and Gamble was a Satanist and had admitted it on national television. This made distributors even more loyal to their "own" Amway brand of soaps and cleaners. This current lawsuit involving Proctor and Gamble concerned the dissemination of this rumor by high-level Amway distributors.

I contacted James (J.B.) Meade in his Tacoma, Washington office and found him to be a very friendly man. I told him my story and that I had a huge cache of documentation that he would find useful in Sidney's case. After asking what I had, he decided to fly out to Pennsylvania to look at it. It took about a week before he made the trip. I greeted him at the door, and he met Kathy briefly. By this time, she had no interest in anything that had to do with Amway, so J.B. and I met for hours in my small home office. We talked at great length, and again it was reassuring just to talk to someone that understood the whole situation. Over that day and the next, he collected a large amount of documentation from me and allowed me to rant and rave, as I related my experience to him. It was cathartic to have someone to talk to.

I was shocked when, at the end of one of our meetings, J.B. told me that he might be able to take my case on a contingency basis. This was the first glimmer of hope we had in quite a while. I was absolutely elated when he called back in a few weeks and announced that he had the green light from his firm to take our case. It was nothing short of a miracle in the David and Goliath battle our lives had become.

About this time, I received a contact from a man named David Brear in France. He sent me a manuscript for a book he was writing titled *Amway The American Dream Made Nightmare*. It systematically chronicled identical fraud, theft by deception, and cultism throughout Amway's European motivational organizations. Zack had advised us that he had over 40,000 Distributors in the UK alone, so this news did not surprise me. I found David adamant in his will to make this public, and we began to encourage each

other in sporadic communications. He became a treasured resource for me, calling with uncanny timing, right when I would feel as though I could bear no more.

I was having a hard time holding it together at times, as was Kathy. It had been close to two years since we had left the group and been “excommunicated.” We would see people from The Business who had been like family members to us for years, and they would walk away to avoid us. This made us feel like lepers or social outcasts, and at times the isolation would take its toll. We were still unable to open up emotionally and develop new friendships. Kathy and I did not talk about how to overcome this, but we found a therapeutic satisfaction from throwing ourselves into our kids’ lives. We worked hard to develop a shield of normalcy around them, despite what was happening to us. We focused on helping them develop friends and become active in sports. Starting with Josh, they all became active in soccer. Over a period of several seasons, they each became very good at the sport. It began to build their self-esteem and opened them up to new friendships. We, too, began to meet nice adult couples: the other soccer parents. The relationships were superficial at first but hey! It was a start. Virtually no one from this group had known us, as we had existed in our community in near isolation for almost ten years. People asked if we had just moved into the area. I began to coach some of the kids’ soccer teams and really took great joy in working with and encouraging the children.

My life seemed at times to be normal but then often eroded into a ballet of the bizarre. I had a regular job and family and was a soccer coach. That was all fairly normal. On the other hand, I was working with a few trusted people across the country and now in Europe to develop more and more documentation to stop a global fraud. We used fully encrypted, web-based e-mails and aliases, since we discovered that Amway was getting personal computer hard drive data by subpoena. They could then use information obtained from that computer to go after others who had “fallen from grace.” We were a powerful force, in that we held each other together when the pressure became too great. For a five-month period, I had been in such a dark depression that I couldn’t even communicate. As I emerged from that darkness, I found myself being accepted back immediately by this supportive group. We agreed to tell each other when we were failing from the enormous pressures. We offered free counseling to singles and couples that were emerging from the Amway cult group(s) shattered. It helped *us* to help *them* get back on their feet.

Over the next several months, more and more distributors began dropping out and calling me, half terrified to even talk, because they knew it violated the “rules” of the secretive Amway world. Some alerted us to the existence of many more rumors that were being used to discredit me. One of the reasons that I had no money as an Emerald distributor had been informed, was that I had lost millions gambling on the Internet. This was, of course, in addition to being a cocaine addict and an alcoholic. Some were told that Kathy and I were each having an affair, and we were getting divorced. This helps to explain why most of the people that dropped out were fearful. They were partially fearful of us and what would be said about them. People must have their character destroyed upon exiting a cult group as internally, there is no **legitimate** reason to leave. They also came out at varying levels of understanding of what had happened to them. Because I was expecting Amway or Zack to send a “mole” to me feigning a need for help, I devised a series of questions that I fired off at anyone who tried to contact me. If they were still in

the organization, they would have almost no knowledge of the fraud, the lawsuits, and other events. I quizzed each one thoroughly until it was clear they legitimately were “out.”

One such contact was a couple that were Directs in Zack’s organization. They had researched the lawsuits posted on the Internet and were enraged after learning what had happened to them. Another was a young couple from New York, who worked with Zack directly. Zack had gotten a little over \$30,000 in book, tape and seminar money from them. Yet another was a relatively high-level distributor who agreed to act as a mole in order to provide me with a constant stream of current information on Zack’s business and recruitment activities. These contacts proved to be invaluable, as they in turn obtained information from others that they knew. Their partnership enabled me to cull larger amounts of information without the direct risk of exposure. I continued to fax this updated information to the FBI and to meet with special agent Lou Glodek in person.

As people dropped out, I asked them to write testimonials regarding their recruitment and subsequent losses. Some included their tax returns for documentation. It destroyed me to read their letters. They were my friends. It was heart wrenching to read about the magnitude of the devastation in only a dozen or so families in the first set of testimonials. There were literally hundreds of thousands of dollars in losses, an IRS audit with a \$5,000 penalty (after years of Amway business losses), and one family who had lost their home. We had brought in *thousands* of good people. Do the math. This human toll was enormous.

Perhaps now you understand why I could not walk away. This has been a journey to hell itself. I am neither a hero nor a martyr. I wish I had not been the one called to do this, but I was. I could not turn my back on the people I loved as family, even those who have been induced to despise me.

The momentum increased as JB, our attorney, filed a lawsuit on our behalf against members of our upline, Zack and Molly, Amway, and Rich DeVos. They, of course, immediately attempted to push it into arbitration with the Arbitration document that we had been forced to sign, at the peril of losing our business and sole source of income years earlier. Arbitration would have been good for them, because they could have simply written us a check and kept on doing what they were doing. We would have been barred from making the public aware of the scheme.

I mentioned to JB that I had heard Amway was filing harassment suits against attorneys and law firms who dared represent clients against them. This would most likely put enough fear into a small firm to never take another anti-Amway client. What firm could prevail in a legal and financial battle with a multi billion dollar giant? He then told me that Amway was suing him. JB, his wife and his firm were all named as defendants in a trumped up suit that looks like nothing but an abuse of the legal process. He had taken quite a few clients and had represented them in court cases against Amway and its motivational organizations. How many victims would this beast claim?

Soon, a police car pulled up to our home and a sheriff gave Kathy and I notice that we were subpoenaed in the case by the Amway’s dreaded legal counsel, Norbert Kugele. He was the one who filed legal motions that had caused web site hosts Sidney Schwartz, Ruth Carter, Ashley Wilkes and others to run up combined legal expenses of tens of thousands of dollars. If this continued, I knew it would soon be difficult for victims to even obtain a firm willing to represent them. We showed up at the deposition

with our Attorney's attorney and submitted to a videotaped deposition. Norbert was not a monster in appearance and was actually soft spoken in manner. I still despised him for what he was part of.

The questioning centered on whether JB had used confidential information from a prior case to induce us to use him to file a lawsuit against Amway. This was preposterous, as I was the one who *tracked him down* to give him information to help defend Sidney Schwartz. I used this opportunity to personally advise Norbert of the near two decade long fraud, illegalities and systematic distributor abuses, perpetrated by the now collaborative efforts of Amway, Dexter Yager, Zack Walters and members of the DeVos family. Once again, Amway's own legal counsel was directly advised of these wrong doings. I believed Norbert's firm may actually have been in jeopardy of facing legal action by the Michigan bar, in that their actions make it seem that they are almost complicit in actively perpetuating a criminal activity. Every client deserved fair legal representation. However, taking legal actions that silence and financially punish those who speak out against the fraud prolonged its existence.

We, too, felt the full brunt of Amway's legal muscle early into the process of our case. We went to the first deposition and were greeted by an intimidating wall of "suits." Attorneys had been brought in from Michigan, two cities in Pennsylvania, Washington DC and Ohio. It was just Kathy and I and JB opposing a solid wall of defendants and their legal extensive team(s). JB performed incredibly under this pressure.

The next night, I was in his hotel room going over tapes and other documentation when Kathy called terror-stricken. Our 12-year-old son Josh had answered the phone and heard a man ranting on and on about killing people. Wide eyed, he just handed the telephone to Kathy who listened to the same insane tirade about "killing people" and "solving things himself and it not going to court." They did not recognize the voice. I called 911 and drove frantically to the house, a loaded gun in my lap. My heart was racing as fast as my car, as I thought about McKay Everett, the distributor's boy who was murdered in Texas. Thankfully, all was well when I got to our home. But our entire experience had shown that these people clearly had no limits. Even the Mafia has limits. They have a code of honor. These people had none. The state police responded, took a report and were very helpful. I would be in ongoing contact with them.

I called the FBI from work and left a message for Lou the next morning. He returned the call at my office at work, and I relayed the details of the incident to him. He agreed to look into it but didn't seem overly concerned. I had already been told directly which gun would be used to kill me. With my wife and son now threatened, and even though I had provided documentation of massive, systematic, global fraud, it still sounded as if nothing was going to happen. That did it! I completely snapped and started shouting at him. I wanted to know how many dead people the FBI needed in order for them to do something. I was in my office in a little cubicle screaming. People were standing up and looking at me. He started shouting back. This scream fest continued for a minute or two and then simmered down. He wasn't apathetic; he had been up all night working, was exhausted and had a huge caseload. We both apologized, and he came to our home later that day to meet with us again. I continued to meet him at home, in a parking lot and at a restaurant to provide him with more and more documentation as I obtained it from various sources. Eventually, Lou seemed like a friend, and I came to trust him completely.

Yet more distributors dropped out and brought me volumes of documentation. There were several new tapes by the Diamond who had threatened to kill me with a Mac 10. The contents of one tape, produced by I.C.C.A. and copyrighted by Internet Services Corporation, revealed how far these people were willing to go. The Amway Diamond on the tape was discussing loyalty before a large audience and described in detail how he told a guy backstage that he would “take him out” if he was even disrespectful of Zack. He relayed the whole conversation and was bragging about the time that he threatened to kill me! He said he was not afraid of going to prison. His wife spoke, remarking that she would never leave him, because he told her he would shoot her through the back if she did. He also bragged about carrying a gun with a 15 round clip. I am dumbfounded that they would make these statements from stage. It is even worse that huge volumes of copies of this were made and sold as a teaching tool! Zack distributed these tapes to his organization. To defy him meant death. All of these tapes were immediately provided to the FBI.

Most of the people who dropped out wanted to talk once and then vanished to forever forget what had happened. At first I was enraged at those who were unwilling to stand and fight. Kathy helped me to understand that we all had to recover in different ways and at different rates, and I came to respect the road they had to travel. When I was honest with myself, many times I wished I could join them. All seemed terrified at the possibility of retribution. A few were fearful but strong enough to stay and help.

This well-networked group of former distributors brought about a pivotal turning point in this thing our lives had become. They assisted me in locating and contacting Sally Porter\*, Zack’s niece. Not only was she his niece, she worked in his warehouse for years and was an Amway distributor, personally sponsored by Zack. She was eager to talk and informed me that her “Uncle Zack” had completely destroyed her life. This was becoming a familiar sounding story. She and her husband had moved here to work for Zack. They worked as domestic help around his mansion, on his properties and most importantly in his warehouse. She described the secret, off-limit, tape room where she and other employees made tens of thousands of tapes. I had heard rumors of this, but she was the first to verify it. We had been told all the tapes came from Dexter. Despite his ceaseless talks on loyalty, Zack was making his own tapes and screwing Dexter out of the profits.

Sally related that Zack had told offensive racial jokes in front of her children. She also informed me that no black employees would be hired to work at the warehouse. As a family member, employee and distributor, she had been privy to more truthful information than anyone. Sally remarked on an ongoing situation where Zack would give Molly’s mother a \$5,000 or more Christmas gift and then a 1099 form. If this was true, he was writing his elderly mother-in-law off as a business expense! I was sickened by these revelations. This was the man I had taught my children to honor and respect! She made me aware of other situations involving Zack that I will not even commit to print. Nothing shocked me at this point. I was numb.

Sally remarked that on multiple occasions, Zack had her use one of Dexter’s copyrighted tapes as a master and would have her run off high volumes of copies to market to the group at retail. This way, he could make a tape of Dexter for twenty or thirty cents instead of paying Dexter for it. These would then be retailed to thousands

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\* Not her real name

weekly at \$6.00 each. She described Zack as charming at first but then demeaning and abusive after she had given him years of service. She provided some critical information, in that she and her husband would pack up a truck full of tapes, books, and videos, and they would stock and man the tool tables at large seminars. There, she related, they would sell as much as \$10,000 a day in cash sales. A three-day weekend seminar could bring in as much as \$30,000 in cash sales. Even though thousands of people had paid as much as \$400 a couple for a weekend seminar, the convention hall would be emptied on Sunday, and each had to pay \$10 to get back in for the Sunday “leadership” session. On a group of 2,000, you were now looking at an additional \$20,000 in cash, in addition to the normal walk in door sales. Kerry usually ran these sales and spirited that cash away to the secret counting room. With door and tool table sales, Zack may have left these seminars with well over \$50,000 in cash for a **single weekend**. Do you wonder what happened to all that cash? After much digging, that question was also answered.

This explained the huge amounts of “flash cash” that Zack waved at us as young Amway distributors. He would be doing a training session on building our Amway business and pull out anywhere from \$10,000-\$25,000 in cash as a visual example that the Amway business worked. Now I knew where it came from, and it was not Amway. But where did the cash go? With Sally’s help, I was able to track down Zack’s former bookkeeper, Laura Dean\*, to a mid western state. She was very nervous at first and obviously fearful of Zack. I had known her but only by her first name, as we were to have almost no contact with Zack’s staff. She was fearful of Zack and his business operations and had left his employment with some of his 1995 financial statements to use as an insurance policy of sorts, as she was not comfortable with the business operation.

During our conversations, Laura would go from helpful to angry to fearful. Both she and her husband were kind and wanted to help but were fearful of having Zack drawn back into their lives. At first Laura agreed to send me copies of the financial statements and then decided not to for fear that Zack could take legal action against her for taking it. I hated to do it, but our law firm subpoenaed the documents, in order to keep them from being destroyed. Laura spoke with JB and agreed to fly to his office in Tacoma to give a deposition of what she knew of Zack’s operations. I had no idea we would ever get this much information, but Zack seems not to have made a lot of friends along the way.

One of the most shocking revelations she made to me was that she took care of all his business accounts and personal checkbook. During her six years there, she confirmed that she did not make cash deposits in the business or personal accounts. This is startling, considering from what Sally had shared; as much as \$50,000 can come in, in a single weekend. Over two decades, Zack may have spirited off millions in cash sales. Laura affirmed that when the entire distributor organization was forced to book rooms through Walters International, Zack was making \$10-\$15 a room profit. He had a tough refund policy and rarely would return seminar money for any reason. She relayed the story of one woman who had paid almost \$400 for a weekend seminar but could not attend when her father was tragically burned to death in a house fire. She commented that Zack would not authorize a refund, as the “food and room” was already paid for. This was despite the fact that we always had walk-ins that could have filled the spot on site.

Convention Concepts Unlimited\* was a company run by Ben Novack out of Fort Lauderdale, Florida. He handled the booking and hotel arrangements for many of the

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• see [www.conventionconcepts.com](http://www.conventionconcepts.com)

Amway Diamonds major seminars. He has likely handled tens of millions of dollars of the Diamonds' seminar money. Laura advised that after once such event, Ben owed Zack nearly \$30,000. Laura described the instance, in which she was instructed to call Ben and have him send half in cash and half in a check. She never saw the \$15,000 cash to deposit. The documents she turned over were terribly incriminating, in spite of both Zack and Molly's public profession of decades of success in Amway. Their financials from 1995 show that an estimated 94% of their nearly \$3,000,000 *reported* net income came not from Amway but from their secret motivation business. In fact, if he did not have his tools business, and you applied his business expenses against his Amway income alone, his Amway business would show a six figure net loss. Despite the verbal floggings I took from him about being a real man and making my business profitable, as a destitute Emerald, I was making more net income from Amway than he was. If we removed Zack's tool income, a 16 year old flipping burgers at McDonald's made more net income than this mega successful Amway Double Diamond. How pathetic!

This information only fueled the fire to get to the bottom of all the money laundering. After this discovery, I was then able to track down William Pearson\*, Zack's former personal limousine driver, who had moved to Alabama. William was extremely friendly and not fearful of Zack at all. He seemed eager to assist in any way he could. Guess what! He, too, had been screwed by Zack and acknowledged that he had left being owed a large amount of back pay. What a shock. I knew that the seminar cash was secretly counted in a room, supervised by Kerry, and then placed in suitcases or briefcases and then transported to Zack's limousine, Mercedes or coach. He told me that it was stashed in briefcases and that he handled them and watched Zack load them into the safe off his garage or in Molly's office in their home.

But where did all the money go? I was at Zack's mansion on one occasion when the doorbell rang. He motioned for me to get it. I went to the front of the home and greeted the Fed-Ex deliveryman. I signed for the package and brought it to Zack. He was not happy that I had signed for it without his consent. He looked at it for a minute and then opened it, deciding to share its contents to motivate us. It was a shipment of gold bullion, coins that were non-traceable and as good as cash in any country in the world. When I remembered this incident, I discussed this with several trusted people in the underground network. Sally told me that her father was at Zack's mansion one day when he produced a large envelope from the safe off the garage and proceeded to dump diamonds all over a table. According to Sally, Zack bragged, "This is how I hide my money." Again, money was converted to a non-traceable equivalent good in any country in the world. It looked like my former hero may be guilty of fraud, tax evasion and possibly money laundering.

I provided all of this information to the FBI as soon as I obtained it, and this information may have been what ultimately tipped the scales. Lou was tight lipped and could tell me nothing about the FBI investigation, except that there was one underway, and I was listed as a cooperative witness. We were talking one day, and he said the words that I thought I might never hear. He said, "So how soon do you want to testify before a Grand Jury?"

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• Not his real name

“Tomorrow,” was my immediate reply. I felt certain that the whole house of cards would come crashing down if even only Zack is indicted and convicted by a jury. This very well may have been the beginning of the end.

My work could soon be over, and I could have a life again. I was fearfully elated, if that makes sense. The end was in sight; yet the danger level just increased, with me being the key witness for the Grand Jury. This book had been provided to both the FBI and the U.S. Assistant Attorney to be used as the backbone of their case. There was a small but very real chance I would be killed for this prior to publication. In that event, I made arrangements for its immediate, electronic global distribution. My death would not have been in vain. I was but one person; yet I was the spokesperson for millions who have been silenced. I had not chosen this role; yet it is mine. If I were murdered now, the voice would simply scream louder. This genie will never be shoved back into the bottle.

Further investigative efforts revealed a political action committee that had raised hundreds of thousands of dollars a year to give to republican candidates. It was called Restoring The American Dream. Dick DeVos was the Chairman, according to stationery sent to the Federal Election Commission dated May 21, 2001. It was funded, in part, by a large number \$5,000 donations from Zack, Dexter, Birdie, Doyle, Holly, Jeff, Lorryn, Rhonda and Steven Yager, Bill and Peggy Britt, many other Amway Diamonds and DeVos family members. The funds were distributed to conservatives with John Ashcroft (R-MO) landing a whopping \$10,000 donation in the 1999-2000 cycle. Perhaps the PAC considers this insurance against regulatory action.

Did I believe that past president George Bush, Billy Zeoli, Senator Rick Santorum, Shad Helmstetter, John Ashcroft and others referenced in this book are “in on it” and corrupt? No, I believed that many good people have had their credibility used to promote something that has none. Their reaction to these revelations will reveal their true character. When President-elect George Bush was running for President, his opponents said he was a candidate of the rich elite, not of the people. I did not believe this, but the proof will be in his reaction to these revelations. Will he look out for the many honest, hard working people who put him in office? Although he and Attorney General John Ashcroft had taken campaign contributions from Amway related people or entities, I believed they would do the right thing. This certainly may be a defining moment of his presidency. It is time to clean house. I would be glad to meet with them if it will help end this.

Is there punishment for white collar, systematic fraud in America? There was a case of this recently. William McCorkle and his wife, Chantal, had run a very successful infomercial since 1992 on real estate investing. They shot film clips in front of a luxury home, on a yacht, with a Lamborghini Diablo and on a private jet. This gave the illusion that they had created tremendous wealth at a young age, investing in real estate. The problem is that they made very little at all in real estate. What they did was sell an estimated \$72 million dollars<sup>1</sup> in videotapes, audiotapes and seminars. Is this sounding familiar? Seventy two million dollars is a lot, but it is child’s play, compared to the billions Amway has reaped in collaboration with its kingpin distributors. Apparently, the initial seminar courses were just a “come on” to buy more and more books, tapes and videos in McCorkle’s **system of success** until many had nothing left. For all their crimes, William and Chantal were sentenced to a harsh 24 years in prison with no possibility for parole, due to stiff Federal guidelines. The global fraud revealed in this book is nearly

identical in nature to that committed by the McCorkles. The only difference seems to be that the McCorkles have been stopped from plundering the public and have had to face justice. Perhaps they should have spent more time with religious and political leaders.

What is the truth here? I do not expect you to robotically accept everything that you have read. I challenge you to accept none of it on face value. *Think for yourself!* Draw your own conclusions. Go to [www.Amway.com](http://www.Amway.com) and see what they have to offer. Go to an e-commerce recruitment meeting for Quixtar. Talk to distributors. Ask to see their last three years' tax returns. A good accountant would insist that you check the financial history of any business before making a lifetime investment of your time and money. Don't accept any lame excuses such as, "Well, you can make more than me, so I won't show you." Demand to see the real tax returns and figures or walk away. Amway and Quixtar would both most likely close their doors if they were ever forced to publish the true net income of their distributors.

Knowing all that has been revealed in these pages, I still am an unlikely whistle blower. I am non-confrontational in nature. Perhaps I have taken this punishing course of action because I still embrace the qualities this business claimed it stood for: character, integrity, free enterprise, and success through servant hood to others. I brought many people that I loved, including my own father, into this business predicated upon those qualities. Unfortunately, it appears that the Amway business has long since been devoid of any of these characteristics. In my opinion, many of the people involved with the Amway, Quixtar and their related motivational organizations are some of the most dishonest, wholly corrupt, morally bankrupt people I have ever been associated with. It seems clear that Amway and Quixtar are knowingly the gatekeepers for highly destructive cults. They are collaboratively, with their Kingpin distributors, Merchants of Deception.

Not long ago, rescuers were searching the smoldering carnage left in the wake of the World Trade Center and Pentagon terrorist attacks. This violent terrorist group attempted to destroy our hope and our freedoms. America will respond and hunt down those responsible and will make every effort to protect us from these foreign evildoers. However, most great civilizations have fallen from within. Families, who lost loved ones, and those being laid off in varying sectors of our economy, now, have a very real economic need. They are prime targets for repulsively twisted, flag waving, "God loving" motivational organizations with a wonderful, new "opportunity to share". Will our government allow these poor people to once again be victimized?

There is now another scourge sweeping our nation. It is domestic, financial terrorism. In a single moment, we are seeing entire lifetimes of savings wiped out by corrupt corporate thieves. Some have amassed billions through fraud. As each company like Enron, Worldcom, Adelphia Cable, Global Crossing falls, so does the livelihood and savings of thousands. Something far more sinister is occurring in light of this. Faith in our stocks and the free market, capitalist system that built this country is eroding. Will this administration continue to "look the other way" since the Republicans have been the largest political benefactors of the Amway and Quixtar motivational fraud? The FBI and the prosecutor's office have had the information contained in this book for three years as of this writing. Pennsylvania Attorney General Mike Fisher's staff has refused to take any action on this fraud despite formal complaints I have made along with the documentation provided in this book. Mike Fisher is now running for governor. Perhaps his donation

record is loaded with Amway Kingpin funds as was Senator Rick Santorum's. Perhaps a full disclosure running platform for re-election should be "Donations accepted-hear no evil, see no evil, speak no evil".

The individuals and entities involved are far from nameless or faceless. They are not a cunning foe that need to be tracked down at night in the caves of Tora Bora. We know who they are and what they do. They are truly American economic terrorists and their activities threaten our very way of life. Through the Amway and Quixtar motivational organizations, will we knowingly allow fraud and cultism to be an ongoing American export to the very countries that look to us for hope?

They stand metaphorically before you now. Some of the Diamonds are crowded onto a walled playground. They have a bag of candy in one hand and a Bible and an American flag in the other. Their pants and skirts are down around their ankles. They are panting and drooling in anticipation. The school bell rings and ownership family members come in from Amway/Quixtar to pull the heavy gates open and kindly greet the children as they come running and laughing into the playground. Their warm smiles vanish as they slam the steel doors shut as the frenzied, terror-filled screaming begins. The local politicians close their windows to drown out the annoying sound of their constituents screaming for help. When the children have been abused to the point that they are completely silent, the gatekeepers swing the heavy doors open. They walk happily to the shower rooms with the Diamonds to change out of their blood-spattered clothing. They can be heard humming "God Bless America" from the playground. Soon they emerge in tuxedos and gowns and disappear into waiting limousines for the \$10,000-a-plate fund-raisers with local political and religious leaders. The children crawl alone, quietly away. The final chapter of this story has yet to be written. The playground is open and the silent children can only hope for help.

When the playground is closed I will find peace.

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<sup>1</sup> Seattle Times, Tuesday, January 26, 1999

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# Epilogue

John and Kathy's legal entanglements with Amway have not seen resolution as of this writing. John has moved on to a new position in a company with a promising future. Both John and Kathy feel fortunate to be working with people whose company they enjoy. Unfortunately, it is too little too late, and they lost the struggle to keep their home. Josh, Ashley and Mckenzie are all doing very well in school and sports. They are enjoying many new friends and were fortunately young enough to not remember most of the experience chronicled here. The Jacob family is meeting with old friends and making new ones, cherishing each relationship. John and Kathy feel thankful and fortunate for the opportunity to rebuild their marriage and relationship one day at a time. Despite overwhelming odds, they are determined to rise from this like a Phoenix from the ashes. They are emerging penniless but with their most valued treasures; they walk away with their character, integrity and a family intact.

We all have our obstacles and our personal Goliaths. It is in battling the giants and in the storms that we most often discover the most important truths of our lives. May this book be an encouragement to you. Face the giant. Have faith. Persist. Love will again prove to be stronger than hate, and faith stronger than deceit.

*May God bless you and yours and may today be the start of a fresh new life.*

John Jacob

# Evil Triumphs When Good People Do Nothing

It appears that the deceptions and abuses outlined in this book have perpetuated for decades, at least in part, because distributors have been well indoctrinated to believe they were the problem when they lost their money. We can no longer be silent victims if the abusive practices are to be stopped. If you have been deceived, I am asking you to take a simple action. I am not asking you to put your life on the line but to simply detail your story, the representations that were made to you, and the financial and other losses you may have incurred. It would be a good starting point to send them to your local Better Business Bureau as well as the consumer protection division of your state's Attorney General's office. You may also want to send copies to your elected officials and ask them to take action. Their names and addresses can be found in the telephone book or on the Internet at [www.congress.org](http://www.congress.org). You may want to send a copy of this book as it was written and documented in a manner that may be useful for prosecution.

Some distributors have felt that it helped their healing to write of their experiences and learn of others who went through the same challenges. You may or may not have been involved in one of the motivational cults. Coming out of one is a lonely, terrifying experience. The distributors that continue to drop out and contact me are all at varying levels of psychological and emotional distress. The one common denominator they all seemed to have is a deep pain and hurt for being “flushed” or banished. Like Kathy and I, their closest friends began to treat them like lepers almost the day they stopped buying tape of the week and going to seminars. This hurts when it comes from people who you love, who have professed their love for you for years. Writing about our experience and reading the stories of others has helped many of us. Because of this, I have already begun work on compiling these stories for the next book, which will consist solely of your stories of financial loss, broken marital relationships and cult exit counseling. Just a paragraph or a page or two would be a wonderful contribution on your part. If for no other reason, I would be thankful to hear from you if this book has helped you. Your story may be published with complete anonymity if you like, if you feel it would help you or others to do so. Nothing will be published without your expressed, written permission.

Please send your personal story by e-mail to:

[enschei@yahoo.com](mailto:enschei@yahoo.com)

For security purposes, no e-mail with attachments will be opened.

Thanks so much for taking the time.

## ***Support Needed***

If you would like to make a **donation** to support me in my legal defense and efforts to bring about regulatory justice, it would be very much appreciated.

You can do so by going to:

**<http://www.paypal.com>**

to use Paypal's ultra-secure servers to send monetary funds, even if you do not have a Paypal account.

My account for donations is my email address:

**[enschei@yahoo.com](mailto:enschei@yahoo.com)**

