

BusinessAge™

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than 'navvy'**
Saddam's favourite
Irish builder

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Bringing Olympic
determination to
the boardroom

Candid Camera
How not to 'pose'
for that PR promo



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ACN – Creating opportunity

ACN call themselves 'The Perfect Business', and put it down mainly to something called Network Marketing. They have a 9-year track-record in communications and more recently energy, an arena tipped by Fortune magazine as this century's top investment opportunity, yet they carry no stock and minimal infrastructure. Now, they are marketing Pre-Select fixed line phone, gas and electricity services in the UK. **Herbert Wright** asks, who exactly are ACN?

Headquartered in Michigan, ACN are basically a services reseller, buying the commodities of long-distance phone, mobile airtime, electricity or gas from primary suppliers, but offering billing and customer support direct. As Robert Stevanovski, ACN's Chairman of the Board & Co-Founder, says of long-distance telephony, 'we don't own any switches or fibre'.

They now have 400 employees in North America and 300 in Europe, where they started in the UK in 1999 and are currently growing their customer base by over 10% a month. The secret of their success is Network Marketing. Anyone can become an ACN representative, and sell the services to their personal contacts. For this, they receive a commission of up to 2-8% on all billed business, and an overriding commission on the customers acquired by the representatives in their team. The commission can cascade through to seven levels, suggesting big potential – Stevanovski agrees that 'we have a small percentage of people

who make \$75,000 a month, but our job is to help make someone a extra £500-1,000 a month'. ACN sells through people, not companies, 'to protect our integrity'. Network Marketing's driver is selling to friends, and in the US holds massive training conventions that can pull up to 10,000 people. Stevanovski concedes that 'yes, culturally (Europe) is different. People tend to be more skeptical'. How does ACN overcome that? 'We share our track record over the last 10 years. Just because Enron is a bad energy company, it doesn't mean all energy companies are bad'. Charlotte Züger, Press Manager at Telia Mobile, a Swedish network operator through which ACN offer a mobile service, could not comment on ACN's marketing except to say that it was 'strictly legal', something that backs up ACN's claim to have 'hired the top consulting and law firms in telecommunications and network distribution in Europe'.

Stevanovski is optimistic about Europe: 'We're an established company, we're going to do some big business'. ■