

TEACH

PRODUCTS

50% profit on sales

1. Facials (1 on 1)
2. Classes (3-5 in attendance)
3. On the Go
4. On-Line
5. On Paper

Option 1: Hobby time = 2-4 hours a week

1 apt. x \$300 sales = \$300/wk
 \$300 x 4 weeks = \$1,200 a month
 \$600 order
 \$600 profit

\$600 a month x 3 months = \$1,800 sapphire star every quarter!
 \$600 a month x 12 months = \$7,200 profit a year for
 100 Customers x \$200 = \$20,000 retail = \$10,000 profit

Grand Total = \$17,000.00!

Option 2: part time = 8-10 hours a week

3 apts x \$300 = \$900/wk
 \$900 x 4 weeks = \$3,600 a month
 \$1,800 order
 \$1,800 profit

\$1,800 a month x 3 months = \$5,400 pearl star every quarter!
 \$1,800 a month x 12 months = \$21,600 profit a year
 300 Customers x \$200 = \$60,000 retail = \$30,000 profit

Grand Total = \$51,600.00!!

Option 3: full time = 15-20 hours a week

5 apts. x \$300 = \$1,500/wk
 \$1,500 x 4 weeks = \$6,000 a month
 \$3,000 order
 \$3,000 profit

\$3,000 a month x 3 months = \$9,000 Super Star Challenge
 \$3,000 a month x 12 months = \$36,000 profit a year
 500 Customers x \$200 = \$100,000 retail = \$50,000 profit

Grand Total = \$86,000.00!!!

BUSINESS

Commissions on team

1	3	4	5	8	14	24
4%	Red Jacket	9%	13%	DIQ	CAR	26%

1 out of 5 interviews will say yes....

- 1 class a week = 5 faces a week or 20 faces a month
 20/5 = 4 new team members a month!
- 3 classes a week = 15 faces a week or 60 faces a month
 60/5 = 12 new team members a month!
- 5 classes a week = 25 faces a week or 100 faces a month
 100/5 = 20 new team members a month!

3 classes example:

1. \$1,800
2. \$600
3. \$200
4. \$1,800
5. \$600
6. \$200
7. \$1,800
8. \$600
9. \$200
10. \$1,800
11. \$600
12. \$200

\$10,400 x 0.13% = \$1,352!

\$50 bonus for every new \$600 = \$400!

When you have at least 5 ladies ordering \$200 in a month and you order \$600 you earn 13% commissions....

Sales	+	Commission	+	Bonus	=	Total
\$1,800	+	\$1,352	+	\$400	=	\$3,552!



14 Ladies & \$20K in 4 months =
 Chevy Malibu & 80% Insurance!

You have the choice in Mary Kay to service your customers in one of two ways:

Option 1: Stock Product: Give/deliver product to your customers as soon as they place their order. You stock product in your home which you have purchased in advance to sell to your customers.

Option 2: Do Not Stock Product: Customers place orders to you and pay for their orders in advance. You accumulate orders and the money to place an order to the company for the products your customers pre-order, then you individually deliver to each customer after products are shipped to you.

IMPORTANT TO KNOW:

- 1. Customize your order.** Your Sales Director has already put together sample orders that you may either order as is or adjust it to your needs. You can use the experience of your Sales Director start your business in ordering inventory. Plus each order is 100% customizable to what you want.
- 2. 90% buy back guarantee** is an amazing gift from Mary Kay. For an entire year from the date you place your inventory order, Mary Kay gives you the option to send back your products for 90% of the Section 1 wholesale cost. This is a big decision since you will never be able to sell Mary Kay again, so this is saying you are done for life. Mary Kay allows you everything to gain and hardly nothing to lose by purchasing inventory to begin your business.
- 3. Travel Roll-Up Bags** is the 4 pocket bag with all the product inside. I sell either an entire bag or a set within that bag at every party. If you didn't even have one to demo from, then I wouldn't even know how to teach you to do an effective skin care party.

A decision to purchase inventory depends on 2 factors:

Resources: Funding the purchase of inventory .
(i.e. loan, credit card, 401k, family members, etc.)

Goals: What amount you choose should depend on your personal business goals.

The single most important issue involved with your inventory decision is that you make a decision that you are happy with so that you can focus on succeeding in your new Mary Kay business.

Debt vs. Investment:

Borrowing money for an inventory is not defined as a "debt". A debt is something that instantly depreciates in value once you purchase it, like a car loan. However, Mary Kay inventory is an "investment" since you receive a 50% return when you sell the products. It doesn't matter whether you sell them 2 days from now or 2 years from

Advantages to Stocking Product:

Higher Sales

Women are impulse buyers. They want their products as soon as they try it. Your sales can be higher if you carry inventory to give immediately to your customers.

Less Chance of Losing the Sale

Women do not usually change their mind once they have the product in their hands. However, if they have to wait for product, they may change their mind about their order due to money, stress, spouse, or just finding the product they want elsewhere.

Your Confidence

You are more likely to actively work your business if you have product on your shelf. You will feel like a professional and have more confidence in your sales ability.

Motivation

Your inventory will motivate you to do your business when you lack self-motivation. Product sitting on your shelf will motivate you to get on the phone & out there selling!

Profit

You will see a profit sooner from carrying inventory. If you have to place orders; it takes longer to see profit. Also, you can see a higher commission level from your sales because you will be able to order in larger quantities & less often.

Higher Reorders and Less Drop off

If you are able to immediately service your customers with product as soon as they run out, they will learn to depend on you. If you have to place an order to the company, they may look for another consultant who stocks an inventory.

Less Frustration

Consultants who do not carry product tend to get frustrated with their business sometimes to the point of quitting. Not carrying inventory is one of the most common reasons for consultant dropout due to working more hours

The Business Power Plan

Regardless of the reasoning behind your decision to become a Mary Kay Consultant, you'll want to take a very logical, rational approach in making your inventory decision as your time management, immediate profit, and cash flow depends on it!! Now follow the next 5 steps to make **your** best business decision!!

Step 1: Who Do You Know...

Make a comprehensive list of 75 women who know your name and face...family, friend, work associate, acquaintance, neighbor. Also put an * by every name you think would be great in this business-they can help you with your first 10 practice interviews! (Make this list using the "MK Contact List" provided to you in your Welcome Packet)

Step 2: It's Your Time, Invest It Wisely...

I. Facial Party/Skin Care Class

- \$250 average sales
- 3 to 6 people attending
- Takes 2 to 3 hours

II. The Facial

- \$50 average per face sale
- 1 to 2 people attending
- Takes 45 minutes to an hour

By Holding Weekly...	Gross Profit Weekly	Gross Profit Monthly
1 Facial Party & 1 Facial	\$150.00	\$600.00
2 Facial Parties & 1 Facial	\$275.00	\$1,100.00
3 Facial Parties & 2 Facials	\$425.00	\$1,700.00
3 Facial Parties & 3 Facials	\$450.00	\$1,800.00

Step 3: How many Faces...

To determine the amount of product you'll need to have on your shelf, let's take a look at the number of faces you'll be working with on a weekly and monthly basis. How many facial parties/facials are you willing to fit into your week?

Facial Parties/Skin Care Classes per Week _____ X avg. of 4 Faces/Class = _____ FACES
 # Facials per Week _____ X 1 Face / Facial = _____ FACES

Total Faces Weekly _____ X 4 Weeks = _____ FACES WEEKLY
 _____ FACES MONTHLY

The company average sale for a NEW Consultant PER FACE is \$50 per face.

Your # FACES MONTHLY _____ X \$50 per face = \$ _____ per month SALES

Your SALES MONTHLY _____ X 50% gross profit = \$ _____ per month PROFIT

Step 4: How much inventory do I need?

This decision is made by how many FACES per week/month you will be doing.

The GOAL is to have A ROLL UP BAG to sell for each face.

\$4200 Order of Excellence* = 10 Roll Up Bags, Full Color + 4 specialty line items [50+ faces/month]

\$3600 Emerald Star* = 10 Roll Up Bags, Full Color + 3 specialty line items [40+ faces/month]

\$3000 Diamond Star* = 8 Roll Up Bags, Full Color + 2 specialty line items [35 Faces/month]

\$2400 Ruby Star* = 6-7 Roll Up Bags, Most Popular Color + 1 spec line items [25 Faces/month]

\$1800 Sapphire Star* = 5 Roll Up Bags, Limited Color [15 Faces/month]

*\$1800 is the FIRST level where every woman will have the option to take a Roll Up Bag home, plus you are likely to have most of what each woman orders on hand to give to her immediately to run an efficient, time saving business. Remember, women buy alike, and the EYE BUYS what the EYE SEES. If each woman has the option to take home her OWN bag, chances are she will. Star Consultants receive 1. Recognition (newsletter & website); 2. Star Consultant Prize from MK; 3. Get invitation to Star Consultant Outing with our unit; 4. Earn your gorgeous Pink Sapphire ring!

\$1200 Order = 3 Roll Up Bags, very very limited Color

\$600 Order = 3 Roll Up Bags, NO COLOR

Step 5: Make a Decision!

Let's talk about your decision, and find a package that's right for YOU and for your BUSINESS!

1. There are many ways to invest, but here are my favorite options you can use to make your investment!

1. Get a small personal loan. Credit Unions & small banks usually have the lowest rates.

2. Apply for Fifth/Third Bank Credit Card or USBank Credit Card

- 0% for 12 months and no annual fees - you can apply over the phone

- They'll give you the # the next day - say that you are a MK consultant

- Call 859.299.5553 and ask for Scott Talley (Fifth Third)

- Call 502-538-3800 for U.S.Bank



New Independent Beauty Consultant

Inventory Worksheet

You may want to complete this inventory worksheet with your Independent Sales Director. The worksheet is designed to assist you in determining your ideal inventory investment.

1. What are your Mary Kay goals? *Check the answers that best apply to you:*

Desired Monthly Earnings

- _____ \$1,600+ = 5 points
- _____ \$1,200 to \$1,599 = 4 points
- _____ \$800 to \$1,199 = 3 points
- _____ \$400 to \$799 = 2 points
- _____ \$100 to \$399 = 1 point

Selling Appointments

- _____ 5 or more appointments per week = 5 points
- _____ 3 to 5 appointments per week = 4 points
- _____ 1 to 2 appointments per week = 3 points
- _____ 2 or 3 appointments per month = 2 points
- _____ 1 appointment per month = 1 point

Unit Meetings

- _____ I am committed to attending unit meeting each week = 3 points
- _____ I plan to attend unit meeting twice a month = 2 points
- _____ I plan to attend unit meeting when they fit into my schedule = 1 point

Goals *check ALL that apply*

- _____ I would like to build a solid base of customers = 2 point
- _____ I would like to earn the use of a Mary Kay Career Car = 2 points
- _____ I would like to become an Independent Sales Director = 2 points
- _____ I would like to replace my full-time income = 2 points
- _____ I would like to have a little extra spending cash = 1 point

2. Calculate your points to see the suggested inventory category for you.*





17 points or more:	\$4,800 wholesale category
13 to 16 points:	\$3,600 wholesale category
12 points:	\$3,000 wholesale category
11 points:	\$2,400 wholesale category
8 to 10 points:	\$1,800 wholesale category
5 to 7 points:	\$1,200 wholesale category
2 to 4 points:	\$600 wholesale category

*This Inventory Worksheet provides suggestions to assist you in determining your ideal inventory investment. Your ultimate decision is completely up to you and will likely depend on multiple factors that may not be represented on this page.



Store Options for New Consultants!

Ready Set Sell!!!

Wholesale order (Your cost)	Discount	New Consultant Welcome Bonus	Ready Set Sell Bonus New Consultants Only	TOTAL FREE Bonus Product (When ordered within 15 days)	Total Investment (including tax on retail amount and shipping) *Example of monthly loan payment if borrowing at 13%
\$5400 Total Success	50%		6 Bundles worth up to \$620 retail Plus \$125 off a future product order!	\$985 FREE!!	\$6500 -2 roll ups sold per month *Business Loan payment of \$219/mo for 36 months
\$4800 Pearl Star	50%	\$115 FREE!!!	   	\$985 FREE!!	\$5800 *Business Loan payment of \$195/mo for 36 months -2 roll ups sold per month
\$4200 Emerald Star	50%		5 bundles worth up to \$525 retail FREE plus \$100 off a future product order	\$985 FREE!!	\$5100 *Business Loan payment of \$172/mo for 36 months -2 roll ups sold per month
\$3600 Emerald Star	50%		4 bundles worth up to \$430 retail FREE plus \$80 off a future product order	\$985 FREE!!	\$4400 *Business loan payment of \$185 for 30 months -1 roll up sold per month
\$3000 Diamond Star	50%		3 bundles worth up to \$335 retail FREE plus \$50 off a future product order	\$840 FREE!!	\$3600 *Business loan payment of \$175 /mo for 24 months -1 roll up sold per month
\$2400 Ruby Star	50%	FREE Color Look. Your complete new personalized & customized look just for you!	2 bundles worth up to \$210 retail FREE plus \$35 off a future product order	\$705 FREE!!	\$3000 *Business loan payment of \$150 /mo for 24 months -1 Ult Miracle set sold per month
\$1800 Sapphire Star	50%		1 bundle worth up to \$115 retail FREE plus \$15 off future order	\$550 FREE!!	\$2300 *Business Loan Payment of \$110 /mo for 24 months -1 Miracle set sold per month
\$1200 Starter	50%			\$395 FREE!!	\$1600 *Business loan payment of \$90 /mo for 24 months
\$600 personal use	50%			\$260 FREE!!	\$800 *Loan payment of \$70 mo/12 mo

OPEN FOR BUSINESS! *Start smart with product inventory†*

BOOST YOUR BONUS!

ORDER THIS WHOLESALE AMOUNT	Suggested retail value (Sell at 50% profit)	Total investment (including shipping, sales tax & biz supplies)	Custom look Welcome Gift*	Free product bonus bundles*	Free wholesale credit off a future product order**	Star Consultant gemstone pin and prizes***
\$4,800	\$9,600 approx. 50 faces	\$5,500	\$115.00 retail value must order within 15 calendar days of start date	6 bundles worth up to \$620 retail value!*	BizBuilder Bucks** \$125	Be a Pearl Star Consultant.***
\$3,600	\$7,200 approx. 40 faces	\$4,200	\$115.00 retail value must order within 15 calendar days of start date	6 bundles worth up to \$620 retail value!*	BizBuilder Bucks** \$125	Be an Emerald Star Consultant.***
\$3,000	\$6,000 approx. 35 faces	\$3,500	\$115.00 retail value must order within 15 calendar days of start date	5 bundles worth up to \$525 retail value!*	BizBuilder Bucks** \$100	Be a Diamond Star Consultant.***
\$2,400	\$4,800 approx. 25 faces	\$2,900	\$115.00 retail value must order within 15 calendar days of start date	4 bundles worth up to \$430 retail value!*	BizBuilder Bucks** \$80	Be a Ruby Star Consultant.***
\$1,800	\$3,600 approx. 18 faces	\$2,100	\$115.00 retail value must order within 15 calendar days of start date	3 bundles worth up to \$335 retail value!*	BizBuilder Bucks** \$50	Be a Sapphire Star Consultant.***
\$1,200	\$2,400 approx. 10 faces	\$1,400	\$115.00 retail value must order within 15 calendar days of start date	2 bundles worth up to \$210 retail value!*	BizBuilder Bucks** \$35	
\$600	\$1,200 approx. 6 faces	\$700	\$115.00 retail value must order within 15 calendar days of start date	1 bundles worth up to \$115 retail value!*	BizBuilder Bucks** \$15	

Product Bonus Bundles



TimeWise® Skin Care Bundle



Mary Kay® Favorites Bundle



Botanicals Cleanse & Hydrate Skin Care Bundle



Mary Kay® Color Bundle



Botanicals Freshen & Mask Skin Care Bundle

Inventory orders* will also receive 1 or 2 travel roll-up bags & 2 mirrors with trays

To view Kim's sample orders

Log on to the Mary Kay Intouch® website at www.marykayintouch.com

Click on Ordering>

Sample, Saved, Reusable & Unfinished Orders>

Sale's Directors Suggestions

*An Independent Beauty Consultant's initial order with the Company must equal \$600 or more in wholesale Section 1 products to be eligible for the product bonus. The initial order must be received and accepted by the Company in the same or following calendar month that the Independent Beauty Consultant Agreement is received and accepted by the Company. Sales tax is required on the suggested retail value of Section 1 products included in the product bonus. The Company reserves the right to change or update products and packaging. Please go to the Mary Kay InTouch® website for the most up-to-date information.

** Suggested wholesale value to use on your next BizBuilders qualified order of at least \$400 wholesale (\$800 suggested retail) as long as the order is placed while the Independent Beauty Consultant ("IBC") is still in active status. An IBC is considered "active" in the month a minimum \$200 wholesale Section 1 product order is received by the Company and in the following two calendar months. The credit will expire upon the expiration of the IBC's active status.

*** Once you achieve \$1,800 in wholesale Section 1 orders received and accepted by the Company in a contest quarter, you are eligible for the Ladder of Success pin, one gemstone and a contest prize. See the Star Consultant Program brochure for complete details.

THE VALUE OF GOOD INVENTORY

Maintaining a good inventory is the first step towards building a strong customer service business. Just as you depend on your florist to carry fresh flowers, your clients depend on you to offer the same professional service. A good inventory will also motivate you to reach higher sales goals, increase customer satisfaction, and reduce business costs.

Some new recruits and potential recruits do not understand the total value of their initial order for their inventory. This is very understandable because it is new and let's face it, borrowing money can be a little overwhelming. However, you are borrowing money to make money. In addition, you're making 50% on your money. That's a good investment.

We must remember from the beginning that starting our own business with inventory is one of the keys to success. Can you imagine the difficulty of a retail store opening for business with a couple of items versus the same store with complete inventory? What the eye sees, the eye will buy. Customers will purchase more when they can feel, touch, and smell it. Some refer to it as impulse buying. Think of how many times we go to the grocery store for a gallon of milk, do we ever leave with just a gallon of milk? Of course not, we pick up dog food, bread, chips, etc.

OUR FIRST FEAR - BORROWING

Many bankers are more willing to make a loan to a stable woman, regardless of age, than a man, as they have a better repayment record. That usually means if we try to do something, we usually do it. Isn't that the first thing we learn in Mary Kay from our Recruiter and Director, "You can do if U" Remember, the Company offers the 90% buyback guarantee. Don't just try one source when you borrow. - Donald Trump wouldn't have given up after visiting only one bank.

OUR SECOND FEAR - INTEREST RATES

Is money too high? Should I wait? Should I only order a minimum amount? Do not let these things bother you. You are not borrowing that much and it's only short term. Do you realize there is only a \$35.00 difference between borrowing \$3,600 for six months at 18% versus 14%? Did you realize that if you borrow \$600.00 at 18% for six months versus borrowing 3,600 that is only about \$95 more?

Would you rather go to a clothing store and see what you need and buy it, or would you rather wait until they ordered it? Would you rather make one trip to one appointment and sell product to 3 people at one time or would you rather take orders and make 3 additional deliveries? If you don't have product at your appointment, how many customers will say "No, or I guess you can call me when you get it"? In other words, HOW MANY SALES ARE YOU GOING TO LOOSE and how many additional hours will you work delivering, reselling, collecting, and revisiting to finally collect your profit? Time is precious to everyone and we are all given the same amount of hours in a day. By starting your business at profit level of \$3600, your business will run much smoother. Remember, you can't sell out of an empty wagon.

OUR THIRD FEAR - CAN I PAY IT OFF?

The average conservative sale is \$200. That means you will make \$100 profit at that appointment. Depending on how much time you take. Also, after 30 days your reorder business will kick in, and that's another 50% profit. What does that mean? It adds up to this. If you only hold 3 appointments per week, you can pay your loan and have a profit too. More importantly, you have \$3600 worth of product that you own, and it worth \$7200.

Planning a good inventory is vital to building a strong, growing business. Without products, you can't sell them and without sales, you are out of business. Keep your product inventory up to date and plan for your future needs.

P.S. As you begin to build your team, your new consultants will always ask, "Where did you start?" They follow in your footsteps. You don't want to say, "Well, if I could do it over again..."

I WANT AN INVENTORY, HOW DO I PAY FOR IT?

You must obtain the funds yourself, Mary Kay does not provide financing. I am here to help you! Here are a few things to think about...

5 WAYS to ACCESS FINANCES

1. Credit cards

We can use up to 4 cards on 1 order, Visa, MC or Disc. This is the easiest option.

2. Personal Loan from a bank

How's your credit? With good to excellent credit you can call your bank or one of our options below and get an approval same day in most cases. (may need a co-signer)

3. Family Loan

Will a family member or friend help you? Someone who loves you? Someone willing to believe in you? They can co-sign, loan you the money or let you use one of their credit cards.

4. Savings

Do you have savings you can dip in? A 401K or savings account? You can take a loan against your 401K or life insurance policy and the interest you pay goes back into your 401K! It's a great option!

5. A little of all of these.

Don't forget: 90% buyback guarantee. Do you believe in yourself 10%?

Because Mary Kay believes in you 90%

Having Inventory doesn't make you successful or unsuccessful,
it makes it easier and quicker.

Take 24 hours to DECIDE

Your inventory decision is directly linked to the level of passion you have for the success of your business. **DECIDE** now to be a success!

Debt or Investment

by Robert Schuller

What after all is debt? Fresh out of seminary, newly married and just installed as a pastor of my first church, I was earning a little over \$200 a month. When winter approached, I needed coal for the furnace. I went to the coal yard and asked how much coal I would have to buy, how much it would cost and if I could charge it. I was told I would need "about 5 tons, it will cost \$75 and we will not charge it Reverend as we do not give credit on coal".

So I went to ask for a load of \$75 for the coal and I was given a valuable lesson in economics by the banker!! He said,

"I'll lend you the money for the coal this time but never again. When you borrow money for coal, you are going into debt and the coal will be burned. When it is gone you will be unable to repay the loan as you have nothing left to sell and repay us."

"When you borrow money for food, water, electricity or coal you are spending money that is gone forever...this is a real debt."

"If you borrow money to buy a car or a house, we will lend money because you are not going into debt as you are investing the money. If you cannot pay the loan you can sell the car or house pay us back and any left over is the return on the investment."

It was his advice, which was to give me the greater courage in later years when starting our new church. How long would it take to collect the money from surplus offerings? Perhaps 20 years!! So we decided to borrow the money. When finished the entire development was valued at 1 million dollars. Nearly \$600,000 was borrowed.

Someone said to me at that time, "I hear you fools have a debt of \$600,000" I corrected him, "actually we have no debt...we could sell our property pay off our mortgage and still put \$400,000 in the bank. We don't have debt and in fact we're worth almost half a million dollars."

So it is with your Mary Kay Business Investment!!!