

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF SOUTH CAROLINA
CHARLESTON DIVISION

FILED

JUN 26 2002

LARRY W. PROPPES, CLERK
COLUMBIA, S.C.

L. JOSEPH and LYNN LAND, LAND
GROUP INTERNATIONAL, AND
ALLIANCENET SOLUTIONS, LLC,

Plaintiffs

vs.

SCOTT A. LARSEN,

Defendant.

Case No.

2 05 2161-12

COMPLAINT

JURY TRIAL DEMANDED

NOW COMES the Plaintiffs, Joseph & Lynn Land, Land Group International, and AllianceNet Solutions, LLC, (collectively referred to as "Plaintiffs"), complaining of the Defendant, Scott A. Larsen, and alleging as follows:

PARTIES, JURISDICTION, AND VENUE

1. Plaintiffs L. Joseph and Lynn Land are a married couple and citizens of Charleston, South Carolina.
2. Plaintiff Land Group International, ("Land Group International") is a South Carolina proprietorship with its principal place of business in Charleston, South Carolina.
3. Plaintiff AllianceNet Solutions, LLC, ("AllianceNet") is a South Carolina limited liability corporation with its principal place of business in Charleston, South Carolina.
4. The Lands are the principals of AllianceNet, which is the operating entity for the tool and function business for the Lands, their business partners, and Land Group International.
5. Upon information and belief, Defendant Scott Larsen is a United States Citizen

man

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currently residing at 66111 Saarbrucken, Schmollerstr. 43, Germany. Defendant Larsen's last known United States address was 310 Broad Street, Charleston, South Carolina.

6. This dispute arises out of several defamatory misrepresentations that Defendant published on his website www.amquix.50megs.com concerning Plaintiffs. Additionally, Defendant has published and distributed false statements and misrepresentations concerning Plaintiffs and their businesses via email under the pseudonyms whozwhoz@hotmail.com, and scott.larsen@juno.com. Furthermore, Defendant Larsen also improperly published copyrighted materials owned by Plaintiffs.

7. This Court has subject matter jurisdiction of this action pursuant to 28 U.S.C. §§ 1331 and 1338(a), and 15 U.S.C. § 1121, in that this action arises under the federal law of the Lanham Act and the Copyright Act of 1976.

8. This Court has jurisdiction over pendent state statutory and common law claims which are substantially related to the federal claims brought in this action.

9. Defendant is subject to personal jurisdiction in this district as his wrongful activities are done in South Carolina and his false and misleading messages are posted and read in South Carolina and directed to damage the Plaintiffs' South Carolina companies.

10. Venue is proper in this district pursuant to 28 U.S.C. § 1391 (b), as among other things, the Defendant has published and disseminated the statements on Websites, Internet message boards, and through email in this district, the effects of these activities have been felt in this district, and a substantial part of the events giving rise to the claim occurred within this district.

NATURE OF THE DISPUTE

11. Joe and Lynn Land (the "Lands") are the principals of a successful Quixtar

distributorship, Land Group International. The Lands and their partners own AllianceNet, LLC, which facilitates the Quixtar tool and function business. Over a period of seven years, the Lands built a domestic and international network of over one thousand independent downline distributors, (the "Land Network"), achieving the coveted "Diamond" status in Quixtar. The Land Network is extremely valuable to the Lands as a means of selling Quixtar products.

12. On or about November 1, 2000, Scott Larsen began posting false statements and misrepresentations of fact concerning the Lands, their personal life, and their Companies on his website www.amquix.50megs.com. See *Excerpts Related to the Lands from Scott Larsen's Website: www.amquix.50megs.com, attached and incorporated as **Exhibit A**.*

13. Defendant has published and distributed false statements and misrepresentations concerning plaintiffs and their businesses via electronic mail under the pseudonyms whozwhoz@hotmail.com, and scott.larsen@juno.com. See *Larsen electronic mail, attached and incorporated as **Exhibit B***.

14. Upon information and belief, Defendant has, and continues to, publish false factual statements on the Internet and through electronic mail with respect to Plaintiffs.

15. The aforementioned messages are defamatory and include false statements concerning the Plaintiffs' businesses, made intentionally to injure Plaintiffs' business.

16. In 1999, Plaintiffs began operating www.joeandlynnland.com and in 2002, Plaintiffs began operating www.alliancenet solutions.com.

17. Both websites contain copyrighted photographs, proprietary literary works, and business materials used by the Land Network Independent Business Owner's ("IBO").

18. Both websites contain warnings that the materials on the websites are protected by copyrights. See *copyright warning on Land's Website, attached and incorporated as **Exhibit C***.

19. On or about November 1, 2000, Defendant began copying materials from Plaintiffs' websites and posting them on his own website: www.amquix.50megs.com. See *Copyright Violation on Defendant Larsen's Website, attached and incorporated as Exhibit D*.

20. Defendant Larsen was not authorized or licensed under Plaintiffs' copyright.

FOR A FIRST CAUSE OF ACTION

(False Representations Under 15 U.S.C.A. § 1125)

21. The allegations of Paragraphs 1 through 20 above are incorporated herein by reference, as if set forth verbatim.

22. The actions of the Defendant set forth above constitute a violation of § 43(a) of the Lanham Act, 15 U.S.C.A. § 1125(a), in that Defendant made false and misleading descriptions and representations of fact, attached and incorporated as *Exhibits A through B*, which constitute disparagement of the Plaintiffs' trade and business.

23. Upon information and belief, Defendant's unfair competition in publishing false and misleading descriptions and representations of fact regarding Plaintiffs has been with full knowledge of Plaintiffs' actual financial status.

24. Upon information and belief, Defendant knowingly, intentionally, and falsely used the misleading descriptions and representations of fact in interstate commerce by publishing them on the Internet.

25. Upon information and belief, Defendant knowingly, intentionally, and falsely used the misleading descriptions and representations of fact in interstate commerce by publishing and distributing the statement through electronic mail to members of the Land Network.

26. Upon information and belief, Defendant's use of the false and misleading descriptions and representations of fact regarding Plaintiffs has damaged Plaintiffs by actually

deceiving potential Independent Business Owners and present Independent Business Owners with respect to the financial health of the Plaintiffs, the value of the Land Network, the status, purpose, and goals of Land Group International and AllianceNet, and the honesty and integrity of the Lands, causing Plaintiffs damages in excess of \$75,000.00.

27. Defendant's use of the false and misleading descriptions and representations of fact is likely to cause confusion or mistake as to the financial health of the Plaintiffs, the value of their Companies, and the honesty and integrity of the Lands with potential Independent Business Owners and present Independent Business Owners, entitling Plaintiffs to preliminary and permanent injunctive relief.

28. Pursuant to 15 U.S.C.A. § 1117(a), Plaintiffs are entitled to Defendant's profits, any and all damages sustained by Plaintiffs as set forth above, reasonable attorneys' fees, and the costs associated with bringing this action.

FOR A SECOND CAUSE OF ACTION

(Copyright Infringement Under 17 U.S.C. §§ 101 et seq)

29. The allegations of Paragraphs 1 through 28 are incorporated herein by reference, as if set forth verbatim.

30. Plaintiffs own the copyright granting exclusive rights to reproduce, publish, display and distribute materials on the websites www.joeandlynnland.com and www.alliancenetolutions.com.

31. On information and belief, Defendant Larsen, through his website www.amquix.50megs.com, reproduced and distributed copies of Plaintiff's copyrighted materials and photographs in violation of Defendants' exclusive rights under the Copyright Act. See *copyright warning on Land's Website, attached and incorporated as Exhibit C; Copyright*

Violation on Defendant Larsen's Website, attached and incorporated as Exhibit D.

32. On information and belief, Defendant Larsen had knowledge that the materials and photographs are the property of Plaintiffs and are copyrighted by Plaintiffs and, therefore, Defendant's direct copying of Plaintiffs' materials and photographs was knowing and wilful.

33. Plaintiffs will suffer and are suffering irreparable harm from Defendant's infringement of Plaintiffs' copyrights and other exclusive rights to reproduce, display and distribute copyrighted materials.

34. Plaintiffs have sustained damages, including attorney's fees, and any gains, profits and advantages obtained by Defendant as a result of his wilful infringement of Plaintiffs' copyrights in an amount to be proven at trial.

35. Plaintiffs' are entitled to an injunction restraining Defendant, and all persons acting in concert with him, from engaging in any further such acts in violation of copyright laws.

FOR A THIRD CAUSE OF ACTION

(Defamation)

36. The allegations of Paragraphs 1 through 35 are incorporated herein by reference, as if set forth verbatim.

37. Defendant Larsen published the following defamatory statements:

- a. "It would be a terrible shame if he (Joe Land) reverted to his past as an alcoholic in order to handle the strain."
- b. "Would you want to create a business with individuals or a group who have a history of backstopping, violating Corporation guidelines, and of being hypocrites?"
- c. Lands behavior is "[i]llegal under the company bylaws and could



theoretical be dangerous and damaging towards the Corporation.”

- d. “Joe, a self styled devout Christian has shown remarkably little of the values he is found of announcing and pretending to foster in public.”
- e. “Mr. Land has been in the business long enough to know what he said was false and misleading. What was said lacks honesty and integrity. It was intentionally deceptive.”
- f. “Mr. Land is caught lying, as well as violating Quixtar rules.”

Other defamatory statements published on the Internet and distributed via email by Defendant, are attached and incorporated as *Exhibits A through B*.

39. The statements are defamatory because they harm the reputation of the Lands and their Companies so as to lower them in the estimation of the community and to deter third persons from dealing with them or their companies.

40. The statements published on the Internet and negligently distributed via email by Defendant, regarding Plaintiffs (non public figures) are of a private nature and concern.

41. The statements published on the Internet and distributed via email by Defendant, regarding Plaintiffs are false, and directly reflect upon and attempt to impeach Plaintiffs’ business reputation, including the quality and integrity of the proprietorships, the financial health of the Plaintiffs, the value of their Companies, and the honesty and integrity of the Lands.

42. Upon information and belief, Defendant knew the statements to be false at the time they were made.

43. Defendant’s messages were negligently published to a large number of people, as they were and continue to be posted on a permanent, public Internet website.

44. Defendant’s messages were negligently published to a large number of people, as

they were and continue to be sent and viewed electronically by members of the general public.

45. Defendant's defamatory statements regarding Plaintiffs have caused general damage to Plaintiffs' reputation in that the statements damaged Plaintiffs by actually deceiving potential Independent Business Owners and present Independent Business Owners with respect to the financial health of the Plaintiffs, the value of the Land Network, the status, purpose, and goals of Land Group International and AllianceNet, and the honesty and integrity of the Lands, causing Plaintiffs' damages.

46. As a direct and proximate consequence of Defendant's defamatory statements, Plaintiffs have been injured in their reputation and in special damages and are entitled to actual damages in excess of \$ 75,000.00.

47. Defendant made the statements maliciously, intentionally, knowingly, wantonly, and with a reckless disregard for the rights of the Plaintiffs and the Plaintiffs are entitled to punitive damages in an amount to be determined by the trier of fact.

FOR A FOURTH CAUSE OF ACTION

(South Carolina Unfair Trade Practices Act)

48. The allegations of Paragraphs 1 through 47 are incorporated herein by reference, as if set forth verbatim.

49. The South Carolina Unfair Trade Practice Act ("SCUTPA") renders illegal any unfair or deceptive act or practice in trade or commerce affecting South Carolina.

50. Defendant's misrepresentations, false statements, and purposeful disparagement of the Plaintiffs, including the quality, value, and integrity of the Companies, the financial health of the Plaintiffs, and the honesty and integrity of the Lands constitute unfair and deceptive trade practices.

51. Defendant's unfair characterizations of the Plaintiffs, and their companies, have been published extensively on the Internet in South Carolina affecting trade or commerce in this State.

52. Defendant's unfair characterizations are capable of repetition and have been committed on numerous occasions, thus the unfair acts and practices have a significant public impact in South Carolina.

53. Defendant's unfair, inaccurate statements regarding the Plaintiffs' corporation were made willfully and knowingly.

54. The actions of the Defendant as set forth above have an impact upon the public and are capable of repetition (and are, in fact, being repeated daily), and constitute a violation of the SCUTPA, S.C. Code Ann. § 39-5-10, et. seq.

55. As a direct and proximate consequence of the unfair and deceptive acts and practices taken by the Defendant against the Lands, Plaintiffs have suffered in excess of \$75,000.00 in actual losses.

56. The Defendant's unfair or deceptive acts and practices were committed willfully and with full knowledge, and Plaintiffs are entitled to trebling of their actual damages award and the reasonable attorney's fees incurred in the preparation and prosecution of this action pursuant to S.C. Code Ann. § 39-5-140.

FOR A FIFTH CAUSE OF ACTION

(Intentional Interference with Prospective Contract Relations)

57. The allegations of Paragraphs 1 through 56 above are incorporated herein by reference, as if set forth verbatim.

58. The actions of Defendant as set forth above constitute the tort of intentional

interference with prospective contractual relations.

59. Plaintiffs have a reasonable expectation of entering into advantageous business relationships with investors, customers, and potential business owners who read the untrue and unfair statements concerning Plaintiffs.

60. The untrue and unfair characterizations of Plaintiffs made by the Defendant have interfered with Plaintiffs' expectation of an advantageous business relationship with these investors, customers, and potential independent business owners.

61. As a direct and proximate consequence of Defendant's interference with Plaintiff's prospective business relationships, Plaintiffs have been damaged in excess of \$75,000.00.

62. Defendant's interference was without justification, intentional, wilful, malicious, and with a reckless disregard to Plaintiffs' rights entitling Plaintiffs to punitive damages in an amount to be determined by the jury.

FOR A SIXTH CAUSE OF ACTION

(Interference With Contract)

63. The allegations of Paragraphs 1 through 62 above are incorporated herein by reference, as if set forth verbatim.

64. Upon information and belief, Defendant Larsen sent out *Exhibit B* (email correspondence) to many of the IBO's in the Land Network.

65. The letters sent by Defendant to the Land Network IBO's attached as *Exhibit B*, is an unjustified attempt by Defendant Larsen to cause Land Network IBO's to cancel their distribution contracts with Plaintiffs.

66. Upon information and belief, several IBO's have cancelled contracts for business

sales tools and supplies with Plaintiffs as a result of the letter sent by Defendant Larsen.

67. Defendant Larsen intentionally and with reckless disregard for the rights of Plaintiffs, sent letters and Internet postings intending to interfere with contracts between Plaintiffs and its downline customers in the Land Network.

68. Plaintiffs are entitled to actual damages in excess of Seventy Five Thousand and 00/100 Dollars (\$75,000.00) for Defendant's interference with its contracts and punitive damages as may be awarded by the Court based on Defendant's intentional and reckless conduct.

WHEREFORE, the Plaintiffs pray for judgment against the Defendant providing for:

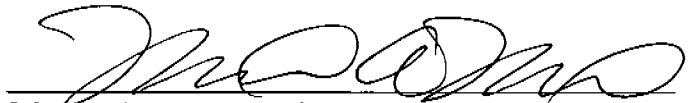
1. That this Court find that Defendant Larsen has infringed Plaintiffs' copyrights.
2. That this Court find that such infringement was wilful.
3. That this Court find that there is a substantial likelihood that the Defendant will continue to infringe Plaintiffs' copyrights unless enjoined from doing so.
4. That this Court enjoin the Defendant from directly or indirectly infringing Plaintiffs' copyrights.
5. That judgment be entered for Plaintiffs and against Defendant for statutory damages based upon his acts of infringement, pursuant to the Copyright Act of 1976, 17 U.S.C. § 101 et seq.
6. That judgment be entered for Plaintiffs and against Defendant for Plaintiffs' actual damages and for any profits attributable to infringements of Plaintiffs' copyrights.
7. Preliminary and permanent injunctive relief prohibiting Defendant Larsen from posting any further false or misleading messages on the Internet or through any other means concerning the Plaintiffs, their partners, and their companies.
8. Actual, Punitive and Treble damages, Defendant's profits from his Internet



Website, reasonable attorneys' fees, and costs for this Cause of Action.

9. Awarding Plaintiffs actual damages in excess of Seventy Five Thousand and 00/100 Dollars (\$75,000.00) for the loss of contracts and prospective business relationships caused by Defendant's interference with Plaintiffs' contracts with its downline customers.

10. Such other relief as this Court may deem just and proper.



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and AllianceNet Solutions, LLC.

June __, 2002

Columbia, South Carolina

EXHIBIT A

To whom it may concern:

I have recently come into some information, which may prove, interesting and even beneficial to you concerning Joe & Lynn Land. As you are well aware, Joe & Lynn are Diamonds in the Quixtar business an Internet affiliate marketing program. Recently, they broke away from their upline as well as the Pronet Global Business Support System in a manner which is hardly befitting the "good Christian" image that Joe enjoys portraying.

Here are some interesting tidbits concerning the new group Joe is heading up as well as the individuals involved in it.

The new Business Support Materials (BSM) group headed by Joe & Lynn Land as well as Joe & Dawn Pici and Tom and Patty Armour is called Alliancenet solutions and already has an active website at Alliancenet solutions.com. Of particular interest is the fact that none of the BSM's being prepared or used by this new group, including the Show

the Plan (STP) brochure have been approved by the Quixtar Corporation.

This is illegal under the company bylaws and could theoretically be dangerous and damaging towards the Corporation.

Also, here are some interesting facts about the three leaders in this new "team" Joe & Lynn Land: Although holding the title of "Diamonds" in the business, they actually have achieved this distinction only once. They currently are qualifying at the Sapphire level, which is roughly a 1/3 of the business volume a true Diamond would create. Joe, a self-styled

"devout Christian" has shown remarkably little of the values he is fond of announcing and pretending to foster in public. Examples of this are:

In 2001, the Quixtar Corporation censured Joe and forced him to make changes to his Business presentation due to unsubstantiated claims and other information that was neither approved nor backed by the Corporation.

Last year a tape of Joe Land speaking was offered through the Pronet Global Support team as a Tape of the Week. This recording featured Joe making such comments as "Jesus put this business in my life" and "You have a covenant of trust with your upline in this business". Obviously Joe and his impeccable integrity have had a revelation. I mean a man with

the supposed integrity of Joe would never break the covenant with his upline or throw the man "Jesus had brought into his life" out like the trash would he?

As of this week, Joe Land turned on the man who helped him recover his life and his family. Something that is alluded to in many of Joe's tapes. Joe Land broke away from the system of support that helped him achieve the success in Quixtar that he has enjoyed. The best part of this? He wasn't

man enough to do it face to face with or at least with a phone call. He did it with a legal notice. Wonderful integrity and what a great man of God you are Joe. Good thing Jesus loves us all?

With all of the stress Joe's conscious must be undergoing in turning his back on both his upline and the support system that helped him make it this far. It would be a terrible shame if he reverted to his past as an alcoholic in order to "handle" the strain.

Tom & Patty Armour: Tom & Patty Armour are holding the title on "Emeralds" in the Quixtar business but like the Lands are not quite what they seem. The Armours actually only have Sapphire volume. Tom Armour is an individual who has been regarded with a great deal of mistrust by most of his peers in this business. An example of the type of person a great

Christian like Joe Land is now associating himself with follows:

Tom Armour attempted to "buy and manipulate" his way into an Emeraldship instead of working for it honestly. He was caught by the Corporation and punished. Although his title was allowed to remain Emerald, he was forced to only receive bonuses and breaks as a Sapphire as that is all that he had actually earned. The word deceitful comes to mind to describe Tom Armour a less kind description but perhaps more apt would be snake. The third couple in this drama is Joe & Dawn Pici who are Emeralds in the business.

In summary, this information only asks one question. In a business that is based on building and maintaining relationships and friendships with others. Joe Land and his team seem to be smashing that attitude in the quest for more power, wealth, and control. Would you want to create a business with individuals or a group who have a history of backstopping,

violating Corporation guidelines, and of being hypocrites?

PS: The Legal documents involved in this matter were sent from the offices of Mel Pearlman, PA in Celebration, FL. I am not sure if this is public record or not if you want to try and find it. I will not send from this email address again. If there is more info I will send it in the future.

Visitors have learned about Joe Land



The Quixtar Plan by (former) Diamond Distributor - Joe Land

"The Amway business is built on a foundation of integrity"

Amway Amagram March 1998


"It is our firm belief that unless we clean up our abuses, we won't have to worry about what's next; we won't be here to worry about it."

Rich DeVos-directly speaking  Listen to Rich DeVos



In-teg-ri-ty (*in-teg'ri-ty*), *n* 1. the state of being complete or whole 2. uprightness; virtue; honesty; soundness.

One must question the knowledge, ethics, and integrity of distributors when misconceptions like those outlined below are told. One might expect such misinformation from a brand new IBO, but not from a devoted Christian Diamond. This Diamond distributor makes many misleading and false statements in his public presentation of the "Plan". I wonder whether Mr. Land's downline is ignorant of the facts or if they have just checked their integrity and honesty at the door. The misconceptions from Mr. Land's plan are transcribed below. This was obtained from his January 11, 2001 open meeting in Charleston, SC at the Charleston Place Hotel. Quotes by Mr. Land are in blue italic print.

"Because it works does not justify it unless it's honest; and we have gross indications of dishonesty in that presentation" Rich DeVos - Co-Founder Amway Corp - Directly Speaking  Listen to Rich DeVos


Update: Joe Land did not requalify for diamond this year, nor did he make the Q-12 qualification. He currently qualifies as a sapphire direct. See Joe's organization now and one year ago. One must wonder how his business is doing since he is trying to sell his house on the exclusive Charleston Battery (see right). Joe and Lynn had the house before Amway/Quixtar, so it is not a result of his "success" in the Quixtar business. See the listing! Due to Joe's problems with "the plan", exposed below, he was censured by Quixtar. Since his censure he created a "Show the Plan" video, which costs \$18. I wrote him to ask for a cut of the profits for my "technical analysis of his old plan", but he still has not written me back! He does now ask that all recording devices be turned off before he starts his presentations.



Joe has broken with his upline and the Pronet Organization and is starting his own tools

business, Alliancesolutions, despite him saying on his first tape "You have a covenant of trust with your upline in this business". Obviously Joe and his impeccable integrity have had a revelation. Bubba Pratt disowns Joe and removes Diamond Joe's picture from his website.

Misconception #1

"I want to share with you for a couple of hundreds dollars, in investing in yourself, how you can make this into a phenomenal business. "  Listen to Joe.


It is true the Land-Pronet line of sponsorship kit price only costs about \$260, but it is six times the cost of the official Quixtar IBO signup cost, which is \$46. It is over twice the cost of the old Amway kit. The kit turns out to be the cheapest expense an IBO will have in their Quixtar career. There are many more additional optional but necessary expenses that most active IBOs purchase. These are never highlighted in Mr. Land's plan. At the same time Mr. Land claims the business only costs a couple of hundred dollars, he is trying to sell you the Pratt Winter Leadership weekend package which costs \$429 for single occupancy and \$587 for double occupancy. The admission tickets alone were \$175 per person. There are normally four such functions per year. Other costs include Amvox \$20/month, standing order tape \$6/week, and opening meetings at \$5 per person. When mileage is included the typical IBO overhead expense could amount to \$3,000/year, or \$250/month; roughly the cost of a Land-Pronet kit each and every month. See how Joe pushed the "system" on his web site.

There may be significant business expenses, mostly discretionary, that may be greater in relation to income in the first years of operation.

Quixtar-Achieve Magazine November 2000 page 5

Mr. Land failed to mention any of these optional but necessary expenses. Mr. Land is being less than honest implying it takes only a few hundred dollars to do the business. If one could examine the expenses listed on Mr. Land's tax returns, one would see he has terribly understated the costs to build a "phenomenal business".

Mr. Land's upline Crown Direct, Dexter Yager, admits one's business will not grow without employing the "system", and spending money on these items. Click here for Mr. Yager's Sound byte in .mp3 format.

Listen to Rich DeVos, co-founder of Amway and his comments on the "System Costs". 

Misconception #2

"My nephew referred this to me. What is in it for him? Well Quixtar has figured this out pretty cool. They are going to give whoever refers this to you an incentive for helping you be successful. In fact whoever helps you do this will be your biggest cheerleader. My nephew makes a 4% check only when I get to \$2,000/month. He's going to make \$700 right.....Watch this. Let's just say last month our business did \$200,000 in sales volume. Let's say my nephew made 4% bonus check. Now I'm not

good on math, can someone help me with that? That's \$8,000. Do you think he is glad he showed it to us? Listen to Joe.

Mr. Land falsely implies that his nephew received an \$8,000 leadership bonus (4% bonus) in a single month.

It is very improbable that Mr. Land's claimed \$200,000 business volume resides all in his personal Platinum distributorship so that his nephew (Faust Chitty) can collect the 4% on the complete 200,000 Business Volume. According to 1996 Amway and 1997 Amway data, the highest performing single direct distributorship, EVER, would have generated a monthly leadership bonus of \$7,635. The average monthly leadership bonus paid in 1996 was \$1,044, and dropped to \$821 in 1997. These numbers includes payments on multiple qualifying businesses, not just a single business, as is in question here. According to the 1999 Amway SA-4400 approximately 1.5% of the direct distributors who earned a Leadership Bonus in fiscal 1997 received an annual leadership Bonus of \$45,504 or more. The arithmetic average of annualized Leadership bonuses earned during fiscal 1997 was \$5,974. Mr. Land's claim annualizes to \$96,000/year. Annualized, Mr. Land claimed his nephew earned a leadership bonus exceeding 98.5% of all other distributors who qualified for a Leadership bonus.

If what Mr. Land claimed is true, his personal group had to be one to achieve record results that have never been reported by Amway to date.

The 4% leadership bonus is only paid once on sales. In order to qualify for the full 4% leadership bonus, one needs to have 7,500 points of "side" volume. Assuming Mr. Land's nephew had a large enough business to even qualify for the bonus, he might earn \$800/month for recruiting his uncle. This is 1/10 of what Mr. Land claims him to have earned. If his nephew had side volume less than 2,500 points, he earned nothing from his Uncle's business. Certainly a total of \$8,000 in leadership bonuses could have been distributed to Mr. Land's complete group, if they all did 200,000BV combined. It is just than Mr. Land and his downline Platinums took the majority of these pay-outs for themselves. His nephew received very little, if any of the \$8,000.

I called Mr. Chitty on a Saturday to talk to him about his business, but his wife said he was at work. Apparently he still needs a job despite his supposed \$96,000/year in residual Quixtar income.

Mr. Land has been in the business long enough to know what he said was false and misleading. What was said lacks honesty and integrity. It was intentionally deceptive.


Misconception #3

Question "I knew people who used to do that (Amway) but they had a rule about having to sell. Do you have to sell anymore?"

Mr. Land: "No".

Question "Oh, really? No rules at all? Cool"

Mr. Land: "I've been in this business five years and haven't sold a thing" Listen to Joe.

 Listen to Joe's wife from his WEB site. "you don't need to sell"


From The Amway/Quixtar Rules of Conduct

8.3.8 Must not say that there is no requirement for the retail sale or marketing of products by IBOs.


Mr. Land is caught lying as well as violating Quixtar rules. No where in the presentation does Mr. Land mention the Quixtar requirement for retail sales in order to earn a performance bonus.

From The Amway/Quixtar Rules of Conduct

4.22 Retail Sales Rule: In order to obtain the right to earn a Performance Bonus during a given month, an IBO must make not less than one sale TO EACH OF 10 DIFFERENT RETAIL CUSTOMERS (e.g., Clients or Members) OR HAVE AT LEAST 50 PV OF SALES TO ANY NUMBER OF RETAIL CUSTOMERS (e.g., Clients or Members) that month, and upon request, produce proof of such sales.

Rich DeVos, co-founder of Amway comments on the "need to retail products". 

Misconception #4

"It will pay back 66 2/3% to you and me".  Listen to Joe.


According to Quixtar's own press release, Quixtar paid out \$143 million in bonuses on sales of \$518 million. This calculates to be **27.6% of sales** and not the 66 2/3% as claimed by Mr. Land. Mr. Land's estimate is overstated by 140%.

GRAND RAPIDS, Mich., Oct. 26 /PRNewswire/ -- The outstanding efforts of more than 500,000 Independent Business Owners (IBOs) affiliated with Quixtar Inc. resulted in first-year sales of \$518 million.....Last year, Quixtar IBOs earned \$143 million in bonuses and other incentives.

Mr. Land should know from his own business that a 66 2/3% pay out is impossible. What he says is not true or credible.

Misconception #5

"Let's just say the average household spends \$200/month. I'm going to be very conservative. Every time I show you a number I'm going to be very conservative. \$200/month on toothpaste, mouthwash, toilet paper, paper... towels, laundry detergent...anything you can think of to run your house."

 Listen to Joe.


While it is true that most products have two BV points per PV point, it is not true that 1 PV is equal to two dollars of United States currency. Most distributors will quote sales in business volume (BV points), which is quite different from the dollars, with which you and I pay. Any active distributor

knows they are not earning points in a two-to-one ratio on their dollars. Actual data from Site visitor's Quixtar purchases. Site visitor feedback on over \$19,000 worth of Quixtar purchases shows an average of \$2.58 per PV point, 28% less favorable than Mr. Land claims.

The \$200/month number is typically used in the plan as the total purchases need to achieve 100 PV points of volume. 100PV in volume qualifies the IBO for the first performance bonus of 3%, given he has met the Retail Sales Rule, and the 70% rule. The average dollars spent per PV in the SA-13 core-products catalog is \$3.21. For the non-Amway catalog items it averages \$5.12 per PV. The average payout per PV at partner stores is roughly \$7.60. Mr. Land misleads prospects with the complex BV/PV system using extremely aggressive, not conservative assumptions. Mr. Land stated to me that he buys \$1,000 per month in goods from Quixtar. When I confronted him, and asked him if he was able to get 500PV from the \$1,000 per month he spent, he said no.

Based upon his own personal shopping habits, he is not being "very conservative", nor honest. He could easily check the numbers from his whole downline. He would discover that \$2 per PV is not realistic. He is less than honest and not credible to prospects when detailing the ratios of the business.

Misconception #6

"The thing that attracted me to this was this...here's what attracted me. Microsoft was so cool when they set this up. They said "let's make this a sticky site". Sticky means people are going to come back and shop week after week and month after month. You know how? Because we are going to pay them to shop. And so Microsoft said like frequent flyer miles, like Delta does, we going to pay people points for every product buy. Some things more some things less. If you buy a shirt like this it might not have as many points on it as toothpaste for instance. And so everything has a point value associated with it. And so what happens is you buy the things you been buying anyway except you buy them from you.and you get a check back for \$6 dollars".  Listen to Joe.

Mr. Land implies that the idea for the business model using a point system on purchases came from Microsoft. The business model, and point system idea came directly from the 41 year old Amway Sales and Marketing Plan. It did not come from Microsoft. Mr. Land had been in the Amway business almost 3 1/2 years before Quixtar was launched. He could not have used this supposed comment from Microsoft to aid his decision about getting in the Amway business 3 1/2 years prior to Quixtar. Mr. Land is fibbing to prospects about the Microsoft relationship. Microsoft did nothing more than provide computer services for the web site like any vendor-client relationship.


"Quixtar has consistently exaggerated the role of Microsoft's involvement in this project. "

Microsoft spokesperson, August 25, 1999

From The Amway/Quixtar Rules of Conduct

8.3.13. An IBO must not misrepresent the relationship between Quixtar and the other companies affiliated with Quixtar.

Misconception #7

"So six people, they are going to make a check for \$6. You are going to make about \$150..... She said "Joe, how much did the products cost?" I said "well we spent \$200". She said "no dummy we got a check back for \$150. She said "the products cost us \$50". That is 75% off".  Listen to Joe.

Mr. Land's example would only generate a check from Quixtar for \$90 and not the \$150 Mr. Land claims. The Amway/Quixtar sales and marketing plan pays a 3% bonus on BV at 100 points, 6% at 300 Points, and 9% at 600 points. Mr. Land's example of 6 people and himself buying \$200 or 100 points, from their own store generates 700 points, or about 1400 total Business Volume. This falls into the 9% bonus category. According to the Quixtar plan, total bonuses of only \$126 are paid. \$36 goes to his six recruits, who are paid \$6 each. This leaves \$90 for Joe.


Mr. Land's error here is that most likely he included the basic 30% discount from Amway Suggested Retail Price. His line of sponsorship (Pronet) previously used the 30% basic discount on \$200/month in purchases to generate \$60/month in "savings income". The 30% basic discount is actually a fictitious figure. Very few people actually pay Amway suggested retail price to make the 30% basic discount an item of relevance. A price study, for a diversified basket of goods at a discount store, will most likely reveal that Quixtar products at "wholesale pricing" are not competitively priced, let alone competitive with an additional 30% markup to suggested retail pricing. Anyone wishing to obtain Quixtar wholesale pricing can buy a "Membership" for \$20, and renew a "Membership" for \$10/year. With the advent of the "Quixtar member" status, the "market price" for Amway core products is essentially IBO cost, not Quixtar suggested retail. At most, the value of the "30% basic discount" is "Member" renewal cost of \$10/year, not the \$60/month or \$720/year as is implied in many plan presentations.

If one factors in the optional, but necessary system costs, and other promotional costs, which can easily amount to \$250/month, this IBO will lose about \$160 per month. Those he sponsored at the 3% bonus level will start out losing about \$244/month. Quixtar even admits this in their magazine. "Achieve", but Mr. Land never mentions "net profit".

There may be significant business expenses, mostly discretionary, that may be greater in relation to income in the first years of operation.

Quixtar-Achieve Magazine November 2000 page 5

Misconception #8

"When you have 45 people shopping this way, 45 people, you are going to make about \$2000/month."
 Listen to Joe.

The Amway/Quixtar sales and marketing plan pays a 21% bonus on BV at 4000 PV points, 23% at 6000 Points, 25% at 7500 points. The total bonuses paid on 45 people each doing 100PV, or \$200/month is \$1890. Assuming still six, 500PV legs are paid \$90 each, the gross profit is only \$1,350/month.

In this case Mr. Land mistakenly jumped straight to the direct distributor level. The Amway/Quixtar sales and marketing plan for a 6-4-2 downline configuration of 78 total IBOs has 7,900 PV or 15,800BV. At the 25% level total bonuses of \$3,950 are paid. From the \$3,950, six 1300PV legs are each paid \$312 leaving \$2,078. If IBOs reproduce their upline and spent money on the necessary but optional expenses, as they are told, a total of \$19,500 is being spent by IBOs to run their businesses, while having only \$3,950 in Quixtar paid bonuses to split up.

In this example Mr. Land claims a Platinum distributor will earn \$2,000/month. Crown Direct Distributor Dexter Yager admits in a 1983 Pearl Club meeting that most Gold and Silver Direct distributors (various ranks of platinums) are still "broke". In other words, they do not keep enough money from their business to be able to report a net profit. Gold and Silver Directs are broke 22K .mp3 file It is my observation, that most platinum distributors, fully employing the "system", will not report a profit until they earn the Q-12 bonus.

Annualized, 78 IBOs, properly reproducing what their upline has taught them, spend \$234,000 on system costs so that they can split up \$65,900 in Quixtar bonuses. (\$47,400 25% bonus + \$18,500 Q-12 bonus). This does not include any compensation for time spent working the business. Successful IBOs with this model are only successful by recruiting other money-losing IBOs.

"They either lose their shirts or begin making money by getting enough people underneath to do the same." Don Gregory, former speechwriter for Amway founder Jay Van Andel Forbes March 25, 1985

Misconception #9

"Now if you can help three people be successful, if you can help three (Emerald level) make \$2,000/month, I'm going to be very conservative, you are going to make about \$150,000/year. If you can help six people (6 to platinum) make \$2,000/month, six people, you will make about \$250,000/year (at Diamond)" Listen to Joe.

According to Quixtar data presented in a slide from Britt-World Wide, the average annual gross income of an Emerald is **\$73,793**. For a Founder's Emerald the average gross income is **\$87,881**, not \$150,000 as Joe claims. For a Diamond it is \$136,322, and a Founder's Diamond it is **\$173,105**. Even for the Founder's level Emeralds and Diamonds not \$250,000 as Joe claims.

Mr. Land's claims are 70%, and 44% higher, respectively, than those released by the Quixtar Corporation. For non-Founders levels, his claims are 100%, 83% higher, respectively, than those released by the Quixtar Corporation. Mr. Land also does not disclose the standard boiler plate disclaimer from Amway/Quixtar that the average "active" IBO made an average of **\$88/month**." I requested a confirmation of Mr. Land's numbers from Quixtar distributor relations. They refused to confirm the incomes claimed by Mr. Land. If one could examine Mr. Land's Quixtar 1099, it would be interesting to see if he attained the "average diamond income" of \$250,000. I would be willing to bet a month's salary he fell far short of it.

The Amway General Public Inquires line at 616-787-6000 would not confirm the numbers Mr. Land claimed. Again Mr. Land is making claims, which have no foundation of truth.

Update: Site visitors have reported the Joe made a video, selling for \$18, that has him showing the plan with Emeralds making \$73,000 and Diamonds making \$150,000. Gee I wonder if I will get a cut for helping him correct his plan?

Misconception #10

"What makes it not a pyramid and what makes it approved by the Federal Trade Commission is you break away from whom referred you to this and you make that 4% bonus check.

An easy to make telephone call to the FTC (1-877-FTC-HELP) will reveal that the FTC has never approved or endorsed any part of the Amway-Quixtar business. It has only ruled that it is not an illegal pyramid scheme.

Specifically, the rules intended to keep the business free of illegal pyramiding accusations are the same ones Mr. Land asserts don't exist anymore.

From The Amway/Quixtar Rules of Conduct

4.22 Retail Sales Rule: In order to obtain the right to earn a Performance Bonus during a given month, an IBO must make not less than one sale TO EACH OF 10 DIFFERENT RETAIL CUSTOMERS (e.g., Clients or Members) OR HAVE AT LEAST 50 PV OF SALES TO ANY NUMBER OF RETAIL CUSTOMERS (e.g., Clients or Members) that month, and upon request, produce proof of such sales.

4.18 Seventy Per Cent Rule: An IBO must sell at least 70% of the total amount of products purchased during a given month in order to receive the Performance Bonus or recognition due on all the products purchased; if the IBO fails to sell at least 70%, then such IBO may be paid that percentage of Performance Bonus measured by the amount of products actually sold, rather than the amount of products purchased, and recognized accordingly.


Rich DeVos, co-founder of Amway comments on the "why retailing is needed for a legal busienss".



Misconception #11

"And so what happened is my nephew asked me, he said "Joe do you know anybody who you play ball with who might use toilet paper, toothpaste",....he said" well you think we might could find six people who would do their shopping like this on the internet?""

"But we are only talking about shopping. We aren't selling anything. There is nothing offensive about selling anything. I'm just going to talk to you about buying things you buy in your household."



 Listen to Joe.

From The Amway/Quixtar Rules of Conduct

8.3.7 Must not say that a successful IB can be built in the form of a "wholesale buying club", where the only products bought and sold are those transferred to other IBOs for their personal use.

Listen to Rich DeVos, co-founder of Amway comment why retailing is needed for a legal business.

Misconception #12

"It's so important to go to the convention. (Pratt Winter Leadership-\$175 ticket price, package price \$429)...In Atlanta there is a guy named Casey Comden...after his 5th year in the business he was making \$100,000/month doing this.... Why not you go and get the information from someone who is doing it?"  Listen to Joe.  Listen to Joe's wife promot the convention.

Mr. Land claims Mr. Comden earned \$100,00/month from Quixtar or about \$1.2 Million per year after just 5 years in the business. It took Mr. Comden 5 years to achieve Diamond status (1989-1994). Mr. Comden's upline is none other than Crown Ambassador direct distributor Dexter Yager. Mr. Yager made a habit of giving out copies of his Amway bonus checks at some of his seminars. A site visitor sent me copies he had. The checks show Mr. Yager's 1993 US and Canadian Emerald bonus checks to be \$166,419, the US and Canadian Diamond bonus checks to be \$360,800, Executive Diamond Bonus to be \$153,900, and the Founders Distinguished Service Award to be \$150,000. All of these total \$831,1100 for 1993. Copies of the checks. Of course we must include Mr. Yager's leadership and depth bonuses. Here we can only estimate them. According to the Amway SA4400 data, if Mr. Yager had earned the *maximum ever recorded ruby, leadership and depth bonuses, for all twelve months*, there would have been an additional \$418,000, for a total of \$1.249 Million. Mr. Yager's personal performance bonus is not included as it will be tiny compared to all of these mentioned.

It would seem far-fetched to assume that a diamond distributor, after just 5 years in the business, could earn the same Amway income as a Crown Direct distributor who had been in the business for 33 years. Earlier in the presentation page Mr. Land claimed the "average diamond makes \$250,000/year". It seems improbable that Mr. Comden would make almost three and one half times the "average Diamond" the same year as qualifying as a diamond. It is even more improbable that Mr. Comden would earn almost seven times the Quixtar Corporation reported average Diamond income. One would think a brand new diamond would actually make an amount less than the average diamond since his business is not as mature as someone who has been in a longer period of time.

If Mr. Land has not personally seen Mr. Comden's Amway checks or tax return, his is violating another Quixtar code of conduct rule.

8.3 Registration Guidelines: In seeking participation of a prospective IBO in the IBO Plan, the registering IBO must comply with the following guidelines:

8.3.5 May use only those earnings and/or bonus representations based on their own personal experiences, provided that they at the same time disclose the average profits, earnings, and sales figures and percentages as published from time to time by the Corporation.

Mr. Land is no doubt hyping Mr. Comden's income so that Mr. Land can personally benefit from commissions on ticket sales (\$175, \$429 package price) to the Pratt Winter Leadership meeting. Mr. Land is not being credible or honest about the income claims.

Mr. Land has been in the business 5 years. Given that he is a Diamond, he should know the rules by now. To me there is no explanation for the blatant misrepresentations he makes other than to mislead prospects. I cannot see how such a self proclaimed, devoted Christian person can be called honest or credible while making such misleading and easy to disprove claims. Mr. Land claims to be a devoted Christian. I wonder how his conscience rationalizes his actions.

"Mind you that all the while, Quixtar/Amway IBOs are throwing the word 'integrity' around like a football. My Webster's dictionary defines 'integrity' as such: 'uncompromising adherence to moral and ethical principals; soundness of moral character; honesty'. Somehow, I fail to see how misrepresentation and honesty are one and the same." WEB Site - [Mad Rants](#)

[[Home](#)]

"Ain't it great that the Quixtar corporation will suspend a newbie for 6 months for spamming newsgroups, or for putting up an un-reviewed web site and actually submitted the url to search engines, but won't take action against a diamond who lies while showing the plan to hundreds of people. Shows ya' where the corp's priorities are :o)" WEB message Board

Personal Development (from the Joe Land's Web site)

Personal Growth & Development System

In order to be successful in a business of your own you must have a proven system for success. All great businesses have solid systems. Our experience has been that those who commit to a system of personal and development have the greatest success. There is a direct relationship between personal growth and growth.

The wisest investment you can make is to invest in yourself. Investing in your "human capital" will produce greater results in your financial capital. We all need to work on being the best we can be; who better to than you?

The proven pattern of success in this business includes mentoring. Our mentors have taught us the importance of personal growth and development by using the system outlined below. We strongly recommend and encourage you be "***sold out***" to the standing order system which, in our opinion will help you achieve success in your Quixtar.com business. Be committed to doing all (not part) that the system encompasses and you insure your growth and success.

The System For Personal Growth & Development

1. Standing Order Tapes (SOT 1 & 2) - Each week successful entrepreneurs like you subscribe to two tapes which teach and encourage you to do this business. If you are serious about building residual income should listen to one cassette tape everyday. A catalog for the purchase of additional tapes is available in

Pronet starter box. Ask your sponsor to include you in the standing order tape program.

2. Book of the Month (BOM) - Each month you will be able to purchase a book, which is picked by the leaders in this business. These books are inspirational as well as informative in teaching you to be successful. Ask your sponsor about the exciting books available monthly and be sure to sign up.

3. Genie - This is an excellent communication tool to use in growing your business. There are many exciting announcements and important information about upcoming events. This is a great way to stay in touch with what is going on in the business and to help you communicate more efficiently. Contact your team leader on voice mail immediately.

4. E-Commerce Presentations - These meetings are conducted all over the world. It allows you the opportunity to introduce your prospects to the business by listening to someone who has achieved success. This is a wonderful way to get your prospect around people who are moving on. We strongly recommend that you always attend these meetings and include these dates as "your night on the job." You never know when something is going to be said that will propel you on to the next level. **Be There!**

5. Seminars - These businesses building seminars are conducted monthly and are done by entrepreneurs who have had tremendous success in the business. It has been our experience that the more people we get to seminars, the bigger our business becomes. We strongly recommend that you make a commitment to attend every Seminar and that you promote the purchase of Seminar tickets to every person in your group as well as your prospects. It is imperative that you purchase seminar tickets monthly and teach each person in your group the importance of doing the same.

6. Conventions - The major conventions are held four times yearly. At these functions you will see the tremendous potential for you to build a successful business. Information and encouragement is gained as a result of attending these events. We believe that in order to build this business to a successful level, the conventions are a must. Contact your sponsor or active upline to fill out your application today.

Follow closely each part of the system and do not try to take shortcuts. It has been our experience that shortcuts and inconsistencies do not work! You will be successful if you plug into the personal growth and development system!

EXHIBIT B

Joseph Land

From: Scott A Larsen [scott.larsen@juno.com]
Sent: Monday, February 18, 2002 4:40 PM
To: joe@joeandlynnland.com
Subject: New book

Hi Joe,

How's it going?

Hey here is that book I told you about that was coming out. It is an e-book by Al LeBlanc. Did you know him?

<http://www.boomerjournals.com/ebooks/BouncingGuru.html>

Hey I found the passwords to your site on a search engine. I heard Belser quit and Prowell did not qualify for Platinum. Do you need to update the "success page" for them? Got to keep those web sites up to date you know.

Hey I heard you made a new video with a new plan selling for 18 bucks a pop. Do I get a cut of the take for "technical advice"?

Take care,

Scott

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Lynn Land

From: scott larsen [whozwhoz@hotmail.com]
Sent: Sunday, March 25, 2001 7:45 AM
To: lynn@joeandlynnland.com
Subject: Your husband's lies

Hi Lynn,

I found this on the web.

http://www.awod.com/gallery/rwav/slarsen/joe_land_open.html

I wonder how such a self confessed Christian can lie so easily and with little conscience?

Has Quixtar reprimanded him yet?

<Integrity>

Get your FREE download of MSN Explorer at <http://explorer.msn.com>

Unknown

From: Scott A Larsen
Sent: Monday, February 18, 2002 5:39 PM
To: joe@joeandlynnland.com
Subject: New book

Hi Joe,

How's it going?

Hey here is that book I told you about that was coming out. It is an e-book by Al LeBlanc. Did you know him?

<http://www.boomerjournals.com/ebooks/BouncingGuru.html>

Hey I found the passwords to your site on a search engine. I heard Belser quit and Prowell did not qualify for Platinum. Do you need to update the "success page" for them? Got to keep those web sites up to date you know.

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Take care,

Scott

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Joseph Land

From: Scott A Larsen [scott.larsen@juno.com]
Sent: Sunday, February 10, 2002 5:41 AM
To: joe@joeandlynnland.com
Subject: Hi

Hi Joe,

Did you get a chance to read the Stewart complaint yet? It is kind of interesting to know that a diamond's income is really in the hands of his upline. Foley and Gooch control everything don't they?

I did not see your name in the latest Achieve under Q-12's... bummer. btw. I need an update. Are you still a diamond? I might need to update my site.

Did I hear correctly that in your meetings that "all recording devices are to be turned off" now? What about duplication? In the Florence line everyone was encouraged to record the opens to learn how to show the plan like the pros do. Keeping the secrets of success to yourself now, hu?

Take care, and have a safe trip to diamond club... that's if you re-qualified. You can say hi to my buddy Louie Carrillo. He said he's going to send me a post card.

I'm expecting another revealing story from a diamond. I'll send a copy to you when it is public.

Take care,

Scott

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Lynn Land

From: Scott A Larsen [scott.larsen@juno.com]
Sent: Saturday, February 02, 2002 12:28 PM
To: joe@joeandlynnland.com; lynn@joeandlynnland.com
Subject: Lawsuit in Pronet



stewart
complaint.pdf

Hi Joe, and Lynn

I hope they leave your tools business alone!

Kenny Stewart sues his upline for taking his tools business.

http://www.mlmsurvivor.com/stewart_v_gooch_comm.htm

Take care,

Scott

-----Original Message-----

From: Scott A Larsen [mailto:scott.larsen@juno.com]

Sent: Wednesday, April 24, 2002 10:04 AM

To: joe@joeandlynmland.com

Subject: Hot Quixtar news

Hi all,

There is lots of just breaking news from Quixtar.

Team in focus , a group of 18 Diamonds mostly from Pronet, formed the a group over 1 year ago with a tools compensation plan where all could participate. With supposed Quixtar approval they went further on with their plan, then at the last minute Quixtar backs out of the agreement and ends up terminating 3 of the diamonds and 15 resign.

<http://www.mlmsurvivor.com/TIF.htm>

It seems as if Quixtar is now resisting any changes to the current tools business discrepancies.

The other side of the story" is contained in a 10 page letter to the Team in Focus Downline at this link and in the attachment in this mail.

<http://www.mlmsurvivor.com/resources/TIF.pdf>

Supposedly Quixtar sent out an E-mail to their downline.

In an even several days ago, Dick DeVos resigns as President of Alticor.

<http://www.mlmsurvivor.com/devosexit.htm>

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-----Original Message-----

From: Scott A Larsen [mailto:scott.larsen@juno.com]

Sent: Wednesday, May 01, 2002 1:36 AM

To: joe@joeandlynnland.com

Subject: Double Diamond Brigg Hart sues again

<http://www.mlmsurvivor.com/hartsuit.htm>

On April 4, 2002, a lawsuit was filed in Jacksonville, FL. This one will look somewhat familiar to those who've been following Amway/Quixtar participant lawsuits for the past few years.

In April, 1997, Hart's companies sued Amway Corp., Yager, Setzer, Gooch, Childers, D'Amico, Foley, Hayes, and Marin and/or their respective companies. His complaint was that they had bilked him of profit from the sale of motivational tools and functions. The suit was privately settled in May, 1998. "without prejudice."

Companies owned by Brig and Lita Hart, Double Diamonds from Jacksonville, are again suing various upline, downline and crossline individuals and companies. Many of these are also named in the suit brought by Ken Stewart's companies: Hal Gooch, Bill Childers, Tim Foley, Steve Woods, et al. (Both Hart's and Stewart's businesses are downline from Childers and Gooch.)

However, this suit goes into much more depth and detail than Hart's 1997 suit. Defendants are accused of tortious interference with contracts and with the Harts' business relationships; violation of FL Unfair Trade Practices laws; various breaches of contract; civil conspiracy; and trade libel, among other complaints.

Hart alleges a conspiracy among the defendants and others, very similar to the conspiracy claimed in Stewart v Gooch. It is a complaint heard from many sources: various distributors involved in the Amway-related motivational "system" managed to capture another Diamond's income from that system and funnel it into their own pocket. This usually serves to drive the person who has lost that income out, forcing them to resign their now-unprofitable distributorship.

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[http://dl.www.juno.com/get/web/.](http://dl.www.juno.com/get/web/)

-----Original Message-----

From: Scott A Larsen [mailto:scott.larsen@juno.com]

Sent: Monday, February 11, 2002 11:13 AM

To: joe@joeandlynnland.com

Subject: Another diamond exposes the abuses....

<http://www.boomerjournals.com/ebooks/BouncingGuru.html> E-Book about \$10.

Follow the Bouncing Guru - Confessions of a Former Amway/Quixtar Diamond
by Al LeBlanc

The purpose of this book is not to attack or destroy any particular individual. To the contrary; I continue to be fond of a good many people who probably perceive me as a traitor to this day.

Free Excerpt from "Follow the Bouncing Guru"

The development program was called "The System". Participation was viewed as critical to your success. We were told that it was part of what was required for success.

We needed to hear the basics over and over until they became a part of us and then we needed to hear them again.

There was the tape of the week, the second tape of the week, the book of the month, the go-getter tape of the week, the monthly local function, the monthly local opportunity meeting times, the monthly local leadership of your local guru, the quarterly convention of the guru's guru, the guru's leadership following the quarterly distance function, and any other function that kept people's wallets empty and heads full.

When asked about it, super guru from Charlotte said we needed to keep people broke so they would stay focused on the goal at hand.

I shrugged my shoulders and kept going. It was too late for second thoughts now.

I was already tired of a lot of it but I hid my feelings. I was starting to notice little things here and there.

One thing that did amaze me was how people seemed surprised when they found out that someone was making money on these tapes and things. Like duh! This is America, the land of free enterprise where profit is OK.

The problem... was that we were told that most people couldn't handle the fact that a profit was being made. It would compromise the pitch that they needed to attend every event....

Customer comments on "Follow the Bouncing Guru"

As an Emerald Direct in the business, I must confess your book was straight from the heart, factual, and extremely entertaining. A must read!

Paul P - Canada

Wow! We never knew this stuff! Couldn't stop until I finished!

Bob B - Massachusetts

Every page a revelation! It was so obvious. Couldn't see the forest for the trees. Thanks.

Bob G.

"Bouncing Gurus is a great real-life case study that demonstrates the risks and rewards of business ownership, showing how greed can corrupt and how success can spoil relationships. It's a good read for anyone considering the rough-and-tumble world of entrepreneurialism."

Vic E. - Mimm.

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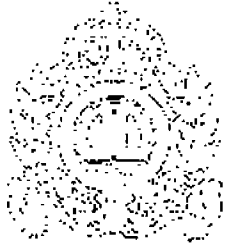
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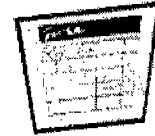
<http://dl.www.juno.com/get/web/>.

EXHIBIT C

LAND GROUP INTERNATIONAL



Calendar of Events



**Next
Event**



**Book
of the
Month**

Comments or problems regarding this service, please send to [webmaster](#). We welcome your questions, suggestions and comments.

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[Click here](#) to see a new photo.



MISSION STATEMENT

"Our goal is to provide an environment of continuous self improvement for our partners that equips them for success in the four major areas of life: personal and family; spiritual; business; and social."

May 2002 – AllianceNet Solutions Update

It has been an exciting time with the launch of AllianceNetSolutions.com. We're confident you have begun to enjoy the new site and we look forward to the providing additional features. Our goal is to bring you the best system available to help you achieve your goals and dreams.

Please [click here](#) for more launch information

We look forward to continued improvements of the site and Standing Order Program.

Check back here frequently for updates!

-Your Leadership Team



EXHIBIT D

[\[Home\]](#)

Personal Development (from the Joe Land's Web site)

Personal Growth & Development System

In order to be successful in a business of your own you must have a proven system for success. All great businesses have solid systems. Our experience has been that those who commit to a system of personal growth and development have the greatest success. There is a direct relationship between personal growth and business growth.

The wisest investment you can make is to invest in yourself. Investing in your "human capital" will produce greater results in your financial capital. We all need to work on being the best we can be; who better to invest in than you?

The proven pattern of success in this business includes mentoring. Our mentors have taught us the importance of personal growth and development by using the system outlined below. We strongly recommend and encourage you be "***sold out***" to the standing order system which, in our opinion will help you achieve success in your Quixtar.com business. Be committed to doing all (not part) that the system encompasses and you will insure your growth and success.

The System For Personal Growth & Development

1. Standing Order Tapes (SOT 1 & 2) - Each week successful entrepreneurs like you subscribe to two weekly tapes which teach and encourage you to do this business. If you are serious about building residual income you should listen to one cassette tape everyday. A catalog for the purchase of additional tapes is available in your Pronet starter box. Ask your sponsor to include you in the standing order tape program.

2. Book of the Month (BOM) - Each month you will be able to purchase a book, which is picked by the leaders in this business. These books are inspirational as well as informative in teaching you to be successful. Ask your sponsor about the exciting books available monthly and be sure to sign up.

3. Genie - This is an excellent communication tool to use in growing your business. There are many exciting announcements and important information about upcoming events. This is a great way to stay in touch with what is going on in the business and to help you communicate more efficiently. Contact your team leader to get on voice mail immediately.

4. E-Commerce Presentations - These meetings are conducted all over the world. It allows you the opportunity to introduce your prospects to the business by listening to someone who has achieved success. This is a wonderful way to get your prospect around people who are moving on. We strongly recommend that you always attend these meetings and include these dates as "your night on the job." You never know when something is going to be said that will propel you on to the next level. **Be There!**

5. Seminars - These businesses building seminars are conducted monthly and are done by entrepreneurs who have had tremendous success in the business. It has been our experience that the more people we get to seminars, the bigger our business becomes. We strongly recommend that you make a commitment to attend every Seminar and that you promote the purchase of Seminar tickets to every person in your group as well as prospects. It is imperative that you purchase seminar tickets monthly and teach each person in your group the importance of doing the same.

6. Conventions - The major conventions are held four times yearly. At these functions you will see the tremendous potential for you to build a successful business. Information and encouragement is gained as a result of attending these events. We believe that in order to build this business to a successful level, the conventions are a must. Contact your sponsor or active upline to fill out your application today.

Follow closely each part of the system and do not try to take shortcuts. It has been our experience that shortcuts and inconsistencies do not work! You will be successful if you plug into the personal growth and development system!

Visitors have learned about Joe Land




The Quixtar Plan by (former) Diamond Distributor - Joe Land

"The Amway business is built on a foundation of integrity"

Amway Amagram March 1998


"It is our firm belief that unless we clean up our abuses, we won't have to worry about what's next; we won't be here to worry about it." Rich DeVos-directly speaking

 [Listen to Rich DeVos](#)

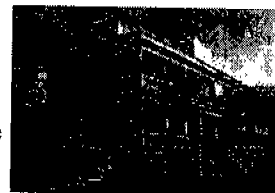


In-teg-ri-ty (*in-teg'ri-ty*), *n* 1. the state of being complete or whole 2. uprightness; virtue; honesty; soundness.

One must question the knowledge, ethics, and integrity of distributors when misconceptions like those outlined below are told. One might expect such misinformation from a brand new IBO, but not from a devoted Christian Diamond. This Diamond distributor makes many misleading and false statements in his public presentation of the "Plan". I wonder whether Mr. Land's downline is ignorant of the facts or if they have just checked their integrity and honesty at the door. The misconceptions from Mr. Land's plan are transcribed below. This was obtained from his January 11, 2001 open meeting in Charleston, SC at the Charleston Place Hotel. Quotes by Mr. Land are in blue italic print.

"Because it works does not justify it unless it's honest; and we have gross indications of dishonesty in that presentation" Rich DeVos - Co-Founder Amway Corp - Directly Speaking  [Listen to Rich DeVos](#)

Update: Joe Land did not requalify for diamond this year, nor did he make the Q-12 qualification. He currently qualifies as a sapphire direct. See [Joe's organization](#) now and one year ago. One must wonder how his business is doing since he is trying to sell his house on the exclusive Charleston Battery (see right). Joe and Lynn had the house before Amway/Quixtar, so it is not a result of his "success" in the Quixtar business. [See the listing!](#) Due to Joe's problems with "the plan", exposed below, he was censured by Quixtar. Since his censure he created a "Show the Plan" video, which costs \$18. I wrote him to ask for a cut of the profits for my "technical analysis of his old plan", but he still has not written me back! He does now ask that all recording devices be turned off before he starts his presentations.



Joe has broken with his upline and the Pronet Organization and is starting his own tools business, Alliancenet solutions, despite him saying on his first tape "You have a covenant