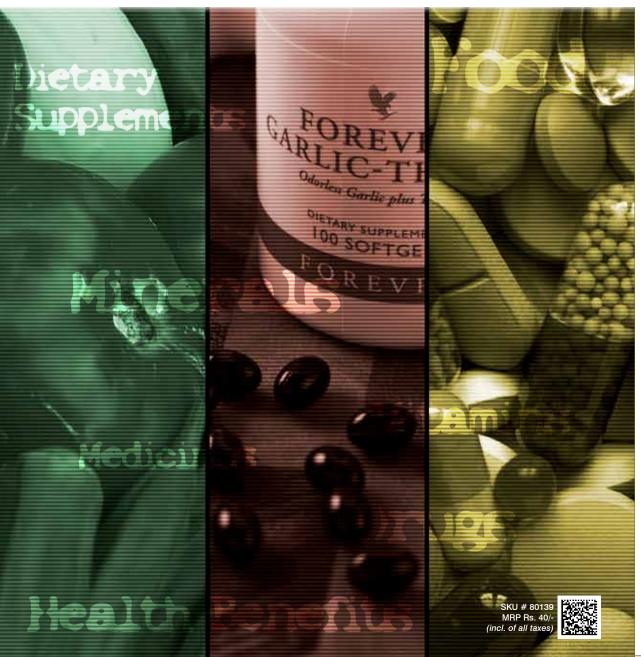


# the fine line

Forever Living Imports (India) Pvt. Ltd.





## Forever Mission Statement

"We will create a profitable environment where individuals can with **dignity**, be what they want to be; where **integrity**, **empathy** and **fun** are our guides. We will create and cherish a passion for, and belief in, **our Company**, **our Products** and **our Industry**. We will seek **knowledge** & **balance** and above all, we will be **courageous** as we lead our Company and Forever Business Owners."



FOREVER LIVING IMPORTS (INDIA) PVT. LTD. Forever Plaza, 74 Hill Road, Bandra (W), Mumbai 400 050. India Tel.: 91-22-6641 4000 Fax: 91-22-6641 4010 email: flpcare@flpindia.net The intention of this book is to emphasize the importance and the awareness of the industry we are dealing with. This booklet serves as a guide to the people in the Health and Wellness industry especially to the distributors of Forever Living Products so that they do not cross the Fine Line we are talking about, while promoting the Forever Living Products range of Health and Nutritional Supplements. Whilst highlighting the difference between Drugs and Dietary Supplements, our main emphasis will lie on what "NOT TO SAY" while promoting products rather than what to say.

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## **Forever Living Products – A Profile**

For over 37 years FLP has dedicated itself to seeking out nature's best resources for Health and Beauty and sharing them with the world. Founded in 1978, FLP rewrote the book on how to put nature's best resources for health to work for you. Our complete family of Aloe Vera Drinks, Skin Care products and Cosmetics brings the remarkable properties of Aloe to the entire body. Add to that our full line of Nutritional Supplements and products from the Bee Hive, and you have a

complete system for naturally achieving better health and beauty.

The story of FLP begins with one man and an ambitious dream. For years, Rex Maughan (the Founder and Chairman of the Board of Directors and CEO of FLP International) had been searching for a business idea that would bring together the two biggest goals in his life – better health and financial freedom. Nutrition and Beauty Care Industry that has gained recognition and significance. This is an industry which cannot have a shelf life as it promotes the general well being of an individual since everyone wants to be healthy, fit and look beautiful.

FLP works on the principle of Network Marketing which is one of the world's fastest growing methods of marketing and distribution of products. The Forever Network Marketing concept is founded on the basis of



word of mouth publicity. As the name suggests it involves developing a network of people around "you", who would be engaged in buying and selling of products that are manufactured for the Network Marketing Company - FOREVER LIVING PRODUCTS.

FLP offers the combination of these two major growing industries – Network Marketing and Health & Wellness.

Network Marketing is one of the world's fastest growing methods of marketing and distribution of products.

Today we are fortunate enough to be standing at the very beginning of the next trillion dollar industry. It is the Health,



## Health & Wellness Industry

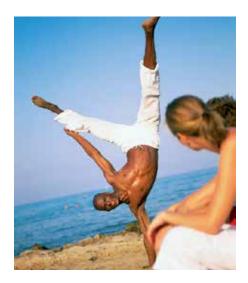
In today's competitive and fast paced world the term "Health" is gaining back its significance. We had neglected the age old saying – **"Health is the Best Wealth",** however today, the world and in particular India is rising to the need of the **"Health and Wellness Industry"**.

> In general, the nutritive values in most of the foods we eat are not properly absorbed by the body, leading to lack of nutrition and therefore aggravating illness and disease.

The Health and Wellness Industry is a multi-billion dollar a year industry. The basic foundation of this industry is the promise that we can improve our health using the power of natural products. It is difficult enough in our busy lives to maintain good health. But lately, our bodies are not performing this job too well. Our bodies need help and protection, the foods



that we are eating have more toxins than our bodies can flush out of our system. Many of the foods we eat are contaminated. The medicines that are generously prescribed by Doctors are to treat an existing problem and symptoms of bad health. In general, the nutritive values in most of the foods we eat are not properly absorbed by the body, leading to lack of nutrition and therefore aggravating illness and disease.



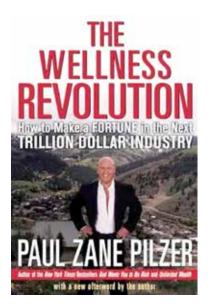
Our goal should be to obtain and maintain a healthy lifestyle through the use of natural nutritional products. **You** can help others gain a healthy lifestyle by offering these products to your loved ones and your community to help them achieve a dietary experience solution for some of the most annoying and recurring health problems. **You** can become part of the solution to the rising crisis in Healthcare in our country.

World renowned and respected economist and author, Paul Zane Pilzer,

Paul Zane Pilzer predicts that the Wellness Industry will be the next major force in business on the planet, reaching ONE TRILLION dollars in the coming years.

former economic advisor to two United States Presidents and the Editor in Chief of Success Magazine, predicts that the Wellness Industry will be the next major force in business on the planet, reaching ONE TRILLION dollars in the coming years.

Paul Zane Pilzer writes in his book The Wellness Revolution: How to Make a Fortune in the Next Trillion Dollar Industry -



"The greatest opportunity in all products of new technology, traditionally and in the future is in the DISTRIBUTION of those products," he writes, "....the real money is made by people who carry that invention from the laboratory to the consumer, and make an impact on that consumer's life. Those people are the DISTRIBUTORS of Wellness Products and Services. We are starting to see the emergence of a wellness distribution business... a business of people who educate people about products and services that will improve their health and develop customer relationships and then people will go back to their distributor of that product for more and more information on food and health."

....the real money is made by people who carry that invention from the laboratory to the consumer, and make an impact on that consumer's life.

With this great opportunity comes a great responsibility to be informed and to inform others. We begin with understanding the basic definitions and differences of Drugs, Cosmetics and Dietary Supplements.

## What are Drugs, Dietary Supplements & Cosmetics?

To be well informed it is essential to understand the basic definitions of the phrases being used in the health and wellness industry.



#### What is a Drug?

A drug, broadly speaking, is any substance that, when absorbed into the body of a living organism, alters normal bodily function. In pharmacology, a drug is "a chemical substance used in the treatment, cure, prevention, or diagnosis of disease or used to otherwise enhance physical or mental well-being."

> A Drug can also be a single chemical substance in a medicine that alters the structure or function of some of the body's biological processes.

The term DRUGS is defined under Sec 3(b) of **The Drugs and Cosmetics Act, 1940** as medicine for the internal or external use of human beings or animals and any substances intended to be used for, or, in the diagnosis, cure, mitigation, treatment or prevention of disease in human beings or animals. It also includes any article **other than food**, intended to affect or influence in any way the structure or any organic function of the body of human beings or animals and, any article intended for use as a component of any medicine, substance or article.

A Drug can also be a single chemical substance in a medicine that alters the structure or function of some of the body's biological processes. A **medicine** on the other hand is a drug or a combination of drugs that is intended to prevent illness cure diseases and relieve pain.



#### What is a Cosmetic?

The term COSMETIC is defined under Sec 3(aaa) of **The Drugs and Cosmetics Act, 1940** as any article intended to be rubbed, poured, sprinkled or sprayed on or introduced into, or applied to the human body or any part thereof for cleansing beautifying, promoting attractiveness, or altering the appearance, and include any article intended for use as a component for cosmetics.

This definition shows that cosmetic products are meant to improve the appearance of a person, that is, they enhance the beauty. Some skin care products have inclusions of drugs in their preparations, for example Boroline is a drug within the meaning of the Act and therefore is not a cosmetic even though it is topically applied to the skin to improve the appearance.

Distributors of Dietary Supplements cannot legally say that dietary supplements can diagnose, cure, treat, or prevent disease.

Taking this into another example, do you remember the old jingle of Vicco Turmeric Ayurvedic Cream? It went like this: *"Vicco turmeric nahi cosmetic! Vicco Turmeric Ayurvedic cream!"* The company is telling us through this jingle that the product, although being a topical application, is not a cosmetic and has medical properties and therapeutic uses.

#### What is a Dietary Supplement?

The word "supplement" means "something added". In this case, you're "adding" to a basic healthy diet and lifestyle. A dietary supplement, also known as food / nutritional supplement, is a preparation intended to provide nutrients, such as vitamins, minerals, fiber, fatty acids or amino acids that are missing or are not consumed in sufficient quantity in a person's diet. In other words, it is a product that contains a dietary ingredient intended to supplement or enhance the diet.



They can be extracts or concentrates and for ease of consumption, may be presented as tablets, capsules, soft gels, soft gel capsules, liquids or powders. They are widely available in the market place. Any individual is able to sell or purchase them freely.

The Food and Drugs Administration (FDA) does not regulate dietary supplements in the same way that it regulates medicine / drugs. A dietary supplement item is developed, based on supplement requirements for wellness of people and **should not be confused with medicines and drugs**. If you have an illness or a health problem, make sure you seek advice from your doctor or medical practitioner.

Distributors of Dietary Supplements cannot legally say that dietary supplements can diagnose, cure, treat, or prevent disease. But they can say that they contribute to health maintenance, well-being and a healthy lifestyle.

## Why do we need Dietary Supplements?

Did you know that the food you eat is only as healthy as the soil it's grown in? It is important to know that good farming methods are used to create the products you present to yourself and others. An unfortunate setback to the freshness of your food is the amount of time it takes to get them delivered to you. The fruits and vegetables that we buy off the shelves may be well over a week old by the time we eat them. The nutritional values of our foods diminish quickly in that time, even if stored correctly.



As a general rule most people are lacking major vitamins and minerals that aid in times of illness, stress, or help maintain healthy bodily growth.

Many times, fruits are picked before they are ripe (for faster crop turn over) and then sprayed with chemicals to make them ripen when needed. In some cases, foods are transported from far away places and preservatives (chemicals) are heavily used to make sure that the food does not rot (or appear rotten) before they reach the stores that we purchase them from. Have you ever wondered how it is possible to now get strawberries and mangoes all year round? The use of these chemicals and methods is controversial and may not be in your best interest to produce a healthy lifestyle.

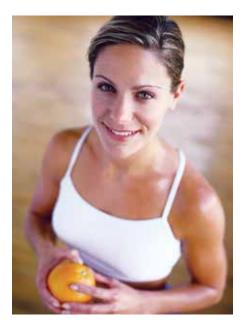
> But with the right supplements helping you build a healthy lifestyle you greatly improve your body's chances of fighting off illness.

Some people are skeptical that supplements do nothing to aid in our overall health. As a general rule most people are lacking major vitamins and minerals that aid in times of illness, stress, or help maintain healthy bodily growth.

Today there are many quality nutritional supplements available. Many of these supplements have critical elements to help maintain a healthy body. Of course there is no one magic pill that can keep us healthy at all times, but with the right supplements helping you build a healthy lifestyle you greatly improve your body's chances of fighting off illness. It is highly recommended by many leading nutritional experts that you find the right combination of supplements to enhance your nutritional intake of essential vitamins and minerals.

It has been established that we need Dietary Supplements to maintain a healthy nutritive balance in our bodies. Here is how supplements actually work:

 We need all the nutrients in their proper amounts for optimum health. Since our diets most likely cannot provide all of them, nutritional supplements can fill in those gaps.



- Living a healthy lifestyle taking nutritional supplements also may assist your body in avoiding or resisting germs causing diseases. The stronger your immune system, the more resistant your body can be against disease. Vitamin C has been held to assist in avoiding the common cold and other related illnesses.
- Nutritional supplements may be useful in neutralizing the chemicals and toxins which we take in everyday. The environmental stresses we go through, chemicals we are in touch with, as well

as our unhealthful lifestyle – all subject us to harmful toxins which can lead to serious health problems. Supplements, especially those with anti-oxidants properties, can help our body combat these toxins.

There are many benefits that nutritional supplements can provide. The main point is that nutritional supplements can assist you to obtain and maintain a healthy lifestyle. Help you have the optimum health you deserve and minimize the risk of diseases.

"I am already taking supplements, but I barely see any difference," is a common complaint from some people who use supplements. The problem here is that people do not really take supplements seriously. They take the one most available, or perhaps the cheapest. They believe in all bold claims from websites and other dubious sources and end up getting low quality products.

To take full advantage of what dietary supplements can offer, you must **choose the right supplement.** Research the company and know the source of ingredients. It is only by taking your choice seriously will you be able to live a fuller and better life.



## Important Differences between Supplements & Cosmetics and Drugs & Medicines

#### Drugs:

- Drugs are substances that are used to treat or prevent diseases. They are also used to relieve pains, to help control mental or physical ailments, and even to help diagnose illnesses.
- Drugs include-
  - (i) a medicine for the internal or external use of human beings or animals
  - (ii) any substance intended to be used for or in the diagnosis, cure, mitigation, treatment or prevention of disease in human beings or animals;
  - (iii) any article, other than food, intended to affect or influence in



Network Marketing companies like us cannot market medicines as each individual distributor in the company would have to be registered with a Drug License.

any way the structure or any organic function of the body of human beings or animals;

- (iv) any article intended for use as a component of any medicine, substance or article
- In order to sell a product as a prescription drug/medicine, you are required to have a drug license which is only issued if you have a practicing pharmacist working for your firm. Rule 61 of **The Drugs & Cosmetics Rules, 1945**
- The dealer must have a designated space of min. 150 sq ft room, approved by the FDA for sale and stocking of the products amongst other compliances. Rule 64 & 65 of The Drugs & Cosmetics Rules, 1945
- A wholesaler of drugs can only sell to dealers registered with a Drug License

Therefore Network Marketing companies like us cannot market medicines as each individual distributor in the company would <u>have to be registered with a Drug</u> <u>License</u>.

#### **Dietary Supplements:**

- The word "supplement" means something added. In this case, you're "adding" to a basic diet and lifestyle.
- A dietary supplement is a product taken by mouth that contains a "dietary ingredient" intended to supplement or enhance the diet.
- They can also be extracts or concentrates, and may be found in many forms such as tablets, capsules, soft gels, gel caps, liquids, or powders.
- Whatever their form may be, they come under the general umbrella of "foods," and not drugs, and requires that every supplement be labeled as a dietary supplement.
- Dietary supplements are widely available to the public and any individual is able to sell or purchase them freely.
- People commonly take them to obtain and maintain a healthy lifestyle

Dietary supplements cannot legally say that dietary supplements can diagnose, cure, treat, or prevent disease. But they can say that they contribute to health maintenance and well-being.



- People have used dietary supplements for thousands of years to help health.
- The Food and Drug Administration (FDA) **does not regulate dietary supplements** in the same way that it regulates medication. A dietary supplement can be sold without research on how well it performs. This is because it cannot be used for or in the diagnosis, cure, mitigation, treatment or prevention of disease in humans or animals.

Dietary supplements cannot legally say that dietary supplements can diagnose, cure, treat, or prevent disease. But they can say that they contribute to health maintenance and well-being.

## Are Dietary Supplements regulated differently from Food and Drugs?

The answer is YES, although dietary supplements are regulated by the FDA as foods, they are regulated differently from other foods and from drugs.

Most often, classification as a dietary supplement is determined by the information that the manufacturer provides on the product label or in accompanying literature, although many food and dietary supplement product labels do not include this information.

Whether a product is classified as a dietary supplement, conventional food, or drug is based **on its intended use.** 

How is a product's intended use established?

Claims stated on the product labeling, in advertising, on the Internet,

or in other promotional materials. Certain claims may cause a product to be considered a drug, even if the product is marketed as if it were a cosmetic.

Such claims establish the product as a drug because the intended use is to treat or prevent disease or otherwise affect the structure or functions of the human body.

The label of a dietary supplement or food product may contain one of three types of claims:

A Health Claim describes a relationship between a food, food component, or dietary supplement ingredient, and reducing risk of a disease or health-related condition.

**A Nutrient Content Claim** describes the relative amount of a nutrient or dietary substance in a product.



It is the manufacturer's responsibility to make sure that the supplements are safe, free of contaminants, correctly labeled, and made in a safe and clean environment.

A Structure / Function Claim is a statement describing how a product may affect the organs or systems of the body and it cannot mention any specific disease. (e.g. glucosamine helps support healthy joints). Structure / Function claims do not require FDA approval but the manufacturer must provide FDA with the text of the claim within 30 days of putting the product on the market Product labels containing such claims must also include a disclaimer that reads, "This statement has not been evaluated by the FDA. This product is not intended to diagnose, treat, cure, or prevent any disease."

Any other health claims are usually about marketing, not about health. Remember that foods are not drugs!

Here are the chief regulation differences between Drugs & Medicines and Supplements & Cosmetics

 A drug is a single chemical substance in a medicine that alters the structure or function of some of the body's biological processes. A medicine is drug (or combination of drugs) that is intended to prevent illness, cure diseases and relieve pain.



- Companies seeking approval to sell a drug must test their product in a laboratory and with animal tests to discover how the drug works and whether it's safe and can work well in humans. Next, a series of tests in humans is begun to determine whether the drug is safe when used to treat a disease and whether it provides a real health benefit.
- Supplements are regulated by FDA with a kind of "recipe book" covering acceptable ingredients, doses, formulations, and labeling. Products conforming to this may be marketed without further FDA clearance
- Supplements and medicines undergo different monitoring requirements set forth by the FDA. Supplements, like the Omega-3 fatty acid supplements,

are classified as a "food" by the FDA. This means that it is the manufacturer's responsibility to make sure that the supplements are safe, free of contaminants, correctly labeled, and made in a safe and clean environment.

 Prescription medicines, on the other hand, are monitored a little bit differently. For instance, prescription Omega-3 fatty acids, must undergo extensive testing before they can be sold in pharmacies. The manufacturers must prove to the FDA that the drug works how it is supposed to, that it is safe, any adverse effects of the drug, and that it contains all of the ingredients stated on the label.

At the time of each import, a unit of each product from each batch is randomly selected and sent for analysis to the laboratories by the Drug Controller office and the Port Health authorities. Only if they conform to their manufacturing specifications and lie within the parameters set forth by the FDA, is the consignment released for sale.



#### In a nutshell:

#### Drugs are:

- Prescribed by a doctor or medical practitioner
- Bought at a pharmacy shop
- Prescribed for and intended to be used by the specific person
- Drug manufacturers may claim that their product will diagnose, cure, mitigate, treat, or prevent a disease

#### Supplements are:

- Foods that do NOT require a doctor's prescription
- Easily available to the public
- Medical claims may not legally be made for dietary supplements.



The challenges that a company such as ours faces everyday are the danger of distributors crossing the Fine Line. We cannot under estimate the repercussions of the effect it will have on you as a distributor as well as on the company. The biggest problem in India is that Dietary Supplements are not governed by a specific law at the moment. Therefore it comes under the general umbrella of the Food and Drugs administration which is broadly governed by the Drugs and Cosmetics Act of 1940 and the Prevention of Food Adulteration Act of 1954. The guidelines that we need to follow fall under these acts.

The FDA issues licenses to those companies that manufacture Food, Drugs or Cosmetics in India. For all those companies that import their products, a different line of regulations have to be met. At the time of each import, a unit of each product from each batch is randomly selected and sent for analysis to the laboratories by the Drug Controller office and the Port Health authorities. Only if they conform to their manufacturing specifications and lie within the parameters set forth by the FDA, is the consignment released for sale.

Forever Living Products distributors can be rest assured that the products are tested and certified as fit for sale before they are allowed to come into India. We not only comply with the mandatory checks at the custom level, but we also select and conduct random product tests for our own records and satisfaction. **That's the commitment of Forever!** 



## How do we market our Products without crossing the Fine Line?

While promoting our range of products, make sure that you are not technical but promote the products in the simplest manner speaking about the goodness / benefits to assist in obtaining and maintaining a healthy lifestyle.

- You need to understand the qualities that the ingredients possess rather than making health claims.
- You need to remember that our products are not drugs or medicines.
- Thus never use the terms like cures, medicines, prevents, treats, etc.
- At all times avoid targeting patients and / or prescribing the use or our products.

This means that you need to be completely aware of the product. As the saying goes, be a product of the product so your personal testimony will always work.



Let's take the example of Aloe Activator. Our Activator is sold and promoted by the Company as a Cosmetic in all the literatures. It specifically says not to be used in the eyes. If you know the product well, you will know that the Aloe Activator is a filtered form of Aloe. It can be safety applied to your body but should not be represented as a treatment or a cure. When you speak about this product demonstrate on yourself how you use the product most effectively and how it has helped you.

Let's take the example of Arctic Sea. FLP markets the product as a Food/Dietary Supplement. When promoting this product, mention how the ingredients are procured. Why they are the best ingredients in the world? How the individual ingredients help in attaining a healthier you?

Product Demonstrations are always effective so always carry samples with you. Always use it in front of them so they become confident on how safe it is.



You need to be completely aware of the product. As the saying goes, be a product of the product so your personal testimony will always work.

## **Dangers of crossing the Line**

As mentioned earlier, when you are selling FLP products, there is a very Fine Line that we must be aware of NOT crossing. Remember that if we make claims on our products, we are required to obtain the Drug License.

Let's take a look at the Legal aspects:

In the US our products come under The Dietary Supplement Health and Education Act of 1994 (DHSEA). Unfortunately, in India no such law is in force. Our products in India are covered under:

- The Drugs and Cosmetics Act, 1940
- The Drugs and Cosmetics Rules, 1945
- The Prevention of Food Adulteration Act, 1954, and
- The Prevention of Food Adulteration Rules, 1955

Within these are **The Drugs and Magic Remedies** (Objectionable Advertisements) **Act, 1954 and the Rules 1955** under which we are directly and closely governed.

The main object and purpose of **The Drugs and Magic Remedies** (Objectionable Advertisements) **Act 1954** is to prevent people from self-medicating with regard to various diseases. Exaggerated and misleading advertisements induce people to resort to self-medication by

What you do and represent while promoting a sale may be treated as an extension of the label or advertisement. reasons of the elated advertisements. The Act has been enacted with a view to control the advertisements of Drugs in certain cases and to prohibit the advertisements of certain remedies.

In the definition given in **Sec 2(a)** of the Act, an **Advertisement** is inclusive and includes any notice, circular, label, wrapper or other document, and any announcement made orally or by means of producing or transmitting light, sound or smoke.

- We recommend that you read this Act completely to know where you need to draw your line
- The Act has made a section which details the diseases and ailments that cannot be mentioned in relation to the sale of products and their efficiency
- Remember that contravening this act is not only detrimental to the company but if you are found in violation you are personally liable to be punished under Sec 7 of The Drugs & Magic Remedies (Objectionable Advt.) Act, 1954

(a) in the case of a first conviction, with imprisonment which may extend to six months or with fine, or with both;

(b) in the case of a subsequent conviction, with imprisonment which may extend to one year, or with fine, or with both.

Remember, what you do and represent while promoting a sale may be treated as an extension of the label or advertisement. **Do not go beyond promoting a healthy lifestyle.** 

## **Frankly Speaking**

"Let food be your medicine, and medicine be your food."

Virtually all diseases trace some of their causes back to a poor diet, lacking in the essential nutrients that the body needs in order to perform properly. Today's highly processed and refined foods may not include the fundamentals elements that our bodies require, while also containing synthetic additives that are detrimental to our health.

How can we expect our general health to thrive unless we continue to feed our bodies with the required nutritional element it needs?

## Break the Circle and bring Nature Back to Our Lives

Changing long held habits is the most challenging part of switching to a healthier lifestyle. So start gradually, if that is more appropriate for you, and keep it simple. You don't have to be an expert to regain your general health. Here are some simple steps that will get you started.

- Gradually remove all refined and inorganic foods, including soft drinks, from your diet.
- Nurture your body by eating natural, fresh, healthy food.
- Try to exercise each day.
- Introduce herbs to your life. Incorporate them in your recipes, and drink herbal tea instead of coffee or regular tea.
- Water is essential to our general health. Soft drinks do not provide all the benefits of water, so be sure to include pure water in your diet.
- Sunlight is also important to our general health. A lack of sunlight can cause serious health problems, so get out in the sun when you can.

- Use nutritional and herbal supplements wisely to help overcome any nutritional deficiencies you might be suffering, which can ultimately lead to illness.
- Choose high quality nutritional supplements that include all the essential vitamins, minerals, trace elements, nutrients, herbs and herbal extracts that your body needs to function correctly.

Within a short while, you should notice the difference in your body as your energy levels improve and your ability to stay healthy. These improvements are the key to optimizing your health.

There are a lot of different companies marketing supplemental products. Quality does matter, so it's good to read the ingredients and warnings on the bottle, and learn about the manufacturers. It's up to you as the consumer to protect your own health – so practice caveat emptor ("let the buyer beware."), and consult your health care professional before taking any type of supplements.

NEVER substitute supplements for medication - If you're considering using a dietary supplement in place of drugs, consult your health care provider first. And remember, just because it is "natural" doesn't mean its gentler or more beneficial to your body - many supplements contain active ingredients that have strong biological effects and their safety is not always assured.

Quality does matter, so it's good to read the ingredients and warnings on the bottle, and learn about the manufacturers.