



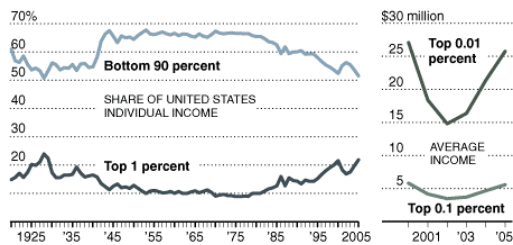
The 6th Step in ©Financial Landscaping Creating Multiple Streams of Income in the New Economy

Building financial wealth through multiple streams of income has piqued our interest because structural changes in society are undermining the middle class. These structural changes are similar to the economic changes that occurred in the late 1800s, when we changed from an agricultural economy to an industrial-based economy. Millions of people had to reorder their lives and move to the cities. Now we are making the transition from the industrial/service economy into an information/knowledge-based economy. The internet, computing and technological advances in communications are the innovations driving this transition. Fortunately, these innovations are unlike other time periods in which opportunities existed only for the privileged and the brightest. The opportunities provided now are available to the man on the street as well as the most sophisticated trader or banker on Wall Street. The changes underway will require rethinking how we live, work and play in order to prosper in the new economy. And ironically, we can now move from the city back to the country. This report details a couple of the major issues and highlights a few of the new opportunities.

One of most startling changes is the squeeze on the middle class. It is represented in what the Federal Reserve calls “the Income Gap.” Second is the loss of jobs and occupations. In the chart to the left you can see that the income gap between the rich and poor has increased to levels we have not seen since the 1920s. Those who are prospering are the first to embrace technological changes. Turning information into usable knowledge is the key. This strategy, along with more sophisticated software, has allowed faster, easier and more accurate trades on Wall Street. It has allowed

The Roaring 2000s

After a brief dip in the early 2000s because of a decline in the stock market, the share of the nation's income that goes to those at the top has begun to climb again, hitting a level not seen since the 1920s.



Sources: Thomas Piketty, Paris School of Economics, and Emmanuel Saez, University of California, Berkeley, from I.R.S. data

The New York Times

the finance sector to make huge leaps in profitability.

In addition to the income gap problem, the middle class is facing a loss of jobs, and even occupations are disappearing. The average male has been employed in six different occupations by the time he is 35 years old. Long gone is the time when a man or woman could expect to have one job for his or her lifetime. Multiple streams of income that were formerly the providence of the rich and privileged have become a necessity. However, thanks to the internet, barriers to creating wealth and starting your own

business have diminished. Here are five of the opportunities we see in the new economy. We give more detail to websites and to direct sales because this is where we think the greatest fortunes will be made over the next decade. These opportunities are also the easiest to enter and require the least amount of start-up costs.

OPPORTUNITY #1 – Websites and the Internet - The internet is attracting billions of dollars in advertising. Retailers are scrambling to create a presence on the internet and to locate websites on which to advertise. Even with millions of websites in place, there are currently not enough suitable websites for advertisements. Of the \$17 billion spent annually in the U.S. on advertising, only a fraction has made it to the internet. Internet advertising jumped 51.3% in 2005, twice the expected amount. In 2006, Google's advertising revenue was up 65% to \$2.53 billion. There is a window of opportunity here for everyone to start a website and attract advertising dollars. We think advertising will grow 150% to \$10 billion in the next five years. Thanks to the World Wide Web, this opportunity is available to everyone from tribes in Borneo to the heaviest populated centers in Europe Asia and America.

Online sales last year increased 29%, jumping to \$146.5 billion. Amazon's sites in the UK, Japan, Germany, China and France accounted for 46% of the company's \$3 billion in sales in the first quarter of this year.

However, before jumping into any business, on the internet or otherwise, think about your strengths and your values. Give some thought to what you love to do. It should be something you like to do, whether or not you get paid for it. Becoming an expert in your passion is the surest way to attract good fortune. Living your passion leads to freedom and unique creativity. Unique creativity adds value to the world, and added value is a marketable product. Find your passions, develop them, and send them to market. In the new economy, a more acute specialization is necessary to add value in the market place. Intellectual distribution is where the biggest fortunes will be made over the next decade.

A good way to find your strengths is in the book Discover Your Strengths by Marcus Buckingham & Donald Clifton. Another good entry point can be found on the website www.startupnation.com.

Once you have an online presence, you can then attract advertising, as well as become an associate or affiliate of many of the popular retail sites and receive a percentage of all sales linked to your site.

Another excellent source for ideas and ways to make money on the internet can be found in the book Multiple Streams of Internet Income by Robert G Allen. Two new books on the market are Internet Riches by Scott Fox and one we really like is Janet Switzer's book Instant Income. Visit her website at www.instantincome.com. Janet is a 22 year veteran in marketing and advertising. She developed and executed the strategy for Jack Canfield cofounder of Chicken Soup for the Soul.

For expert web design, support and security we used Flying Cow Design at www.flyingcowdesign.com. Another web designer we use is Amy Hilburn at www.jirehdesigns.com.

OPPORTUNITY #2 – Direct Sales - The next most significant opportunity we present here is in direct sales, and more specifically, multilevel marketing. Few people

understand how the current structural changes in society are changing the dynamics of the market place. These changes are forcing the retail sector to rethink the way they do business. Stop and think for a moment. What would you do if you could no longer advertise on TV or in newspapers and magazines because your clients have switched to a different media? Or, what would you do if no one came to your store because they prefer online purchases? Sears and Kmart, the third-largest retailer in the US, faces just such a problem and recently launched a huge ecommerce initiative after asking these questions. Others in the same boat are rediscovering the ancient truth that the best method of selling is by word of mouth. We call it person-to-person, or P2P. Television came to be the trusted source for word-of-mouth campaigns. Print advertising was the second best method. Neither of these methods reaches the masses any more. That takes us back to P2P and word-of-mouth advertising. More companies and entrepreneurs are taking a look at direct sales as a preferred way to retail because it is a person-to-person business. In countries that were slow to develop communication systems, direct sales and P2P sales has always been the preferred method of selling. In some South American countries, over 25% of retail sales are through direct sales. South East Asia has the largest number of direct sales agents per capita. The global sales force in direct sales now numbers 58.6 million and has grown on average 8.5 per cent over the last six years. Since the year 2001, sales have increased from \$78 billion to \$102.6 billion, a 31.5 per cent average annual increase.

It is interesting that last year Warren Buffet purchased a direct sales company called the Pampered Chef. Also, Sir Richard Branson created a whole new line of cosmetics called Virgin Cosmetics that is marketed and distributed through direct sales over the internet. It has been so successful he has started Virgin Vie At Home featuring a whole new line of products. Virgin's success is a result of combining P2P, multilevel marketing and the internet. Direct sales, P2P, multilevel marketing and the internet are naturals. They fit together in what will prove to be the greatest marketing adventure in the 21st century. The real power here lies in combining direct sales through MLM over the internet. These three combined in one strategy will deliver a knock out punch to the traditional retail industry.

The first step before getting into direct sales is to choose some products that interest you and then find the best company with the best products. We think direct sales in the health and wellness Industry offers the greatest opportunity. Americans spent \$70 billion on vitamins and food supplements alone last year. The health and wellness industry will grow in the double-digit range for years to come as baby boomers look for more solutions for better health and energy and for anti-aging products. Of the companies we researched, Arbonne International (www.arbonne.com) stood head and shoulders above the competition. The company is 26 years old and sells close to 300 different personal care products that are all pure and safe. The company grew 164% in 2005. Sales have increased an average of 106% per year for the last five years. By comparison, Herbalife grew 19.6% last year. Avon grew 5.2%. Arbonne's phenomenal growth began when a private equity group called Harvest Partners purchased the company and installed Robert M. Henry as CEO.



A pay plan that is more accommodative to independent consultants and giving away free samples are contributing factors in the exceptional growth pattern of Arbonne International. The picture above shows Judith James, an area manager and independent consultant, giving an in-home presentation of the Arbonne opportunity. With easy entry, low start-up costs, and the flexibility to work at your own pace, this is a great opportunity to build another stream of income. If there are any secrets to being successful in direct sales, here they are: Understand that learning this business is a journey in self-mastery. Tackling the emotional roller coaster and developing interpersonal relationship skills is an evolution of your own personal growth. Self-improvement and progress in ways you never dreamed are possible when you enter this field. The second secret would be to find strong leadership and duplicate your up-line. They have the knowledge and the tools, and they stand willing and able to help you along your journey. Rewards in direct sales are greater than in any other business you could enter, and when you reach the top, you will have all the personal and managerial skills necessary to run any company in America. Once you have a website for direct sales, you can train your down line long distance with CDs or video clips shown on your website. Make your training or presentation with a regular video cam, upload it to your free YouTube account and then transfer it back to your own web site. YouTube does all the necessary digital compression and framing to make this possible. And it is free.

Visit the www.nexera.com site for excellent instruction on multi-level marketing.

OPPORTUNITY #3 – Real Estate - Real estate is the trusted and timeless way to build extra income through rentals, flipping, or buying fixer uppers and selling them. The Carlton Sheets program (www.carletonsheetscoaching.com) still reigns supreme for learning how to do the real estate business. Robert G. Allen has a good one as well (www.robertgallen.com). A new idea is the purchase and resale of farmland and small farms. Farmland increased in value 17% last year, and not because of the real estate bubble. There is a growing demand to put more land into use for agriculture.

OPPORTUNITY #4 – Long Tail Items - In addition to real estate, there are many long tail items that can be sold over the internet. Items that used to be found on store shelves that are no longer marketed in mass can still be acquired and sold over the internet.

OPPORTUNITY #5 – Organic Mini-Farms - With the recent rise in commodity prices and the drain on natural resources that will continue for the next two decades, growing and selling organic vegetables is the perfect business for those with a green thumb.

The World Wide Web has truly flattened the world. While you mull over the possibilities remember these motivational words from John Rohn.

“Each of us has two distinct choices to make about what we will do with our lives... The first choice we can make is to be less than we have the capacity to be. To earn less. To have less. To read less and think less. To try less and discipline ourselves less. These are the choices that lead to an empty life. These are the choices that, once made, lead to a life of constant apprehension instead of a life of wondrous anticipation.

And the second choice? To do it all! To become all that we can possibly be. To read every book that we possibly can. To earn as much as we possibly can. To give and share as much as we possibly can. To strive and produce and accomplish as much as we possibly can. All of us have the choice.

To do or not to do. To be or not to be. To be all, or to be less, or to be nothing at all.

Like the tree, it would be a worthy challenge for us all to stretch upward and outward to the full measure of our capabilities. Why not do all that we can, every moment that we can, the best that we can, for as long as we can?"

This article is the sixth in the series of ©Financial Landscaping.
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