



PM- International

CREATING OPPORTUNITY:

Maintaining consistent, steady growth for three decades.



TOP EXECUTIVES /
**ROLF SORG, FOUNDER
AND CEO**

**GORDON HESTER, GENERAL
MANAGER SALES, US
AND CANADA**

FOUNDED /
1993

CATEGORY /
**SUPPLEMENTS AND
COSMETICS**

STAYING IN A CONSTANT STATE OF GROWTH

**PM-INTERNATIONAL HAS SET A HIGH
STANDARD FOR PROLONGED, STEADY SUCCESS.**

BY GORDON HESTER

THE DIRECT SELLING BUSINESS in the US is going through a challenging transitional period. We are seeing an increasing number of companies struggle to evolve so they can remain competitive in a rapidly changing world. At the same time, we are dealing with high inflation, continued supply chain challenges, rising operational costs, reputation challenges and increased competition for consumers and new entrepreneurs.

Despite all these challenges, PM-International has achieved a constant state of growth for 29 straight years. PM has been awarded the DSN Bravo International Growth Award for two consecutive years and is on track to earn this award for an unprecedented third year.

I have been in this industry for almost 35 years and recently joined PM as their General Manager of Sales for the US and Canada. Like many, I was also curious how PM could maintain a constant state of growth since inception to the massive growth experienced over the last three years. A total of \$2.38 billion in annual sales was reached in 2021. Below are my initial conclusions relating to the “PM Success Formula.”

ULTIMATE DECISION MAKER

In my many years working in direct selling and with many great leaders, the CEO and Founder of PM-International, Rolf Sorg, is the most talented leader I have ever worked with. Experience has taught me that the success or failure of any

company will come down to how the leader runs it. Rolf has developed a time-tested cultural and business blueprint. The success formula has its foundations based on the following principles.

1 / High-Performance Culture

The company is managed with the mindset of giving your best every single day with a heavy focus on the key metrics that drive revenue. The company is data-driven and operates in a very “people-centric” way. There is very little tolerance for the three things that can stand in the way of success: entitlement, division and drama.

2 / Heart and Pride

One core value of PM-International is “heart and pride.” It refers to making your business a matter of the heart, sharing your genuine excitement with others and appealing to their pride. Rolf understood early on that the word “deserve” includes the word “serve” and established a culture based on a shared and deep commitment to living the PM mission.

3 / Conservative Financial Management

PM remains a debt-free company with a very high EBITDA. This allows us to invest back profits into ensuring the business stays competitive. In today’s marketplace, the costs of operations and innovation continue to increase. If a company does not have the resources to invest in growth, that can be a big obstacle to surviving challenging times. As a family-run company, swift decision making keeps PM-International one step ahead.

4 / World Class Products

To build a stable and long-lasting industry-leading company, you need to have products that create a loyal customer base. PM stands for “Premium” from beginning to end. Our products are exclusive and supported by 70+ international patents. It is why PM has sold over 800 million products since inception 29 years ago.

5 / Customer Focus

We have seen a shift in moving from an opportunity-centric approach to more of a customer-centric approach. Since the company’s inception, PM has been a step beyond the concept of customer-centric to the standard of being customer obsessed. In PM, the opportunity component of the business has created a passionate active distributor base focused on building a growing loyal customer base.



6 / Maintaining Field Trust

For any successful direct selling or network marketing company, the field is the primary driver of sales. The key is to keep them in a constant state of engagement. Any legacy company will tell you that is a difficult challenge as new distributors tend to leave quickly, and leaders tend to drift away from production over time. As the industry shifts to more of an omnichannel focus, it is essential to consider the impact on the field. As I look at the companies struggling to be successful today, the common challenge they have is that they have lost the trust of their field. This often tends to be a consequence of declining sales and commissions. The longer this occurs, the harder it is to right the ship. A big reason PM has experienced 29 straight years of growth is that they have never lost field trust or momentum.



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A DNA OF INNOVATION

Companies must remain willing and able to make changes to ensure they stay competitive in the marketplace. I often refer to this as having a “DNA of Innovation.” The principles that drive that at PM are:

- Taking risks
- Staying out of the comfort zone
- Learning from failures
- Scaling quickly through systemization
- Managing change effectively

While other companies have different visions and strategies than PM, there are some lessons on keeping consistent growth that can have value for any company. Many of our success principles are timeless and have been practiced since PM started 29 years ago. Change is the only constant in life, so adjusting to an ever-changing marketplace is the key for any company to ensure they remain relevant and competitive.