



Cary's Corner

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From the desk of Cary A. Levinson

Cary's Corner – Volume 12

"The truth about Multi-Level Marketing companies and the referral fee myth"

To Our Valued Friends and Agents:

One would certainly have thought that after 50 years of being in our industry, I would have seen and heard it all. Amazingly, several of the newer agents who have recently joined the Levinson & Associates team are telling me stories of how they marketed for their prior IMO's. Again, after being in the Life Insurance arena since I was 21 years of age, I've certainly seen my share of selling concepts, platforms, and technologies. However, when a new agent tells me he was selling life insurance for 2 years without a license and not really earning commissions, but rather getting referral fees, I literally have to pause and take a deep breath. How can an "agent" really be an agent and not even earn a commission after making a sale? And how can that same agent really be an agent without a state-issued insurance license? And, how can compensation to an agent be a "referral fee?"

Then, I'm being told by some of our new agents that all they were asked to do was approach family and friends to buy life insurance. Whether they said yes or no, it didn't even matter because they then asked them if they had any friends who would be interested in selling insurance too. If they did refer their manager to a new referral, they were promised upwards of \$25,000 monthly income. Management forces their agents to recruit their friends and family and then make an override on them. If all of this weren't bad enough, the agents purchased recycled leads with old phone numbers and addresses. And even more bizarre, the primary sales technique is door-to-door sales, and none of these IMO's are equipped with the technology or support staff to handle online and telesales.

Needless to say, when an "agent" finally decides to become a real agent and begin his career path with us, the real world of independent insurance sales becomes very apparent, very quickly. All of our agents are licensed with the carriers in the states they're selling in. They begin earning fair and generous compensation for their efforts and no longer receive referral fees. They are introduced to real Case Managers who process their applications and send them weekly updates on all of their pending business. They are introduced to a team of Licensing and Contracting specialists who aid them in getting licensed properly and quickly for each of the states they market in. They are introduced to 10 of the most capable Brokerage Managers in the country who stand by to help them with any product, carrier or marketing questions they may have. They can purchase real leads from our lead vendors who guarantee 20% of the purchased leads will lead to sales. And, additionally, they will learn about the hottest technology and sales methodologies not found anywhere else with any IMO in our industry. In short, they will be exposed to unparalleled service, generous compensation, and a full array of 86 life companies and 26 annuity carriers. And perhaps most importantly, as a Levinson agent, you will be the one delivering the death claim to your client when they need you more than ever. Isn't that what this business is all about? For those of you who may be reading this "Cary's Corner" who are not licensed agents, earning referral fees, and asking friends and relatives "to become agents," give us a call. And when your clients need you in the most terrible of times, you will be there for them. Thank you.

- Cary A. Levinson, President,
Levinson & Associates