



Take a Look

Building A Silver Distributorship

Introduction

The Take a Look Series are short videos on specific topics you need to learn, with instructions and doing homework in a practical exercise.

They are designed to help you understand exactly what needs to be done so you can apply what is learned and then go build your business.

As you gain an understanding of each topic your skills and ability will improve dramatically.

I hope you enjoy the series.



Silver

Today I'm here to talk to you about building to the level of Silver and what this means. We are going to explore how this can play a huge role in creating your success.

When you are finished listening, you should do your homework and then review what you have learned with your sponsor, then go out and really build your business.



Dave Rolfe



Understanding The Leadership Levels of the Plan Silver

Building a Successful Business



Introduction

To get this started we want to understand what is this name “Silver” mean, what is it related too and how does this fit in to your needs and wants.

First off it is a name given to the first “Leadership Level” on the Nikken Compensation plan and it has some basic requirements and some very unique benefits that play a very important role in the development of a successful business.

As you know being involved with Nikken as a business requires two activities. **The first is to acquire customers and the second is to sign up Distributors.**

When either one of these two activities are completed then new activities are created that must be known and understood and done especially if you want income and other benefits.

From experience **the business grows best when lots of new real distributors are signed up and the business slows and contracts when real distributors are not signed up.**



Focus on
What's Important

What is Important?

The answer to this then, is based on what you want. This then is the first area to be discussed and understood as this will dictate everything that should be done.

For the purpose of today's Video Presentation I am going to focus on doing this to make a really good living. You can also take parts of this then, to earn a part time income or you can take parts of this to understand what someone else would need to do, if you simply want to help.

There are many positions people will take and the key to your success is to help others get what they want.

However for you if you want to make this a primary source of income then you will need very specific things and this is what I will show you today.



The Nikken Plan

Again, there are two things that need to be done as a Distributor.

1. Find Customers and get them to purchase our products.
2. Find Distributors and help them build their business which includes # 1 and # 2

From experience and personal results the business grows the most when individuals that join the business as a Distributor find customers and Distributors and build an organization with lots of both.

The advantage of this business and the way the company will pay you is based on larger numbers of participants and the volume generated, along with size and depth.

As an example you can earn 20% on your personal sales activity and you can also build a team and earn a 6% Income on a huge unlimited number of people in your organization.

It's understanding what you want that will dictate what you do and what you create.



What Do You Want ?

This is such an important question. The answer will help DIRECT YOU into **doing something** that will help you go after it and hopefully get it.

Example: You decide it's time to leave your parents home, what do you want? Then how are you going to get that? Then what do you need to do to get that? How long is it going to take you to get what you want? These become what you think about and focus on, right!

In my case, I solved this as I moved into the fraternity house for \$25.00 per month for a room, I got a part time job which paid my bills which were minimal while going to college.

As I got older life created more complexities, more needs and more wants and along with that came the "How to do" and "what to do"

This then opened the door to look, to become curious, to want to find the better way or the best way and this eventually led to success.



How to Get What You Want

This by the way is pretty much the same for most of us, in that we know **that if we want something we need to do something to get it.** But there is another element in this thought process and that is “HOW” or “In WHAT WAY” or “BY DOING WHAT” and what you get exposed to or the “who do you know” ideas.

Some figured it out and went on and accomplished what they needed to, to get what they wanted and it is **that process** that becomes important to know. HOW DID IT HAPPEN? What did they do? How does it work?

The real answer that I found observing many different situations is **“when they saw something they believed could help them get what they wanted.”**

Then by going into action and doing what was required, results were created. This may have provided what they wanted and it may not have, but this is the game we play and it is ones perceptions that dictate success or not.



Beauty is in the Eye of the Beholder

Therefore, if you have decided to do Nikken as you believe that you can make this work and you know what you want, then the next step is to understand what you need to do using Nikken and the Nikken opportunity to get what you want.

What are the activities?

How does it work?

What does it look like when it's working well?

How long will it take?

Do I need to spend a lot of money?

There are all kinds of questions that may come up and it would be real good to have a mentor or coach, especially if you are new to this to help plan and strategize.



The Compensation Plan

One of the first things I learned when I started Nikken, was the Compensation plan, as this document told me two things.

1. **What I needed to do to get what I wanted**
2. **What I would get if I did what I needed to do.**

Over the years the plan changed but **the understanding of what I needed to know** didn't.

It was always **what do I need to do** and **what happens when I do what I need to do.**

This created clarity, reality and understanding and allowed me to realize my goals and dreams.

The wonderful thing about this plan is that it's a tool **for you to utilize**, so that **you can get what you want. WHAT DO YOU WANT THEN, IS THE QUESTION THAT NEEDS AN ANSWER.**



The Comp Plan is really a Tool to Use

If we look at the Plan there are several ways the company has set things up for you to get a reward or earn for selling product or building an organization.

Retail 20 %- create customers and sell them products

Personal Rebate 20% of the CV- on the products you sell

Personal Group rebates 5 to 15%- build a team of directs and executives and earn for helping them

Leadership Bonus 6% up to 6 Generations below you- this is the serious long term residual income

Power Start 150 Nikken Bucks- any Direct that builds to Executive in 30 days can get an extra bonus

Club Kia 500 Nikken Bucks- This is a quarterly production bonus

Travel Bonus \$2500- this is a larger quarterly production bonus

Team Kaizen Yearly Trip- This is an annual Bonus the trip usually has a value of \$5,000

Team Taishi Extended Yearly Trip- Again an extention of the previous trip for an extra few dayss

Life Style Bonus \$500 to \$2,000 per month- For Golds and above



The Comp Plan is really a Tool to Use

The key question then is what role does building to Silver play in your plan based on what it is you want.

Let's take a look at the requirements and the benefits and what Nikken says in the Policies and Procedures document.

Remember that this thing "Silver" is something that Nikken created to give you a goal to go after which will help you get what you want.

The more you understand what it is and what you should do with it the better off you are. You are going to hear that "You want to get to Silver" and you might ask yourself, why or it may have absolutely no meaning at all unless the benefits of doing it are understood.

Let's now look at the level of Silver.



Building Silver

This is one of the most important Levels in Nikken if you intend to build a business Let's take a look at what the policies and procedures state you need to do and what will you get.

Achieve at least 6,000 PGPV in up to three (3) consecutive months.

Achieve a 100 PPV in order for PGPV to be counted for a given month during the multi-month qualification period.

So you then need to sell or buy a minimum of 100 PPV each month of the qualifying process and then generate the remaining 5900 PGPV in the three months. This volume is going to come from one of two activities, retail sales or Distributor purchases.

What's really important, is understanding what "Building to Silver" means in terms of your benefit and future and how this actually works. What's the Purpose for you.



Qualifications

Silver Consultant Rank Advancement

During the month of rank advancement, achieve an Organizational Point Volume of at least 1,000 outside the primary leg and at least 500 of the minimum OPV requirement being met by legs outside the primary and secondary legs.

Let's define Primary and Secondary

Primary Leg (Hi-Leg) A primary leg is identified as the leg that contains the highest OPV in a Consultant's organization. This comes from a Distributor you sign up

Secondary Leg (2nd Hi-Leg) A secondary leg is identified as the leg that contains the 2nd highest OPV in a Consultant's organization. This is then another Distributor you sign up

Your Volume PPV can be then outside of the Primary and Secondary legs and you could have a third leg.



On Going Qualifications

Silver Consultant Monthly Requirements

Once you are Silver then you want to understand what needs to be done moving forward.

Let's review something first. The key Benefits of Silver are three fold.

1. The ability to earn up to 15% CV Rebate and 20% if they don't so their 100 PPV.
2. Leadership Bonuses which are 6% up to 2 generations of Leadership below you if you maintain the personal requirements.
3. The ability to move up to the next Leadership Bonus Levels. Lets take a look

Monthly Qualification Requirements

Achieve 100 PPV. Maintain a PGPV of 1,500

Maintain an Organization Point Volume of 4,000 each month to be eligible for Leadership Bonus at the pin rank of Silver.



What I know from Experience

Silver Consultant Monthly Requirements

Monthly Qualification Requirements

Achieve 100 PPV. Maintain a PGPV of 1,500

Maintain an Organization Point Volume of 4,000 each month to be eligible for Leadership Bonus at pin rank.

If there is no Leadership below you as a Silver in time you will stop the effort to Qualify.

Qualifying is an activity that means you sell product or you sign up new distributors that buy and sell product. In doing this activity you become qualified and meet the requirements that the Plan states you need to do.



The Benefits of Silver

All Distributors earn 20% retail profit.

All distributors earn a 20% CV rebate on PPV

The Next benefit is a Group Rebate as follows

Up to 15% Personal Group CV override if Consultant meets monthly PPV and PGPV requirements. Receive override up to 20% on Direct downlines who do not meet their 100 PPV.

The next benefit is the **Leadership Bonuses** which are 6% two generations below you when you meet the qualifications, plus the ability to move on to Gold and above.

Maintain an Organization Point Volume of 4,000 each month to be eligible for Leadership Bonus at the pin rank of Silver.



Silver-The Purpose for Building It

Purpose is defined as: *a. something set up as an object or end to be attained: intention: resolution, determination. b. a subject under discussion or an action in course of execution.*

Therefore the first action is to figure out the purpose for doing what one is about to do and if that is important then it usually will get done because it is important.

You heard from Debbie today and her purpose was to help her family and especially her two grandsons, wow what a purpose.

Add that to someone directing her as to what to do to get the most of her activity. This was also in the background. Therefore having a mentor or a coach is extremely valuable, especially someone with experience and Sherri has that for sure.



How Does this Work

Therefore, what are you trying to accomplish? what do you have to do? , what are you offering? Are others required? Is someone else going to see this as something they need or want or will this resolve a problem, situation or desire they have?

In the beginning(1991) we sold distributorships and **the key to this was viability** and could you make money and the opportunity was validated by the fact that the products created results which meant that others would want them as well and money could be made.

This meant that most of the people being talked to were started by conversations of joining Nikken to become a distributor and this worked extremely well. If they didn't want that, then you could sell them product.



Find Out What they Need or Want

So what we saw in the plan and the requirements of the opportunity, it was easy to promote this as a solution, use the “tool” and show others how they could benefit by doing the activities, and that’s what I did.

There are many videos on daverolfe.com especially in the “**Take a Look Series**” that deal with structure and what a good distributorship looks like, how it gets created and how you get the benefits associated with what you want.

And benefits come in many forms.

The key is understanding what you want and what aspect of the plan will give you that. What I saw was that 94 % of the working population worked to earn a living and if I could show some of them a better “mouse trap” then I had a chance and when I found others that wanted what I wanted it became real easy.



Find Out What they Need or Want

Over my career in this business and in others that dealt with other people as a part of what was required, the KEY was finding out what they (other individuals) needed or wanted and then hopefully I could provide that, if not move on.

I also knew that I needed people who were on the same page and if they needed and wanted the same as I did, BINGO!!!

I also found out that I didn't have to guess what people needed and wanted as there were known areas that were very important like earning a good living to live decently.

Next then how do I make what I have more attractive so they would look then listen and then join and get involved and **this is the KEY** to the direction you take to get what you want.



Find Out What they Need or Want

The answer to that question was based on knowledge and understanding. How it works. What needs to be learned, the Big Picture, Structure, support and help.

Understanding the time required and the activities that need to be done. This information is vital and the key to your success, then simply ask the right questions.

Throughout our history and the history of our industry individuals took a hold of what they learned and used it to resolve what they needed to resolve.

So, if one doesn't get the right information, the right understanding then what a waste. As an example when someone agrees with you and wants to play then help them play, help them build a huge organization, don't just tell them call you if they need help.

It's your business build it.



Reality and What You Want

When I started my monthly budget for living was \$8,000 per month and I was unemployable and I needed to figure out a way to do that.

Once I understood what Nikken was, what it represented and the potential of being involved I thought I could get what I wanted by being involved and doing what was required and asked of me.

All I needed to do was understand what to do and understand what would happen if I did.

Now you and I know the rest because we are 32 years up the line from then and hindsight is the perfect science, right!

So, when it comes time to plan and strategize really understand what is needed and wanted as this will dictate the right solution to be applied.

The Ultimate Possibilities

	Generations	# to Sponsor	Total in Team
	1	3	3
Commissionable Volume	2	9 (3x3)	12
400 Distributors	3	27 (9x3)	39
6 Generations below	4	81 (27x3)	120
Average sales 2,500 per month per Leader	5	120 (81x 1.5)	240
Help 3 Front line make 12K per month	6	160 (120x1.3)	400

This was the idea I saw and then realized that I could build.



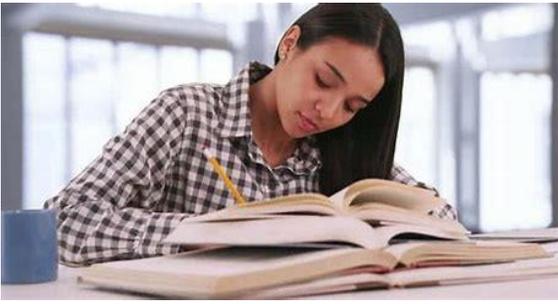
Reality and What You Want

So, if I wanted to earn \$8,000 per month, I had to know what that meant in terms of the Nikken plan. In today's world that means you need to do a number of things and create the required volume and results that Nikken would then pay you \$8,000, like the view from the previous slide.

This is an exact science here, there is no guessing. If the commission is 20% then you will get 20% not 25% and not 18% but 20%. Therefore the reality is what it is. Would I earn that \$8,000 by going Silver? Or would I earn this by building an organization with 40 to 50 Silvers?

The latter is more likely and so for me I wanted to know exactly, then I followed that idea and finally arrived. I arrived because I focused on the reality not wishful thinking.

My Initial Goal was 120,000 and I ended at 119,000 for my first year.



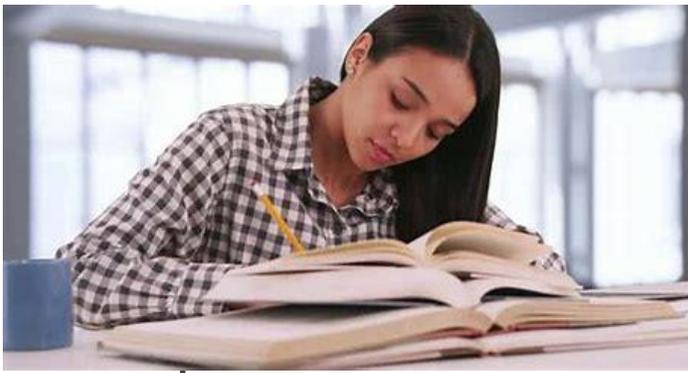
Supplemental Information & Homework

This is going to be an interactive homework assignment that you want to do with your partner, or your upline or mentor or someone you work with now and in Nikken. The idea is to create a plan that you would go and build build, so that your business will give you what you want.

You want to see what kind of structure is required, how many Leaders are required, how much volume is required and then what must be done to create this. I have provided some examples on the next few slides.

One of the keys is the structure and building a team and depth. There are plenty of videos on daverolfe.com that cover this idea and if you need any assistance let me know.

Being able to do this will give you a skill like no other in that you will easily be able to provide solutions for others and that really is all we do.



Income Formula

To help you with your homework here is the formula

I used to get the general idea of what I would need, to earn specific amounts of money. This did not include Retail Income, Rebate Income or any contests or incentives, those were extra. This was strictly Leadership Bonus Income, the 6% up to 6 generations in your organization.

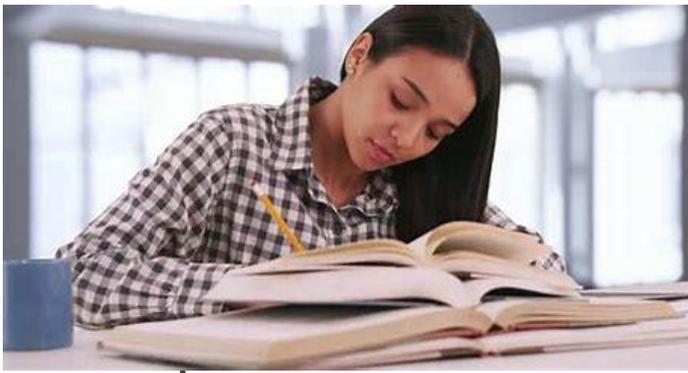
Another name for the is Residual Income

Volume Formula

$\text{INCOME/PAYRATE}(6\%)=\text{COMMISSIONABLE VOLUME}$ $\$8,000/6\%=133,000\text{CV}$

Our current system uses both Retail and Wholesale for your OV totals so to find out those figures CV is about 50% of Retail and 65% of wholesale, so the formula is the same

$\text{CV/RATE}=\text{Amount}$ $133,000/50\%=266,000$ Retail $133,000/65\%=204,615$ Wholesale



Figuring out Distributor Requirements

From the previous page we have the formula for Volume requirements that are desired or are required to reach a goal. Next is how many Distributors will be needed and what kind of structure must be built to utilize the Compensation Plan benefits.

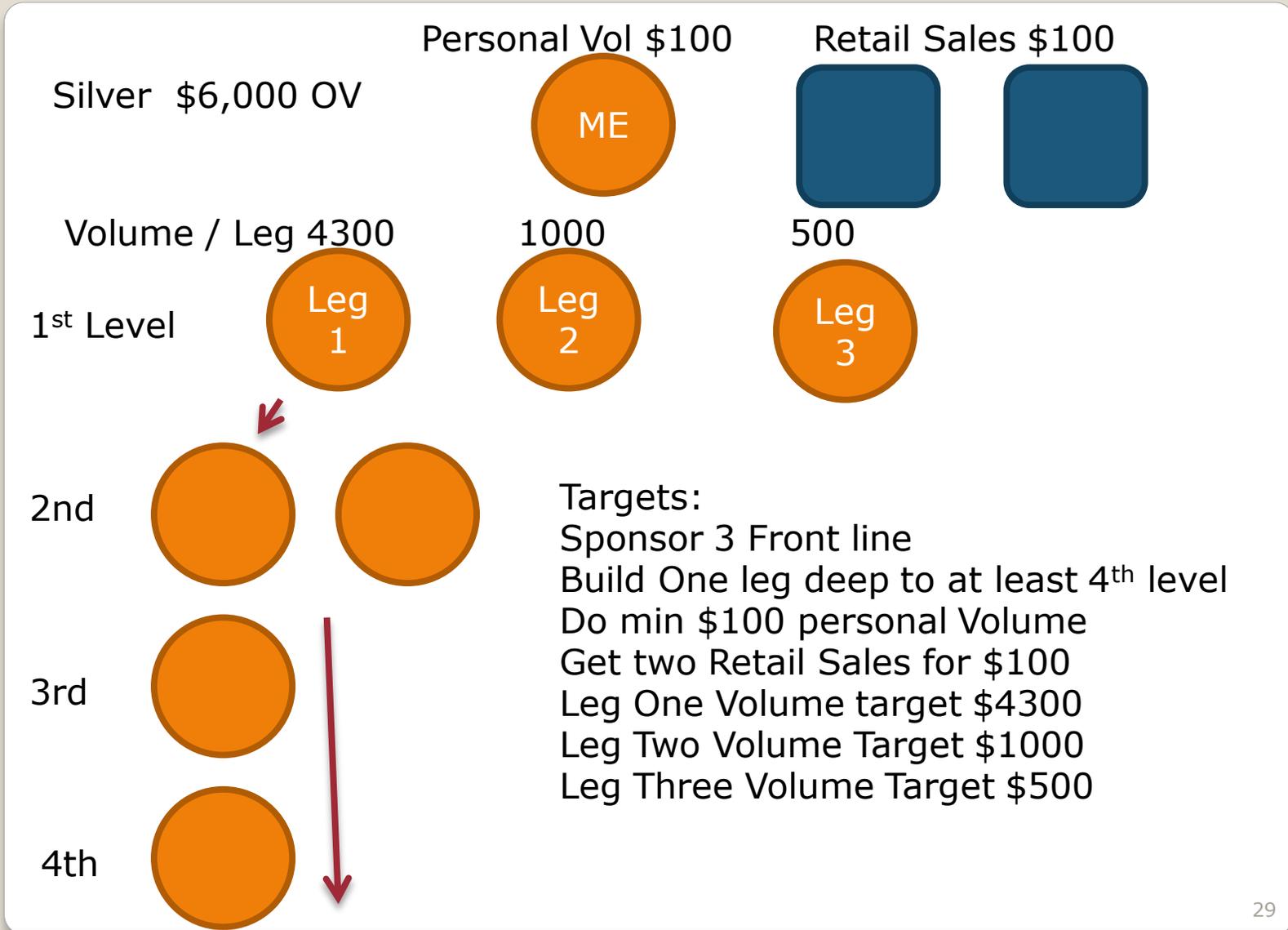
First People. When I did this I used average data that I either had from personal experience or from talking with others. Here is what will an active Distributor do in a month.

The Formula

Total Volume/Average per person= Number of Distributors $133,000/1,500=88$

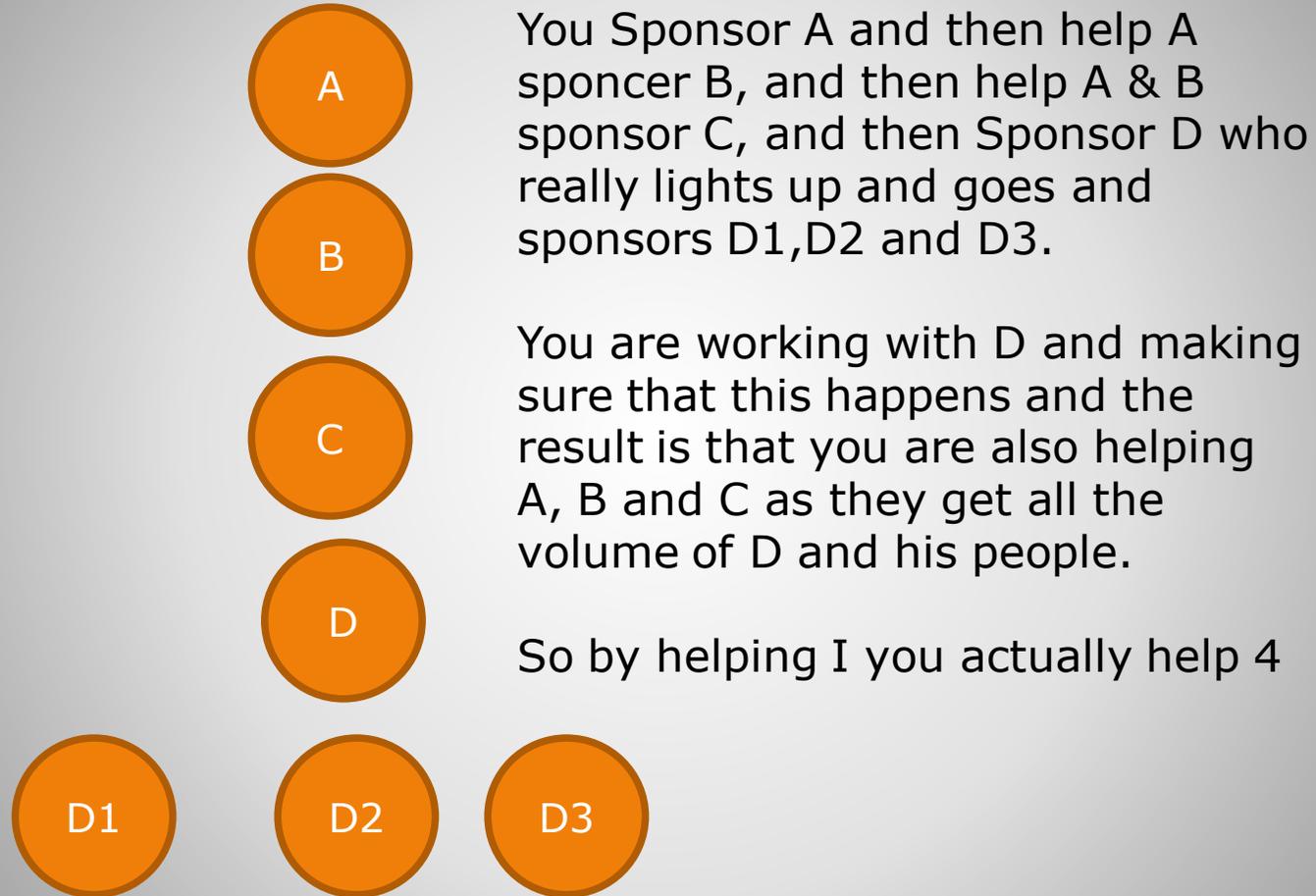
Then I would draw the structure which you will see next.

An Example of a Silver Business



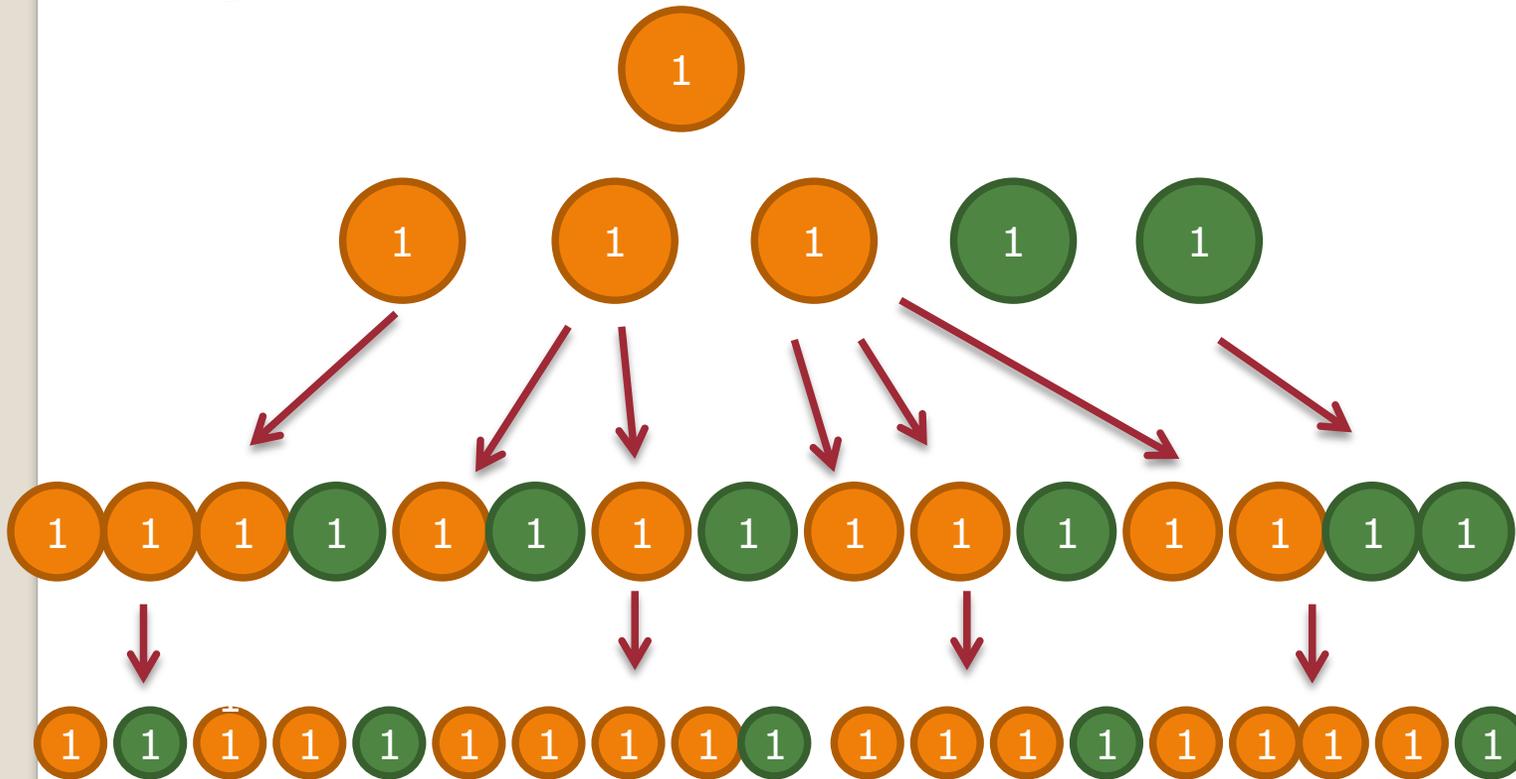
The Idea is to look forward into the future.
You are building this position so that you can build other Leaders who in turn build other Leaders That is the Main Benefit of Building to Silver.
Build in with Distributors and build it deep

How to Build a Leg



An Example of a Leg With 40 Distributors

- Leg One with a total of 40 Consultants



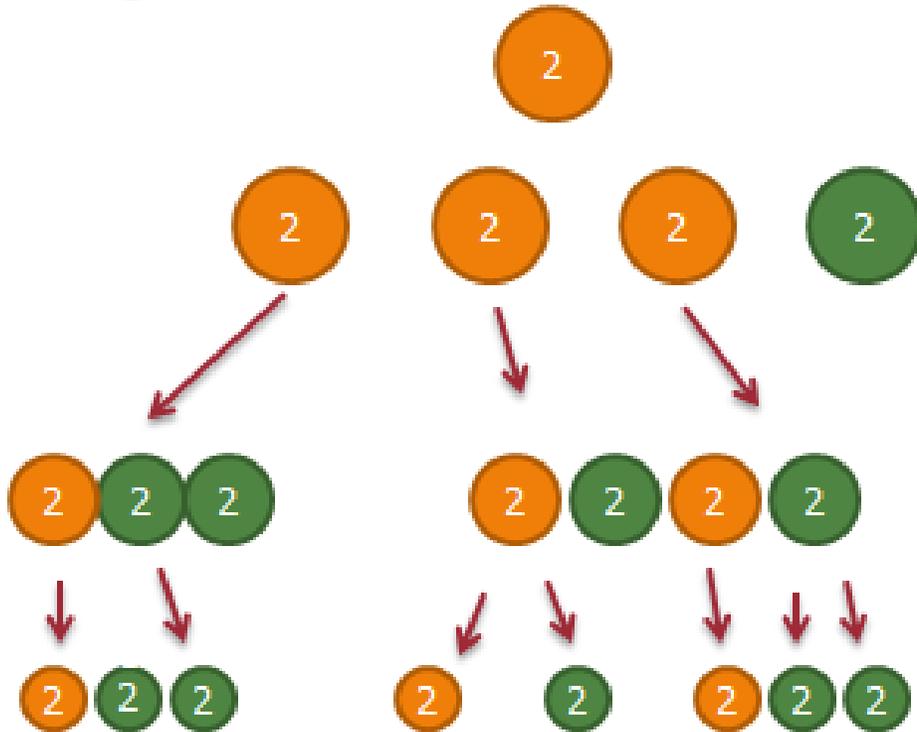
Insert the Formula Backwards

40 Distributors who produce
\$1,500 per month in CV would
generate an income of
 $40 \times 1,500 = 60,000$
 $60,000 \times 6\% = 3,600$

So you can see what is basically
required and this can be
increased or decreased by adding
retail, PGPV and incentives

An Example of a Leg With 20 Distributors

- Leg Two with a total of 20 Consultants



Insert the Formula Backwards

20 Distributors who produce \$1,500 per month in CV would generate an income of

$$20 \times 1,500 = 30,000$$

$$30,000 \times 6\% = 1,800$$

So you can see what is basically required and this can be increased or decreased by adding retail, PGPV and incentives



Thank You

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