BBB NATIONAL PROGRAMS, INC.

The Direct Selling Self-Regulatory Council

Case Number: 10-2019 – Monitoring Inquiry – Magnolia and Vine

COMPANY DESCRIPTION

Magnolia and Vine ("the Company") is a multi-level direct selling company that was launched in February 2015 and is headquartered in Minnetonka, Minnesota. Magnolia and Vine offers snap jewelry and interchangeable handbags. Magnolia and Vine Style Consultants sell products and recruit other consultants through in-home socials, events and online.

BASIS OF INQUIRY

The Direct Selling Self-Regulatory Council (DSSRC), is a national advertising self-regulation program administered by BBB National Programs, Inc. This inquiry was commenced by the DSSRC pursuant to its ongoing independent monitoring of advertising and marketing claims in the direct selling industry.

More specifically, DSSRC identified several core product earnings claims being disseminated on Facebook posts of Magnolia and Vine style consultants as well as on the Company website, including the following representative claims.

- "Write your own story in 2018 as a Style Consultant with Magnolia and Vine! Earn extra income to pay off bills, take a dream vacation or remodel your home! Have fun building a second income!"
 - https://www.facebook.com/snapjewel/photos/a.836927263051044/1598682453542184/?type =3&theater
- "Free Vaca[y] YES PLEASE! As a Style Consultant with Magnolia and Vine you not only earn free and discounted product, but also jet set vacations like Mexico, Dominican Republic, and Costa Rica!
 - Escape 2020 brings us to the historic shorelines of Nuevo Vallarta, Mexico and we couldn't be more excited for you to kick back, relax, and enjoy the perks of owning your own business. Join us and ESCAPE with us! Ask your Style Consultant for details or visit www.magnoliaandvine.com/sign-up"
 - https://www.facebook.com/MagnoliaAndVine/videos/432513007493973/
- "We believe in big rewards for big successes. So every year, we treat our top performers to an all-expense-paid getaway to a fabulous new location. With a stunning beach and luxurious accommodations as our very own playground, we relax, indulge and celebrate out savvy and ambitious trip earners' relentless commitment to Magnolia and Vine. See where we are going in 2019!!"
 - https://www.facebook.com/MagnoliaAndVine/videos/1806385872725935/

• "Punta Cana here I come!! Magnolia and Vine has made this possible!! We have such fabulous, great quality, jewelry and accessories, it makes it easy to sell and earn a great income. The trips are just an added bonus!! I love my job!! Only a little over a year with the company, and I get to go on this fabulous trip, I am so excited!! Who wants to join me on next years trip??? Ask me how??"

www.mymagnoliaandvine.com/3629"

https://www.facebook.com/blingitupwithbrenda/photos/a.347418992266527/5946435275440

71/?type=3&theater

• "Magnolia and Vine has literally changed my life! It has made me feel great about myself by being able to help others, earning a trip for my husband and I, and accumulating a nice income each month – All while having the flexibility of making my own schedule –Beth K, PA"

 $\frac{\text{https://www.facebook.com/MagnoliaAndVine/photos/a.903281653036366/154216358248150}}{0/?type=3\&theater}$

- "Earn extra holiday spending money and build an unlimited income!! Fun, Friendships, Free Trips and incentives! Message me for details!"
 https://www.facebook.com/snapjewel/photos/a.836927263051044/1509608745782889/?type=3&theater
- "Enjoy unlimited earning potential..."
 https://magnoliaandvine.com/join#our-community
- "When I joined Magnolia and Vine I wanted to make some money to help pay for my daughter's college tuition. I had no idea how it was going to impact my family. Not only was I able to pay for her tuition but my income allows my family to go on fantastic vacations. But I think the best thing that has happened by joining Magnolia and Vine is that I have been able to create a team that extends across the entire U.S. I get to work with amazing people and support them to make their dreams come true."
 https://magnoliaandvine.com/join#our-community
- "I joined Magnolia and Vine to replace a lost income and it has become so much more. I've developed the best relationships I've ever had and continue to meet amazing women. My vision is to help women "find their happy". I want every woman to feel loved, valued, and supported so she can achieve her dreams. Magnolia and Vine has allowed me to be available to my two daughters and inspire them as they see me earn awards, trips and a great income. I am so thankful for every part of this opportunity. Anyone can do it and I love to share it!"

ADMINISTRATIVE DETERMINATION

During the pendency of the inquiry, DSSRC was informed by Magnolia and Vine's founder and CEO that the company was winding down operations in both the US and Canada and would be dissolved on December 31, 2019. DSSRC confirmed that the company's representation regarding the status of the business is consistent with its messaging to Magnolia and Vine style consultants in early December 2019.

Accordingly, based upon the representation of Magnolia and Vine that it has permanently ceased business operations, it was determined that the best allocation of DSSRC resources would be to administratively close the advertising inquiry.

(Case No. 10-2020 PCM, closed on 1/14/20) © 2020. BBB National Programs, Inc.