

2015 Presidential Leadership Event in Maui

Monday Call January 12, 2015

- “Mannatech Now” meeting at Corporate Offices or www.mannatechlive.com with Presidential Merri-jo Hillaker and AL Bala, President of Mannatech... Tuesday January 13th at 7:30 Pm
- 2015 Incentive Announcement... January 15... watch your email for more information from Mannatech
- Last week of BP 1

Opening Party Monday Night

1. \$5M profit ending 2014
Dallas Morning News article 1/5/15 listed Mannatech as the 6th most improved publically traded company in the DFW area. Note that there are more Fortune 500 Companies in TX than any other state in the USA.
Dr. Ben Carson has taken our products for more than ten years!
2. ROB SINNOTT: Starting the new M5M Foundation with over \$400,000 in the M5MF bank account.
3. AL BALA:
"We don't dream about walking the beaches of the world. We do so!"
New Presidentials couples: 3 Canadians, 4 South African, 1 Spain, 1 Japan, 5 S. Korea, 1 USA. Most of these couples are in their 30's!!

Tuesday Morning

1. STAN FREDERICK:
You're here because your WHY was strong enough.
Warren Buffett's (#1 investor in the world) formula:
 - 1) Buy in a growing industry
 - 2) Buy in a growing company
 - 3) Keep it for the long term.Growing industry: \$178B in sales, 8% higher than previous year(2x growth of retail) Buffett owns 2 MLM companies. 98M associates worldwide; in 68 countries
Ackman (Hedge Fund Mgr) is determined to take down Herbalife

(although with his stock put options expiring next week, perhaps he will let up). Stan wants to fight that. Pete Sessions (Chairman of the Rules Committee) is a congressman from Dallas who is in support of introducing a law saying Direct Marketing is a noble and honorable profession. But we need to find more Congressmen in support.

Growing company: 3rd Q results sales up 25% 3rd Q, 11% for the year! We now have the cash to expand the business. Interest in opening more countries like Israel, et al. Cash went from \$26M up to \$41M. Our board members have purchased (other than Ray and Stan) over \$1M in Mannatech stock!

Stay for the Long Term: That's the part that's tough. We've all quit a couple times. You haven't failed until you don't try again. You get knocked down; you get up.

2. ROB SINNOTT:

The simple, basic things make all the difference. Simplify. Be able to explain your plan. Our heart and our core will never change. Operational efficiency (faster delivery, less expensive products).

Corp. goals for 2015:

- 1) Develop a culture of recognition and rewards. U of Dallas studied all the publicly traded companies in Direct Selling. Mannatech was at the top in compensation. We've got to fix the comp. plan once and for all and then leave it alone.
- 2) Personal Development & Recognition. S. Africa refocused Rob to knowing this company was right! The leaders had intentional, disciplined, organized sequence. They provided recognition.
- 3) Compelling, **crispy**, simplified, compliant, appealing 2-minute messaging. We've got to stay current; no more tackiness.
- 4) Simple, direct, stripped-down, world-class Web ordering and on-line technologies...no more Band-Aids or duct-tape, etc.

Now that Mannatech is making lots of money, we need to go forward with profitable growth strategies and investments: prudent expansions, NX-payment card system to streamline payments, international sponsoring.

- 5) Profitable growth strategies: intl sponsoring made easy and protected.

3. MARK NICHOL (CFO):

2013 practice; 2014 warm up; 2015 game time!

<u>Sept'14</u>	<u>Dec'13</u>	<u>%</u>	<u>Growth</u>
\$29.1	23.5		+24% equity
\$75.6	56.1		+ 35% assets
41.1	26.2		+57% cash (tremendous!)

23 countries including Spain.

Paid in whichever currency and country you wish. Direct deposit to your credit card and not just your bank account.

The Mannatech Team: honorable, unified, passionate, persistent, ambitions.

Team Training (super regionals): community, accountability, personal growth, show the plan.

Game Plan:

-Define your vision: w/in 3 BPs, w/in 13 BPs

-Forecasted Execution: On-time, on-budget, meet expectations

-Communication: Share the vision.

4. AL BALA:

a) Making money matters to associates. They stay in if they are making money and have reasons to believe they'll make more money. What really matters will be tracked and rewarded with income and incentives:

b) Defining metrics: Leadership level, GPV, Commission/leader cash flow.

Growth metrics: personal & group enrollment, automatic orders, leadership development index.

Foundational Predictive metrics: # of associates at events (monthly, quarterly, annual), # of TOM's (tools of the month), # of achiever level development (including Senior Nationals, Senior Executives).

c) Comp plan changes (while Al Bala was in Korea, he was told that the comp plan we have now is okay but it should be better). More APO and try to get back to around 10% relationship: when at 20,000 GPV should make \$2000.

There is a desire as well to eliminate obscure and non impactful bonuses: improve simplicity of the Plan; move the savings into APO while creating more levels of success (senior national and senior executive).

5. JOEL BICKMAN:

Introduced Pete Benedict. It will take 12-18 mos transition to provide new web site (no more bandages) once and for all by replacing everything with what Icentris offers: Pete Benedict from Icentris will finally get the job done. Icentris has been in business for 15 yrs...has great history of success in our industry. Icentris was the original provider of Success Tracker and MannaPages but patched them in because they were not able to provide the whole thing.

Web goals on behalf of Mannatech implementing **VIBE** (Vitaly Important Business Experience): Make ordering and enrollment easier, leap frog ahead of competition, support future growth and expansion, provide leading edge tools, simplify and enhance the web experience, support associates in business activities, attract a younger demographic, leverage technology to enable associates to run their business better. THIS IS DEFINING THE WAY WE DO THE BUSINESS NOT THE TOOL DEFINING HOW WE DO BUSINESS.

Tuesday Afternoon

1. JOEL BICKMAN:

Introduced the best branding team: Craig Hedges. Same group we worked with at Leadership Event in November. The logo is not the brand. A brand is a gut feeling by emotional, intuitive beings...a company's reputation. WHY BRAND? BUILD TRUST. Trust = Reliability + Delight.

3 Factors Critical: (1) Story (what you say), (2) Culture (who you are), (3) Experience (what you deliver).

Emotions are the way our brains encode things of value. "Start with Why" by Simon Sinek...is all about this.

All Presidentials then worked on an exercise for the next 2 hours, helping to define the 6 categories: **Who the brand is:** heritage of M, personality of M, sensory assets of M (jingle, appearance). **What the brand provides:** emotional benefits (how do I feel using this brand?), functional benefits (how well does it work for me?), self-expressive benefits (what does it say about me that I use this brand?).

Wednesday Morning

Breakout for North America...kicked off with a short video of fun

activities in last incentive, Punta Cana, last month.
Announcement of New Incentive to be made this Thursday!!! BE
READY and DON'T MISS.

1. ROB SINNOTT

Talked about momentum...he predicted the S Curve move: now in a
period of 6-7 year momentum...so jump on board and ride it.

2. AL BALA

Noticing green shoots of new growth in the USA.

Long Term: 3 Point Plan fully implemented..."this is an organic
growth platform."

Shorter Term: Comp plan changes, back end office, Uth is a
"billion dollar product," Events are critical...Don't miss Mannafest.

3. GENERAL MANAGER FOR MEXICO (DIEGO)

Columbia will open in the next 90 days. Looks to be a very profitable
market (\$3B of MLM already doing business there). Start at home by
getting the Hispanics enrolled. Toward the end of January, email info
should be available. There will also be phone recording and
conference calls.

4. LOYALTY PROGRAM - Terrie Bayless

Those who remained "10 percenters" will be switched to the
loyalty program next BP with a free product.

5. GENERAL MANAGER FOR USA (BOB ADAM)

3-Point Plan hinges on being a good mentor. John Maxwell "How
Successful People Grow" (Chap.13 on being a mentor). Growth is
highly intentional (a specific sequence is necessary rather than
randomness, the blind leading the blind groping in the dark). I want
to invite you to dance.

1) Lead by example.

2) Is Available ~ it takes time and focus to mentor well.

3) Proven experience, not just theory.

4) Possess wisdom: he who walks with the wise, grows wise Act
wisely and with integrity. Who we hang out with in books changes
us.

5) Provide friendship and support. Good mentors care.

6) Make a difference in the lives of others.

6) Continues to be mentored himself; never stops learning.

6. JOEL BICKMAN & ODIN CLACK

Go to mannatracker.com from your phone or computer. Scroll down and use Summit15. Helps you track your daily activities, etc. Set small goals to achieve the big goals which you want.

Great tool for accountability.

7. AL BALA

M5MStore.com Success magazine and 3 CDs (\$12.99/mo. later). Free with \$19.99 Success Tracker Subscription.

8. BOB ADAM

Incentive 2015. Launch BP2 - 13 (Jan. 17 - Dec. 17). Destination: TO BE ANNOUNCED Jan 15, 8PM Central on incentive call. The 12 BPs will be divided into 3 Challenges of 4 BPs each, all contributing to the overall success, but each focusing on the different metrics mentioned previously (enrollment, activation, development of leaders, etc.). In addition, top performers in each Challenge will get additional instant and longer termed rewards, plus special upgrades at the RESORT. Mannatracker.com will be utilized to help you and corporate track your success.

9. AL BALA

The NEW "Choose Your Lifestyle" presentation (remake of the Bo Short Powerpoint from Leadership Event.) Merri-jo will be doing live on MannatechNow Tuesday Night. Also, they will be providing a suggested script. Its Your Choice... Secret: Find the hot button and push it.

MannatechNow.com

10. BOB ADAM

Introduced the 2015 North American Associate Council Members: Luciano, Enabnits, Franklins, Hines, Latrelles, Praters, Thuresons, Vanderhoof.

NAC@mannatech.com & Terrie Bayless.