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BBB Warns Consumers About Possible Pyramid Scheme Wednesday, September 23, 2009

The Better Business Bureau serving Southeast, Central & Western Kansas wants to make consumers aware of a new money making opportunity that claims to “Multi-level market the Internet” could be nothing more than a pyramid scheme warns Better Business Bureau.

An investigation by BBB shows that iJango – a new self-described multi-level marketing company – is aggressively seeking representatives for a product that has no track record. Consumers are paying hundreds of dollars in upfront fees based on the claim that they can earn money by recruiting others to do the same – a red flag for pyramid schemes.

Multi-level marketing is one form of compensation often employed by direct selling companies, whereby sales agents recruit other sales agents and receive a cut of their sales for products. Pyramid schemes, which are illegal, promise that participants can make money primarily by recruiting people who then pay for the opportunity to recruit more people. The money is then filtered up through the pyramid.

“Millions of people earn honest money by selling products through multi-level marketing; however, some money making opportunities blur the lines between MLM and pyramid schemes.” “iJango is making big promises about its money making potential, but based on our investigation, BBB believes the potential to generate revenue may primarily depend on the ability of participants to recruit additional representatives.”

More than 3,400 people nationwide have contacted BBB to check out Austin, TX-based iJango since August 1, 2009. iJango is being marketed heavily on Web sites, including YouTube and Twitter, through spam e-mail campaigns and at in-person sales presentations across the country. In-person sales presentations have been held in many cities including Phoenix and Plano, Texas, with people having been contacted by e-mail and encouraged to take advantage of the opportunity.

In the company's promotional materials, iJango is described as an interactive Web site "portal" for customers to access social media and interact with online merchants.

iJango claims that their representatives can make money by inviting "friends, family and associates to use iJango...for FREE!" The business claims that this portal tracks individuals' Web traffic and e-commerce, thereby generating commissions payable to iJango based on Web page views and purchases made by the user.

iJango says participants can pay an upfront fee of \$50 to join the program, but recommends purchasing a package for \$149.95 with a monthly maintenance fee of \$19.95. The company further claims that consumers participating in the program will earn income in two ways:

- The recruitment of other individuals to purchase the opportunity and the recruitment of registered customers.

- Commissions that are generated by Web site traffic and purchases through iJango Web site “portals.”

BBB has recently received complaints concerning the ease of use of the iJango portal, delayed availability of materials and alleged difficulty in canceling membership. The company has responded to some consumers by stating that they have issued, or will issue a refund. iJango has earned a BBB rating of F – and its full BBB Reliability Report™ is available online.

Cameron Sharpe is one of the co-founders of iJango and has traveled the country presenting the iJango concept. Cameron Sharpe also co-created Ultimate Introductions, a.k.a. Ultimate Singles, a supposedly Christian dating service that generated complaints from customers by charging thousands of dollars and failing to deliver on promises. Ultimate Introductions was sued by another company in 2004 for theft, fraud and unfair competition; as part of the settlement it was required to go out of business.

BBB recommends consumers exercise extreme caution when evaluating any business opportunity and consider the following advice in order to make an informed decision:

- Avoid any plan that places primary emphasis on commissions for recruiting additional distributors. It may be an illegal pyramid scheme.
- Beware of plans that require purchase of expensive products and marketing materials upfront. These plans may be pyramid schemes in disguise.
- Beware of plans that claim to sell miracle products or promise enormous earnings.
- Don't pay or sign any contracts in an "opportunity meeting" or any other pressure-filled situation without first taking time to think over the decision. Talk it over with a family member, friend, accountant or lawyer.
- Remember that no matter how good a product may be or how solid a multi-level marketing plan appears, an investment of time, as well as dollars, may be needed for your investment to pay off. If it sounds too good to be true, it probably is.

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Reporter: News Release

Email Address: news@kake.com

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