

Committee Testimony in Support of HB 329

Thirty-One Gifts LLC

Michelle Roe

Vice President, General Counsel

October 10, 2017

- Good morning and thank you all very much for your time today.
- My name is Michelle Roe. I am Vice President, General Counsel of Thirty-One Gifts.
- We would like to respectfully request your support of House Bill 329.
- The corporate headquarters for Thirty-One Gifts is based in Columbus OH, near Easton Town Center.
- Thirty-One Gifts is a direct selling company that offers women's fashion accessory items, such as purses, wallets, organizing totes, thermal bags, jewelry and home utility products.
- In 2003, Cindy Monroe founded Thirty-One Gifts in the basement of her small home in Soddy Daisy, Tennessee, near Chattanooga.
- Cindy named Thirty-One Gifts after Proverbs 31 in the Bible, which praises the virtues of a hard-working woman helping to support her family.
- Cindy, a young, aspiring entrepreneur married with two very young children, moved her small business from Tennessee to Johnstown Ohio in 2009 to tap into the immense retail talent pool in the Central Ohio area.
- Within six short months of her Johnstown building opening, Thirty-One Gifts outgrew that facility due to consumer demand and needed to move into its current 800,000 square foot headquarters at our Easton location, which houses both front office and distribution center employees.
- Today, we have 1000 employees in our Columbus headquarters, with distribution center personnel working three shifts, seven days a week.
- We also have approximately 70,000 independent sales consultants in the United States and Canada and have recently announced plans to further our company's growth with international expansion into Mexico.
- In the US generally, direct selling is a significant industry – with over 20 million direct sellers in a \$36 billion/year industry.
- Moms with young kids, as well as teachers and nurses, often join direct selling companies like ours to enjoy flexibility in their days and to help supplement their family income to pay for routine expenses like grocery bills and sports for their kids.
- In Ohio alone, Thirty-One Gifts has approximately 4,000 active independent sales consultants throughout the State today.
- Since the beginning of Thirty-One in 2003, our company has paid over \$120,000,000 in commission payments to its independent sellers in the State of Ohio.
- Our consultants have paid tax dollars to the State of Ohio on these commissions, and Thirty-One Gifts has itself contributed significant tax revenue to the Ohio economy.
- We also hold various business events throughout the year in Ohio, and our independent sellers from the U.S. and Canada travel into the State of Ohio for these activities.
- Each July, we also hold our Annual Convention in downtown Columbus at Nationwide Arena and the Greater Columbus Convention Center, where the scene turns pink with about 10,000 of our energetic attendees embarking upon the City. Thirty-One Gifts and its consultants spend an estimated \$10,000,000 each year on hotels, transportation, restaurants and vendor contracts during our annual convention event.

- **We support House Bill 329 because it will add protections for Ohio consumers by more clearly defining what type of direct-selling companies are legitimate versus those that are illegal pyramid schemes.**
- **Ohio has been a great home to Thirty-One Gifts, and we appreciate your help in keeping it that way.**
- **Thank you very much for your time today, for Representative Pelanda's sponsorship of this bill, and for your support of HB 329 and Thirty-One Gifts.**