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QUIXTAR MARKS FIRST YEAR IN BUSINESS

GRAND RAPIDS, Mich., Aug. 29, 2000 – Quixtar's 9/1/99 launch inspired millions to check out www.quixtar.com, requiring the company to add dozens of servers to handle the incredible volume. A year later, that enthusiastic reception has transformed into record-setting sales driven by a dynamic network of more than 400,000 Independent Business Owners (IBOs).

Quixtar, which features a rare blend of shopping, member benefits and business ownership, expects to announce first-year sales placing it among leading consumer-focused e-tailers. In just 200 days, Quixtar saw sales of more than \$250 million – a level Amazon.com didn't experience until its third year. And Quixtar did it with *no* advertising.

"Our business model relies on people across North America who partner with Quixtar to accomplish their personal goals," said Ken McDonald, Quixtar's Managing Director. "It's our business to provide a top-quality Web-based shopping, membership benefits and business experience they can market to others. In short, we're here to help IBOs make some money; whether it's a little or a lot is totally up to them."

More than \$80 million in bonuses and incentives were earned by IBOs in Quixtar's first 200 days, and business has grown since then. In April, Quixtar had its first \$4 million day, and daily sales are now averaging over \$2 million.

"We've learned a lot about what works and what doesn't this past year," said John Parker, VP of Sales and Marketing, "and we're applying that ever-expanding expertise to the continued growth of our business." Refinements to Quixtar since launch include adding new servers to handle traffic, revamping various areas of the site for easier use and navigability, and adding many new partner stores. Earlier this year, Harris Interactive rated Quixtar the top Health and Beauty site for the 1999 holiday season and Nielsen//NetRatings ranked Quixtar the 7th "stickiest" shopping site accessed by Web surfers from home.

"Recognition is nice," said McDonald, "but when the day is done, profits are what's most important to the health of this business. We're pleased IBOs are able to create profitable businesses powered by Quixtar and, at the same time, help us to be profitable, too."

Based in Grand Rapids, Mich., Quixtar, Inc., is owned by the families of Rich DeVos and Jay Van Andel, founders and operators of numerous successful ventures in direct selling, hospitality and sports entertainment.

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