

SPECIAL REPRINT EDITION

# Direct Selling News™

Serving the Direct Selling and Network Marketing Executive

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## The Magic



# f Heritage

**A** picture is worth a thousand words. When combined with a story, it's worth much more. Heritage Makers shows consumers how they can document anything—from a moment to a lifetime—with its custom-created storybooks, designed to strengthen families through storytelling.

Conceived as a way to celebrate life and all of its moments, Heritage Makers fulfills its mission of helping others discover, preserve and celebrate family stories through its product offering. "A picture without a story is a memory lost," says Doug Cloward, President of Heritage Makers.

### Creating the Magic

The company was founded in 2005 on a bootstrapped budget when Cloward partnered with Sharon Murdoch, Heritage Makers Co-Founder and board member. Cloward had been doing his homework on a business called Heritage Home Studio when he discovered Murdoch's idea of combining scrapbooking with personal stories—called "storybooking." "We started Heritage Makers and found that people everywhere

were anxious to celebrate the heroes, traditions and values of their lives to help build a family heritage," he says.

He noticed that many families have a designated family historian who keeps all the photographs and family heirlooms, passing them down from generation to generation. But by the second or third generation, information has been lost. Cloward encountered this in his own life when his wife's mother passed away.

The Clowards found boxes of photographs, but in many cases, they didn't know who was shown. Doug Cloward found himself wondering who the people were and what the event was. He says, "It *must* have been important for them to take pictures when photographs were a lot more expensive. But if no one knows who they are, the photos don't have meaning anymore."

Heritage Makers' storybooks offer a written and photographic testimony of an important event. And modern parents, in particular, are taking note. "Parents go from capturing the things of the present, like weddings, births and holidays, to things of the past," Cloward says. "They want their children to know the stories of their grandparents or great-grandparents and their family's history."

“These storybooks are incredibly powerful tools for children to get a sense of identity.”

—Doug Cloward, President of Heritage Makers



**Customers can create Heritage Makers projects online.**

Heritage Makers allows families to define what it means to be a Jones or a Brown. “These storybooks are incredibly powerful tools for children to get a sense of identity,” Cloward says. “The real power of Heritage Makers is when parents discover that they can intentionally build a heritage in their homes by determining what values they want to have.”

When he helped create Heritage Makers, the company moved to a digital process that allows customers to go online, decide what they want to produce and upload pictures. With unlimited photo storage, customers can drag and drop or point and click. The digital storage component includes a section for

notes, safeguarding both the photos and their stories. This gives clients the chance to order different books, tailored to every occasion.

The company actually sells “publishing credits” and discounts, placing them in each customer’s personal, private account along with the customer’s photos and any notes. Heritage Makers also offers replacements books at half price, should tiny, peanut-butter-and-jelly-laden fingers ruin a family heirloom. Cloward tells of one father who was looking over a book he got for Father’s Day while riding his lawnmower. He dropped the book and ran over it. Heritage Makers replaced his book, as well as others destroyed by anything from Hurricane Katrina to a particularly rowdy show-and-tell session at school.

Customers, known as clients, go online and use their credits to create books and place orders, customizing each page to their specifications. The company’s “personal publishing consultants” show clients how to use the technology while building their books. Ordering is accomplished through a secure Web site with individual usernames and passwords.

“Our consultants are teachers,” Cloward says. “They hold what we call workshops, and they share with people how they use the technology to create a number of print projects that are focused on celebrating the events and heroes of their lives.”

And their clients *love* it. Cloward says more than 80 percent of all purchases are client-

**Storybooking 101**

Storybooking combines the best of scrapbooking with the convenience and ease of technology. The company boasts virtually no inventory, focusing on using digital art. “We now have 30,000 pieces of digital art that people can draw from and a turnaround time that is often less than a week,” Cloward says. “Technology’s been our initial focus.”

But the product wasn’t always created that way. In its early days, each book was hand-created. “We started with these little log/scrapbook-type kits with scrapbook paper and instructions on how to interview your grandfather, for instance,” Cloward says. “Initially, [customers] would paste the pictures in a little blank, local spiral-bound book, paste or handwrite information, and send it in. We would copy that information, essentially color-copy it, typeset it, then bind it.”



# Magic Moments

**C**hris Lee, CEO of Heritage Makers, coined the phrase magic moments in reference to how people react upon receiving the product as well as what the company offers its consultants.

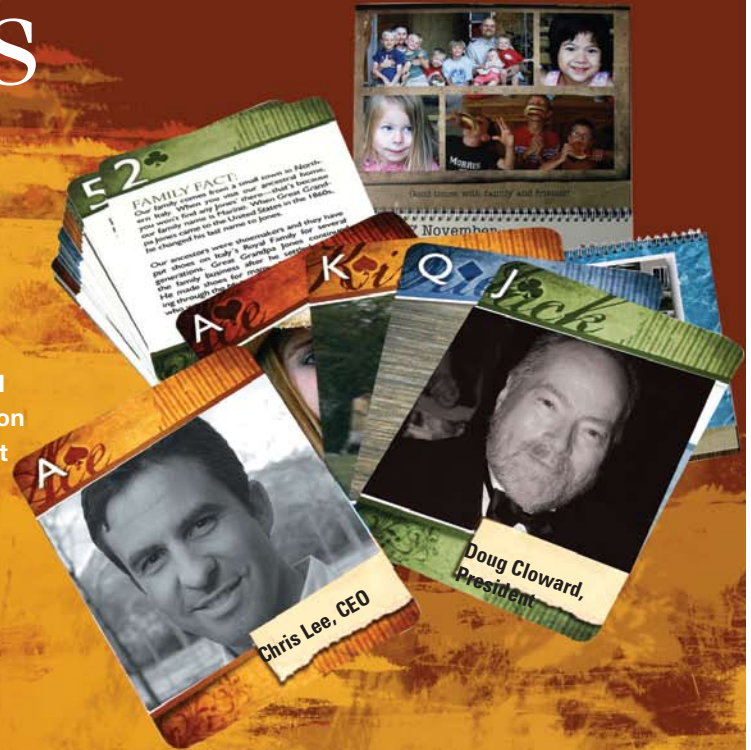
Doug Cloward, President of Heritage Makers, says there are five magic moments, starting with creating the book.

The second moment occurs when clients receive their customized book. "It's like the stork landed," Cloward says. "I can't describe how absolutely elated customers are. They're on the phone, calling neighbors and family to come and see what they created. It's just an incredibly joyful moment for them."

When a new consultant shares Heritage Makers' products, they share in the magic of someone else's creation, which is the third magic moment.

The fourth moment is when a new consultant receives that first check. "That check they receive from helping someone else capture and celebrate their heritage is the fourth magic moment," Cloward says.

The fifth and final magic moment occurs when a consultant signs on a new person and sees the new consultant's excitement and joy at helping others preserve their family memories.



driven. "Our clients are just enamored with the freedom of being able to create their own business and products," he says. "The convenience of using their computers means they can access their accounts when *they* want to."

## 📖 Growing Pains

Rather than using traditional marketing to reach people with the concept, the founders chose to rely on word of mouth to carry the Heritage Makers name, focusing instead on the technology. And the story spread quickly, with the company boasting more than 130 percent sales growth over January of 2008. "It went lickety-split across the country," Cloward says. "In very short order, we had people in every state. But finding the initial leaders continues to be a challenge." The company is still looking for leaders in several markets.

Heritage Makers' salesforce, now totaling approximately 6,000, is growing fast. Its technology-driven model attracts younger consultants—those comfortable working with computers and peripherals.

The company uses the latest in technology for training as well, providing online tutorials, webinars and consultant-led workshops. Workshops help clients and future distributors overcome any fears about the technology. "We find a lot of people are very interested in what we're doing, but, initially, they're afraid of the technology," Cloward says. "We've simplified that. What we're really doing is teaching people how to use their computer to create these fabulous heritage projects."

While Heritage Makers is known as a party plan company, its consultants use a workshop format instead of a traditional party. Consultants earn up to 30 percent on product purchases.



"In terms of a commission plan, we have the richness and depth of traditional network marketing companies," Cloward says.

Cloward doesn't necessarily believe that the direct selling industry is countercyclical to the economic climate; however, he does say that there will always be a market for this type of product. "When people have stopped buying motor homes and making expensive travel arrangements, there's still going to be a need to celebrate the family," he says. "There's a tremendous opportunity, not only with our own business but also within the industry for products that focus on celebrating family life."

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Heritage Makers' Provo, Utah, headquarters



## An Eye Toward the Future

Although Heritage Makers is currently only in the United States and Canada, the company is looking forward to expanding into New Zealand, Australia and the UK. "We have people just clamoring for us in those markets," Cloward says.

The company doesn't show any signs of slowing, either. "Quality storybooks are powerful tools in the home," Cloward says. "When you have a sense of who you are, it influences the decisions you make." *DSN*

**For more information, please contact:**