

Scent-Sations rises above the competition

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"We make scents, you make dollars."

That slogan painted on the side of a van owned by Scent-Sations, Inc., the maker of Mia Bella candles, sums up an important aspect of the company's success.

Two of three partners in the venture, Bob Scocozzo and Charles Umphred, were successful direct marketers for several years before they joined with Carmen Milazzo to form Scent-Sations. Also known as multi-level marketing, or MLM, direct selling uses a large network of mostly part-time distributors to promote and sell products person-to-person rather than in stores.

"When a direct selling business works it is far superior to a 'shelf' industry," Umphred said. "To me it is a superior model."

Unlike its two largest competitors, PartyLight and Gold Canyon, Scent-Sations does not use the party model. According to Gold Canyon's Web site, a party host earns \$60 if sales are between \$400 and \$549.99. The host also is allowed to buy two items for half price.

But to get started, distributors must purchase a "demonstration kit" that costs \$175. That kind of fee is how most direct marketing companies make money, Umphred said, as well as by keeping the vast majority of the profits.

PartyLight doesn't even pay hosts in cash, instead offering free or discounted merchandise, according to its Web site.

Scent-Sations makes it much easier for the distributor to make money. The minimum purchase is only six candles, bought at half the average \$18.95 each retail price. If sales exceed \$45 per month, which represents just a handful of candles, Scent-Sations sets up and maintains a Web site for the distributor and handles all the order processing of Internet sales. There is no upfront payment and no contract.

Distributors are free to sell products any way they wish - at parties and craft shows, for fundraising or by "walking and talking" as they go through the day.

Even with incentives like that the typical distributor is looking only for supplemental income and sells \$100 to \$300 per month, Umphred said. That makes it imperative that direct marketers build large networks of distributors. Scent-Sations already has 6,000 of them covering all 50 states and several United States territories and is adding 15-20 a day.

Scocozzo says that is only the beginning; his goal is to reach the level of a Mary Kay, which has 50,000 or more distributors, many of them earning \$1 million or more a year.

Distributors reach that lofty income by signing up others on whose sales they receive commissions - that's the "multi-level" part. Scent-Sations helps by devoting 37 percent of its revenue to commissions and support for master distributors. Already that has allowed its largest distributors to earn \$200,000 a year.

"One is a housewife who is now outearning her pilot husband," Umphred said.

Sandy Saimond, a distributor from Allentown who was visiting the plant last week, said Scent-Sations offers more earning opportunity as well as the best support and a superior product.

"There really is no other company to compare," she said.

Saimond, 46, is aiming to retire from her regular job and rely on income from Mia Bella product sales within four years.

Scocozzo and Umphred are optimistic about Scent-Sations' growth potential. With sales estimated to hit \$15 million this year, they now are a small player in the \$2 billion candle industry.

But their niche - fragrant candles made with natural waxes that give off less soot than paraffin - is growing fast and so are Scent-Sations' sales, at between 40 and 50 percent a year, while the industry as a whole is stagnant.