

= Guthy @-@ Renker =

Guthy @-@ Renker ( pronounced : Guh @-@ thee Ren @-@ ker ) is a Santa Monica , California , based direct @-@ response marketing company that sells products directly to consumers through infomercials , television ads , direct mail , telemarketing , e @-@ mail marketing , and the Internet . As of 2014 , it has 8 different product groups , with an emphasis on celebrity @-@ endorsed beauty products .

Guthy @-@ Renker was founded in 1988 by Bill Guthy and Greg Renker . In 1995 , it began distributing the acne treatment Proactiv , which became responsible for more than half its revenues by 2005 . The company also created seven subsidiaries in the late 1990s for different products and advertising channels . It founded an infomercial channel , GRTV , which was sold to TVN Entertainment Corporation in 1999 . Guthy @-@ Renker 's revenues grew from \$ 400 million in 2001 to \$ 1 @.@ 5 billion by 2009 .

= = History = =

Guthy @-@ Renker was founded in November 1988 by Bill Guthy and Greg Renker , who met at the Indian Wells Racquet Club and Resort in Indian Wells , California . They considered starting an infomercial company after an order was placed at Guthy 's cassette duplication company , Cassette Productions Unlimited , for 50 @,@ 000 copies of a real estate lecture to be sold through infomercials .

At the time many infomercials mimicked talk shows and investigative news specials , raising concerns among consumers and policy makers that the programs were misleading . To avoid the controversial practice , Guthy @-@ Renker disclosed that their infomercials were paid advertisements at the beginning of each program . It made professional @-@ quality productions . Renker was invited to testify to a Congressional subcommittee in 1990 regarding ethics in advertising , which led Guthy @-@ Renker and others to form the National Infomercial Marketing Association to create industry standards .

The following year , the firm had to cut back operations , because news coverage of the Persian Gulf War drew viewers away from infomercials . Ron Perelman of Forbes Holdings Inc. bought a 37 @.@ 5 percent share of Guthy @-@ Renker in 1993 in exchange for \$ 25 million and priority access to air @-@ time on Perelman 's television stations . At the time , Guthy @-@ Renker had grown to \$ 60 million in revenue . In 1996 , Perelman 's stake in the company was resold to News Corp and Guthy @-@ Renker bought it back . Two years later , Goldman Sachs bought a stake in the company that valued Guthy @-@ Renker at \$ 3 billion , and a Japanese trading company , Nissho Iwai Group , bought a 17 percent portion of Guthy @-@ Renker 's Asia subsidiary for \$ 9 million . Guthy @-@ Renker created a television station for infomercials called GRTV in 1996 , which was sold to TVN Entertainment Corporation in 1999 .

From 1995 @-@ 1997 , the firm created seven new subsidiaries . These included Guthy @-@ Renker Radio , Internet , Select Network , International and Fitness , as well as subsidiaries like an online dating service and a psychic business that did not perform well . Guthy @-@ Renker partnered with National Media Corp. to help market some of its fitness products , which led to a legal dispute that was settled with undisclosed terms in 1997 . Guthy @-@ Renker claimed National Media Corp. excessively aired infomercials for an exercise machine , the Fitness Flyer , and started selling an unauthorized imitation of the original . National claimed Guthy @-@ Renker had not provided enough Fitness Flyers to meet demand .

Guthy @-@ Renker grew to \$ 400 million in revenue by 2001 and \$ 1 @.@ 5 billion by 2009 . In 2011 , Guthy @-@ Renker acquired a portion of Paramount Equity Mortgage , a solar energy , insurance and mortgage loans company .

= = Products = =

Guthy @-@ Renker 's first products were self @-@ help and motivational courses . The founders

bought the rights to a self @-@ help book they were both fans of , Think and Grow Rich , for \$ 100 @, @ 000 and aired their first infomercial selling the book in 1988 . The infomercials were hosted by former football quarterback Fran Tarkenton and grossed \$ 10 million in sales . Another early product marketed by Guthy @-@ Renker was Tony Robbins 's " Personal Power " series of motivational lectures .

The company started to sell cosmetics and skin @-@ care products in 1991 , starting with the " Principal Secret " cosmetics line endorsed by Victoria Principal , after market research showed that 70 percent of Guthy @-@ Renker 's audience were women . In the 1990s , the company started marketing housewares , the " Perfect Smile " teeth whitening product and fitness products like the " Fitness Flyer " , " Perfect Abs " and " Perfect Buns and Thighs " . By 1996 , 40 percent of the company 's revenues were from fitness products .

Guthy @-@ Renker uses infomercials , television ads , direct mail , telemarketing and the internet to sell products directly to the consumer . The firm 's infomercials have production costs exceeding \$ 1 million and usually feature celebrity endorsers . In 2010 , Guthy @-@ Renker sold 15 different products . Approximately half of Guthy @-@ Renker 's revenues in 2005 came from the Proactiv acne treatment , and 30 percent of its revenues were from international sources .

Guthy @-@ Renker also markets the " Meaningful Beauty " anti @-@ aging skin care system endorsed by Cindy Crawford and developed by Jean @-@ Louis Sebagh . The " Sheer Cover " brand of mineral makeup is endorsed by Leeza Gibbons . The company also manages the " In an Instant " line of skin care products endorsed by Heidi Klum and the " Malibu Pilates " exercise equipment endorsed by Susan Lucci . Guthy @-@ Renker ? s Proactiv line is endorsed by celebrities , including Jessica Simpson and Kelly Clarkson . The brand has average annual revenue of \$ 1 billion .

In January 2015 , it was announced that Brooke Shields would be the new celebrity endorser for Wen Hair Care developed by Chaz Dean . She was reportedly a fan of the brand 's Cleansing Conditioner .