

June 5, 2006

Dear Sir or Madam:

I am writing this to express my concern about the proposed Business Opportunity Rule R511993. I believe that as it is being proposed, it could prevent me from continuing as a Pampered Chef Consultant. I understand that part of the FTC's responsibilities is to protect the public from "unfair and deceptive acts or practices," yet some of the sections in the proposed rule will make it very difficult, if not impossible, for me to sell The Pampered Chef® products and opportunity. I do believe that you have an obligation to protect people from fraudulent companies. I live in Topeka, Kansas, so am quite familiar with The Renaissance Group and know several people who suffered a great deal from that company and their tactics. My company is different, however, because we actually sell products, and none of the consultants I know make false claims.

I have been a Pampered Chef Consultant for more about 6 years. Originally, I became a consultant in my company because I felt the products were exceptional and I wanted to earn some additional income. This is actually my second time with The Pampered Chef®, as I took time off when I had my daughter. When I re-joined the company in 2004, it was at a time when my husband was seriously ill and, quite honestly, we desperately needed the income. I knew that I could make decent money with The Pampered Chef®, and still be able to be a mother and continue my full time job.

One of my biggest concerns about the proposed rule is the seven-day waiting period to enroll new consultants. Our starter kit only costs \$90 – for which you get well over \$300 in products. People buy TVs, cars, and other items that cost much more and they do not have to wait seven days. This waiting period gives the impression that there might be something wrong with the company or the compensation plan. Under this waiting period requirement, I will need to keep very detailed records when I first speak to someone about The Pampered Chef, and will then need to send in many reports to my company headquarters. Our company already requires a potential consultant to book their first six cooking shows as a part of submitting their agreement, which certainly lets them have a taste of what it takes to be a part of our company.

The proposed rule also calls for the release of **any** information regarding lawsuits involving misrepresentation, or unfair or deceptive practices. It does not matter if the company was found innocent. Today, anyone or any company can be sued for almost anything. It does not make sense to me that I would have to disclose these lawsuits unless the company is found guilty. Otherwise, the company and I are put at an unfair advantage even though The Pampered Chef® has done **nothing** wrong. Are we not still allowed the advantage of being innocent until proven guilty? This seems to me to make a company guilty although proven innocent.

Finally, the proposed rule requires the disclosure of a minimum of 10 prior purchasers nearest to the prospective purchaser. I believe that identity theft could be a major consideration. Also, giving away this information could damage the business relationship of the references who may be involved in other companies or businesses including those of

competitors. In order to get the list of the 10 prior purchasers, I will need to send the address of the prospective purchaser to our home office, and then wait for the list. In our company, we often invite someone who is considering starting their own business to come to one of our cluster (training) meetings that is held once a month. This allows them another opportunity to see what our great company is about.

I also think the following sentence required by the proposed rule will prevent many people from wanting to sign up as a salesperson - "If you buy a business opportunity from the seller, your contact information can be disclosed in the future to other buyers." I would certainly think twice about my personal information being shared with individuals I have never met. Would this mean that, as a direct sales person, that I would no longer have protection from the Federal No Call list?

I appreciate the work that the FTC does to protect consumers, yet I believe this proposed new rule has many unintended consequences and there are less burdensome alternatives available to achieving your goals. The Pampered Chef offers people a great opportunity to make a little extra money, or to make a great living. We are a company whose consultants

Thank you for your time in considering my comments.

Respectfully,