

June 5, 2006

Dear Sir or Madam:

I am writing this letter because I am concerned about the proposed Business Opportunity Rule R511993. I believe that in its present form, 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 Pampered Chef products.

I have been a Pampered Chef Consultant for six years. Originally, I became a Consultant in my company because I felt the products were exceptional and I wanted to earn some additional income. Now, I am stay at home mom and my Pampered Chef income is an important contribution to my family's finances. Three and half years ago, my husband and I adopted our daughter. Our daughter was born just three months before Christmas and our savings were drained by the adoption fees. As you may be aware, private adoption is extremely expensive. If it were not for my Pampered Chef business we would have a very lean Christmas that year. Pampered Chef paid for our gifts that year. And it continues to allow us to pay bills every month. As my daughter gets older I look forward to expanding my business not just by doing more shows a month, but also developing a team of consultants and helping them achieve their goals – personal and financial.

One of the most confusing and burdensome sections of the proposed rule is the seven-day waiting period to enroll new consultants. The Pampered Chef's starter kit only costs \$90. 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.

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 Pampered Chef is found guilty. Otherwise, The Pampered Chef and I are put at an unfair advantage even though The Pampered Chef has done **nothing** wrong.

Finally, the proposed rule requires the disclosure of a minimum of 10 prior purchasers nearest to the prospective purchaser. I am glad to provide references, but in this day of identity theft, I am very uncomfortable giving out the personal information of individuals (without their approval) to strangers. 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 The Pampered Chef headquarters and then wait for the list. 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.” People are very concerned about their privacy and identity theft. They will be reluctant to share their personal information with individuals they may have never met.

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.

Thank you for your time in considering my comments.

Respectfully,