

June 7, 2006

Federal Trade Commission/Office of the Secretary
Room H-135 (Annex W)
Re: Business Opportunity Rule, R511993
600 Pennsylvania Avenue, NW
Washington, DC 20580

Re: Business Opportunity Rule, R511993

I have been in the direct selling industry for over 14 years now, first selling kitchenware for 5 years and then 9 years ago, I discovered the art of stamping and scrapbooking.

Although I have a full-time job, having a second income has been a necessity for both my husband and myself. When I first started, my husband was in roofing. Living in Wisconsin, obviously he couldn't work during the winter months, so things were always very tight for us financially during those times, but my commission checks would always pay that one extra bill, or buy groceries, or allow us to put gas in our vehicles.

Three years ago, he had a terrible accident and couldn't work for four months. If it hadn't been for me having a second income, we never would have survived. By that time, I'd built a strong unit with 18 total members that worked very hard for me and my checks each month were substantial.

But, the financial benefits of direct selling are only part of the story – many of the woman I deal with are just looking for that open door, whether that's an employment opportunity that changes their life or a hobby that changes their life. I just finished teaching a scrapbooking class for an ELL group (English Language Learning) through the local school system. These are families from other countries and their children are learning the English language. How rewarding to work with families as they chronicle their lives – and at the end, several of the mothers were interested in buying product from me and one was interested in the “opportunity.” If Rule R511993 was in effect, because of the language barrier, nothing else would have happened – it's just too cumbersome for people to deal with – after all, they just wanted to stamp and scrapbook!

The Business Opportunity Rule, R511993 would change the way I run my business in SO many ways. **The Seven-Day Waiting Period** – many of the woman I deal with are stay at home mothers, they're SO excited when we meet and ready to make the commitment – but under your proposal, I have to basically send them away for a whole week. And unfortunately, the reality is that in most cases, they do NOT have a supportive spouse at home. By the time seven days is up, the chances of that excitement level still being there of very small. This IS reality – it is something we deal with constantly. And in the most recent case, add the language barrier and it would be an absolute nightmare!

Litigation Reporting bothers me for two reasons, first of all, it doesn't distinguish between winning and losing lawsuits, and second, why would my customers even care? Seriously? They are interested in MY ethics – I am an “independent” contractor – why would the FTC force me to tell them things that would just muddy the water. Again,

many of my customers are stay at home mothers – not corporate business people – I’m not saying that they aren’t intelligent by any means, but I’m just saying, my customers want to create – to stamp and scrapbook and you want me to bother them with lawsuits. It risks the chance of discrediting ME and that is not fair and not what the FTC’s intentions are, I’m sure.

By far, the most disturbing part of **The Business Opportunity Rule, R511993** is the **Reference** portion. On a business level, direct selling is a competitive market. You can’t walk 10 feet without tripping over one of our competitors – either stamping or scrapbooking. Yet, as I’m reading this, I’m seeing that I might be requested to actually GIVE a customer the names of my competitors or someone else who sells for my company? This is JUST not right. It’s hard enough to get your name out in the stamping/scrapbooking world right now without having to say “oh, by the way, call all these people, they sell the same thing.” How can you expect me to run my business that way? It’s bad enough that people can go on the Internet and do that anyway. All of these things aside, the privacy issue frightens me to death – and I mean that. The majority of people in direct selling are woman – identity theft is at an all time high – and the FTC is discussing requiring us to give out other people’s personal information – how is this possible? And what possible benefit could this have? If this passes, knowing the industry like I do, many spouses will force their wives to quit – I can guarantee it. Actually, many people may just quit on their own and that is just sad, but true. I belong to some discussion groups and woman are afraid to leave their catalogs in doctor’s offices for fear someone might track them down and hurt them.

This world is filled with dishonest people, and it is great that the FTC wants to protect us from fraudulent groups, but it seems like you are targeting the wrong groups. What you are proposing will hurt “the little guy” – woman, (and I’m sure some men) who work so hard to sell and build their businesses every single day – put their hearts into their businesses, as I do.

We’ve struggled for years to be considered “legitimate business people” – what you are proposing will damage that image and also make our jobs so much harder.

Thank you very much for your consideration.

Sincerely,

Linda Wiese
Demonstrator
The Angel Company™