

Lynne Newton

July 14, 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 an independent consultant with the Picture Perfect Scrapbook Co., LLC. 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 independent business persons to grow a business.

I joined the Picture Perfect Scrapbook team just over two years ago. I have been an independent consultant with the Picture Perfect Scrapbook Co., LLC, working with fellow scrapbookers who are friends and also customers. I originally signed on because I loved the company's products, their scrapbooking philosophy mirrored my own, and I wanted to enjoy a discount on my purchases. Since that time, I have also helped others learn to properly preserve their history, taught others computer editing techniques, and grown as a person. While I do not, personally, depend on the income from this experience for my living, I do depend on it for the good spirit, fellowship, opportunity to share knowledge with others. Many more people, however, do depend on it for a living.

One of the most confusing and burdensome sections of the proposed rule is the seven-day waiting period to enroll new team members. The starter kit for Picture Perfect only costs \$50.00. 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, and is somewhat self defeating. I also think this seven-day waiting period is unnecessary, because Picture Perfect will by back the kit should a new consultant change her mind.

Finally, the proposed rule requires the disclosure of a minimum of 10 prior purchasers nearest to the prospective purchaser. While I am glad to provide references, I can not justify 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. 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 certainly would have a problem with this, and I could not, in good conscience, ask this of someone else. I also would not appreciate the responsibility of possibly jeopardizing my friends/customers personal information. Can I have your address and phone number so I can share it with others? No, I don't think so.

While I appreciate the FTC's efforts to protect consumers, I believe this proposed new rule has many unintended consequences. The majority of us are honest and fair in our business practices. The bad guys the FTC is trying to disrupt will have no problem with any of this, and will simply make up their documents and carry on with their "business". I believe there are less burdensome alternatives available to achieving your goals while still protecting we consumers.

Thank you for your time in considering my comments.

Respectfully,

Lynne M. Newton