

Theodora Hackenberg

May 15, 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

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 Mannatech Distributor/Consultant. I understand that part of the FTC's responsibilities is to protect the public from "unfair and deceptive acts or practices," but some of the sections in the proposed rule will make it very difficult if not impossible for me to sell any products for any Direct Sales company, whether I wish to stay with Mannatech or move to another company.

When I enrolled in Mannatech I understood that if I was unhappy with the product or with the marketing program, or if I just changed my mind, that if I returned all the materials and product I received I would receive my money back. Your proposal requires a burdensome seven-day waiting period to enroll new consultants/distributors. People buy TVs, cars, and other items that cost much more than that it costs to become a distributor in Mannatech and they do not have to wait seven-days. This waiting period gives the impression that there might be something wrong with the plan.

Under this waiting period requirement, I will need to keep very detailed records when I first speak to someone about Mannatech and will then have to send in many reports to Mannatech headquarters.

From the horror stories I've heard about people who have bought brand new cars there should be a return period of at least one year mandatory. But there's not! And car salesmen and their bosses are some of the most deceptive sales people around!

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 Mannatech is found guilty. Otherwise, Mannatech and I are put at an unfair advantage even though Mannatech 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 Mannatech 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.

To continue with the car analogy, the car dealership doesn't give me a list of names of people who are happy with their dealership or their cars, nor do they give me a list of lawsuits against them, and how many lawsuits they have won or lost, or just settled out of court. I have, however, heard the stories of unrepairable cars and unresponsive dealers.

I have been a Mannatech Distributor and user for more than 10 years. Originally, I became a distributor of Mannatech's products because I like them and wanted to earn some additional money. I believe that Mannatech's products have helped to heal me.

I appreciate the work of the FTC to protect consumers, but I believe this proposed new rule has many unintended consequences and that there are less burdensome alternatives available in achieving its goals.

Thank you for your time in considering my comments.

Sincerely,

Theodora Hackenberg