

June 24, 2006

Federal Trade Commission  
Office of the Secretary  
Room H-135 (Annex W)  
600 Pennsylvania Ave., NW  
Washington, D.C. 20580

RE: Business Opportunity Rule R511993

Dear Secretary:

This letter is being sent to you because of our concern about the proposed Business Opportunity Rule R511993. It is our view and belief that presented in its present form it would destroy any future business as an Independent Distributor for the company we represent and would irreparably damage the business we have already worked so hard to build and operate, including literally, thousands of other distributors in our company and in our industry.

To take away our business with the proposed rule would create a severe financial hardship to our family. Being retired on a fixed income, our business provides additional income to provide the necessities our family needs and to continue the life style that we have established by continued hard work and success.

We have been operating our home based business, which is an independent contractor representing a nutritional beverage company, for more than two years. We contracted to operate this business because we loved the product and wanted to share it with others. Many of the people in our organization are now operating their successful businesses and their income represents a financial benefit. Please, do not destroy these small business people who are working so hard to support their families.

The sections of the proposed rule would create hurdles and barriers in selling our product not experienced by any other business outside our industry. This creates an unfair disadvantage to us and others like us. It would be difficult for us to even sell the our product at retail and would make it especially difficult, if not impossible, to introduce others to this fantastic opportunity under the proposed rule. Changing to the new rule would devastate the growth and profit potential of the business we now operate.

The proposed waiting period will give the public the idea that there is something wrong with us or the business plan and will reflect badly on us. It far exceeds any waiting period or cooling off period for any other business or purchase. We believe this seven-day waiting period is unnecessary. There are already many, many laws on the books to protect the consumer. Also, the company we represent already has a 90% buyback policy for all products including sales kits purchased by a salesperson. Additionally a 100% total money back guarantee, which applies to any new enrollee, is guaranteed for

RE: Business Opportunity Rule R511993

these new enrollees and may be exercised freely by anyone purchasing from the company within the first 30-day period. The current procedures in place by the company already insure that no one can ever be hurt financially by the business opportunity.

One of the most difficult sections of the proposed rule is the seven-day waiting period to enroll a new distributor. The procedures associated with the proposed rule change would make it extremely difficult to build and operate a our business. This change would stifle the initial profit and will actually make operating a successful business impossible. This requirement is not imposed on any other type of business and unfairly singles out our industry and business. It creates an unfair competitive advantage for businesses in other industries or distribution channels. Our business will be less profitable than it currently is under the existing rule and procedures. For a new rule to stifle profit should point out the inadequacy of thought that has generated this new rule proposal.

The company sales kit only costs \$35. People buy TVs, cars, and other items that cost much more than that and they don't have to wait seven-days. Under this waiting period requirement, we will be burdened by the need to keep very detailed records when we first speak to a prospect and will then have to send in reports to our company. This will increase our expenses and reduce our profits. Distributors operate small home businesses and this burden could destroy them completely by requiring excessive paperwork, and requiring a person to be a superstar instead of being just an ordinary person seeking to get ahead. With this new proposed rule, the opportunity would cease to be for the average person and would require one to be an aggressive and capable business person in the beginning. This is exactly opposite to what the business opportunity was designed to do.

The proposed rule requires the disclosure of a minimum of ten prior purchasers nearest to the prospective purchaser. Again, this is not required of any other business. We would be glad to provide references, but in this day of identity theft, we are very uncomfortable giving out the personal information of individuals, without their approval, to strangers. In addition, there are laws protecting privacy which would be violated by this rule. Women and people in our organization may be subject to sexual or racial harassment. Unless the FTC is willing to assume the responsibility, authority, and enforcement under this rule to prohibit sexual or racial attacks related to this disclosure, an impossible undertaking, it will be unworkable. In the end, this rule must bind the FTC to take direct enforcement action on sexual and racial attacks with a special unit assigned to monitor actions related to the disclosure forms at tax payers expense.

Also, sharing names and addresses of existing distributors with a "prospect" would open an organization to being attacked by other businesses. A person from another sales organization who wished to raid an existing organization would literally be given the key to the bank....it would be like hiring the fox to protect the hens in a hen house. Why would any person in his/her right mind feel sharing existing contacts and/or customers with their competition was in their best interest?

In summary, although well intentioned, the proposed rule would unfairly burden the business owner, the company, and the industry in an unnecessary, significant mountain of procedures that will do nothing to protect the public from the unscrupulous scoundrels who pray on the unsuspecting. The rule will not help people properly evaluate whether a certain product or business is right for them.

Daily we are exposed to many scams on the Internet, over the phone, in the mail, and we have been

RE: Business Opportunity Rule R511993

approached by many crooks because of our success. The proposed rule will do nothing to stop these unscrupulous crooks. They hurt our business! This rule will not stop Crooks. They violate the current rule all the time. But we are good American citizens and the proposed rule will do great harm to our family. Thank you and please help us and others like us to retain the right to operate a successful home business where the company already has procedures in place to protect anyone from loss of money and/or time and credibility.

The company we represent is an excellent company, please do not lump great companies like ours, which has a 100% money back 30 day guarantee, into the same barrel as those who currently take advantage of others every day with no repercussions. If you wish to go after those who are damaging or hurting innocent people, we will salute you, but for heaven's sake, let's not throw the baby out with the bath water. Use the existing tools and laws you already have at your disposal to prosecute the wrong doers.

Please insure that any proposed rule will not be detrimental to the incredible volume of sales created by the Direct Selling Industry, a Multi Billion Dollar industry today. To do so would hurt the United States economy tremendously. It is suggested that you or your representative visit the top companies in the industry such as Avon Products, Alticor, Mary Kay, Herbalife and XanGo to see what kind of companies they are and what procedures, policies, and rules they have in place to protect not only the company, but the industry, the consumer, and the distributor. These companies and others have a vested interest to see that all succeed and prosper. They have no interest in putting the business owner in peril with such a stringent rule as Rule R511993.

Please go after the bad guys, not the good guys.

Very Sincerely,

Ben & Debby Cossart  
Independent Business Owners

