

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

Dear Sir (s):

May I begin by saying I am totally in agreement with FTC in its purpose of the above referenced rule. To attempt reducing false or unsubstantiated earning claims followed by false testimonials, fictitious references, misrepresentations about profitability, availability of support and assistance, the nature of products or services sold, the prior success of the seller, full investment costs, and of the refund policies. All of the above mentioned are valid concerns. I appreciate the FTC's consumer protection priorities.

Unfortunately many unethical and unscrupulous people have found the quickest path to a profitable swindle is through the MLM sales model. By working with the FTC and presenting credible proof that all MLM companies are not created equal, is by helping you to find a way to stop fraudulent business opportunities while sparing the legitimate ones. To accomplish this we must manage our businesses with the highest degree of truth and candor.

I have a part time MLM business working from home. Before I launched my business I did my due diligence and took time to investigate the company and product that I was interested in promoting prior to becoming an independent distributor. I found both to be very reputable.

The Business Opportunity Rule as proposed would have a number of unfavorable affects on my direct sales business. I have listed some of those with my comments of concern.

1. The Seven Day Waiting Period. This requirement would be most devastating. It will inconvenience and dampen any enthusiastic individuals anxious to participate in my business opportunity. It will create an air of suspicion among prospective purchasers when told the FTC requires such a waiting period. It suggests a level of risk that does not exist for the company I represent and many other direct selling companies. As most reputable direct selling companies my company has a liberal return/cancellation policy. Unlike virtually any other business, as an independent member not only can I terminate upon notice, the company has a generous buyback policy which presents little or no risk to a prospective purchaser.
2. The List of Nearest References. As a requirement this would be overly burdensome. It evokes confidentiality and privacy concerns for all involved. It would be difficult to have this information available to disclose until a later time. This will further prolong the seven-day waiting period. As I see it, the reference information could be used for any purpose. The required disclosure of this information will certainly discourage participation in the direct selling industry. I think it would be very easy for a fraudulent company to provide a list of "references" that are involved in the fraudulent business. However, it would, again, be burdensome on legitimate direct selling businesses.

I understand there are ill willed groups out there. However, this particular rule unfairly targets legitimate direct selling businesses. Any re-considerations of the rule that can be made to allow for it to be less aggressive in its requests would be very welcomed. I appreciate the opportunity to address the Commission and for allowing me to voice my concerns of the proposed Business Opportunity Rule.

Sincerely,

Ron Musselman

