



# Whittington & Co.

Kathy Whittington, Executive National Vice President  
Independent Consultant of Arbonne International

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

Dear Sir or Madam:

I am writing this letter because I am concerned about the proposed Business Opportunity Rule R511993. My belief is that its present form, it could prevent me from continuing as an Arbonne Independent Consultant. I understand that part of the FTC's responsibility is to protect the public from "*unfair and deceptive acts or practices*;" however, some areas of the proposed rule will make it very difficult, if not impossible, for me to sell Arbonne products and sponsor people into the business.

I would like to begin with my opposition to the seven-day waiting period. One of the most confusing and restrictive sections of the proposed rule is the 7-day waiting period to sign up new Consultants. Not only do Arbonne Starter Kits cost a nominal amount of money, the proposed waiting period gives the impression that there might be something wrong the Arbonne opportunity. Under this waiting period requirement, I will need to keep very detailed records when I first speak to someone about Arbonne and keep track of when to follow-up. One of the key elements to my success in this business has been capturing the enthusiasm and immediate results prospects experience with Arbonne products; the waiting period would potentially limit my ability to grow my business.

I compare this waiting period to my going shopping for an outfit or for a computer, getting excited about finding the perfect item, and the salesperson says, "*I'm sorry Ms. Whittington, but you'll need to come back and talk to me in one week before you can purchase this. Let me get your name and information and put it here in my computer. Now, go home and think about it and we'll talk next week.*" I just don't ever see that happening to retailers such as WalMart or Microsoft. The products I sell are personal care and nutrition items. I just cannot imagine going up to the Clinique or Estee Lauder counter, picking out a new color of lipstick, and being told I have to wait a week to make a purchase, or have them give me a list of ten other clients that bought the same color of lipstick. This may appear ludicrous, but it is a fair comparison.

Large retailers have already challenged small business owners and have closed many of their doors. It deeply concerns me that the proposed rule will make it even more difficult for someone like me to earn a living and contribute to society.

In regards to litigation reporting, 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. A lawsuit may incorrectly imply wrongdoing and it seems unfair to disclose lawsuit information unless Arbonne has been found guilty of something. As an independent contractor, I fear being penalized by the impression a lawsuit would leave, even if I have done nothing wrong.

My fear is of being "punished" for something that deals with the company directly, or with one of the other one-million independent consultants that represent the company. As an independent contractor, if I am found doing anything wrong, illegal, or breach the policies and procedures that I am bound to, the company will terminate my contract. This effective "check and balance" system protects the company as well as my business from the wrongdoing of others.

Lastly, my final fear involves privacy and identity theft. **Both my husband and teenage daughter were recently victims of identity theft from one company on the same day! It is frightening and serious, now more than ever. We have spent a great deal of time and resources to protect ourselves.** The fear, stress, and “looking over your shoulder” are very real. The proposed rule requires the disclosure of at least 10 prior Independent Consultants nearest to the prospective Consultant. I am glad to provide references, but identity theft is a reality we live with in today’s world and I am very uncomfortable with giving out personal information about individuals, without their permission or knowledge, to strangers. Sharing this information could also damage the business relationship of references with those involved in other companies or businesses, or provide an unfair advantage to competitors. In order to get the proposed list of ten prior Independent Consultants, I would first need to send the address of a prospect to the Arbonne corporate office in California and then wait for the list. The proposed rule also includes the language, “*If you buy a business opportunity from the seller, your contact information can be disclosed in the future to other buyers*” and prospects will be understandably concerned about their privacy. I would find it an invasion of privacy to disclose personal data, for my business purposes.

I am in my eleventh year of proudly representing Arbonne International. I became a Consultant first because I thoroughly benefited from the products. Then my life changed, and because of serious health issues, my doctor told me to change my career or I would soon have a heart attack. I was, and still am, the breadwinner in our family. My husband sat back quietly for about nine years and watched me help countless people change their lives. He is now a business partner with me because his experience with a “regular job” is not what he has hoped for either. There is no security and no loyalty where he works, so he has decided to become self-employed by representing Arbonne as well.

There is no way I could work in the corporate world today the way I used to several years ago, and be a contributing member of society, rather than burdening society by being on (medical) disability. Arbonne has also afforded me the ability to be here for my family when they have needed me most in times of crisis. I would not be able to take care of my many health issues, and I would not be able to assist both my and my husbands aging and ailing parents. Since starting my Arbonne business, I have developed a team of thousands of Independent Consultants across the country and together we are helping our families enjoy better lives. But, it’s not just about our families, it’s about how we contribute back to our communities as well.

I cannot help but think of how businesses like mine contribute in more ways than making a difference in other families’ lives through the products and opportunity. I think of the sales and income tax that I generate for my local, state and federal government. I think of how in one month I can donate to a church or charity what I used to be able to afford to donate in an entire year. I think of the many other charities I can contribute to, both financially and in terms of my time. I think of how I can put my daughter through college without getting government loans and scholarships so that *she* can be a contributing member of society. I think of how I can keep one of my family members from declaring bankruptcy. I have choices now that I never had before, all because of the ability to have my own business with Arbonne, simply selling products that people love, and offering them a gift of an opportunity that can change their lives. This issue is truly bigger than it appears on the surface.

Please know that I truly appreciate the work of the FTC in protecting consumers; however, I believe this proposed new rule would have many detrimental (and unintentional) consequences and I hope there are alternative means to resolving the outstanding issues at hand, without harming the livelihood of millions of successful network marketers, like me.

Thank you for your time and understanding.

Respectfully,

Kathy Whittington