

Valerie Ferland
Silpada Designs, Independent Representative

June 29, 2006

To Whom It May Concern,

I am writing in regards to the proposed Business Opportunity Rule R511993. I entered the direct sales industry about one year ago to help my family with their finances. I currently work full time and took on selling Silpada Designs sterling silver jewelry as a part time supplement. I have been thrilled with my experience in the field and the supplemental income has given my family the 'breathing' room we needed to make ends meet and still have a little left over for savings, a family vacation, etc. Our children are 2 and 4 years old and the cost of daycare combined with their activities, saving for college, and purchasing our first home 3 years ago put us in a tough financial situation. My Silpada business has been such a blessing and makes my life much less stressful. If I can continue to grow my business and stay home with my children, that would be a dream come true!

In working full-time and raising two small children, it is already a juggle to manage another business on top of that. Though I realize that the proposed ruling is designed to protect the industry from fraudulent groups, the proposed rule would make it very cumbersome and too time-consuming for me to manage. I am very opposed to the seven day waiting period. It gives the impression that there is something wrong with the company and the record-keeping involved is not something I could take on at this time. It also casts the industry in a negative light and the waiting period alone may discourage potential representatives from signing on.

With regard to disclosing litigation information, in a day and age when our culture is lawsuit-happy, it doesn't make sense to me to disclose lawsuits unless Silpada is found guilty. By disclosing any pending lawsuits, I feel I am put at an unfair advantage in my recruiting efforts even if Silpada has done nothing wrong.

I also oppose the disclosure of a minimum of 10 prior purchasers nearest to the prospective purchaser. Providing references is not a problem and I'd be happy to do that, but I am uncomfortable with sharing personal information with people I am not familiar with. Additionally, getting the list would be time-consuming as I'd have to wait for the most recent list from Silpada headquarters. It seems like an inefficient, cumbersome process and also one that would require quite a bit of follow-up and again, record-keeping. I can't reiterate enough, that many of us in this industry do this part-time to supplement and existing income...if I were to be required to implement these rulings, I would exit the industry altogether. I simply don't have the time, nor do I see a need, for these measures.

I appreciate the work that the FTC does to protect consumers but I do believe this proposed new rule will have many unintended consequences. There must be a less burdensome alternative that still meets your goal.

Thank you for your time in considering my comments.

Sincerely,

Valerie Ferland