

We fully appreciate the efforts of the FTC Consumer Protection efforts to better control small businesses and more particularly direct sales businesses. Our comments relate to the proposed Business Opportunity Rule, CFR Citation: 16 CFR Part 437.

First of all, please allow us to outline how we became involved as a Distributor of XanGo, a fruit juice from the Mangosteen Tree. A friend simply suggested that I, Mrs. Freund a Registered Nurse for 50 years, try it. The summarized results have been: (1) Eliminated a 35 year problem with irritable bowel syndrome, (2) Diminished osteo - arthritis negating knee replacement, (3) Normalized cholesterol and tryglicerides negating the necessity of “statin” drugs, and (4) Facilitated 50 pound weight reduction.

Phenomenal results are the norm for many who try the juice. Rest assured that neither we or our friend who suggested the product would have considered this business if we had been required to comply with any of the proposed Rules. The result would have been that many people who we have introduced to the product would not currently be benefiting, but rather would be suffering physically, as well as many thousands around the world today.

Second, we fail to comprehend how any agency could effectively monitor and enforce these rule changes without exorbitant cost at the added expense of the taxpayer.

Third, what could be accomplished by waiting seven days from the time of receipt of all required information under the Rule before contracting when XanGo provides a 30 day refund in full with no questions asked.

Fourth, it seems to me that it would require every such business to have several super computers in the home office manned by many additional people at additional cost to the consumer to provide the required data of 10 names, addresses and phone numbers of users nearest the prospect. Furthermore, not many people would authorize such private information to be divulged. Today, unscrupulous businesses undoubtedly provide data and testimonials that are not truthful. It would be great if there could be an affective way to screen the truthful from the untruthful. That’s why it is of utmost importance that every potential purchaser or investor of any product or service needs to do adequate due diligence.

Fifth, a \$500 front end fee may be reasonable for a franchise or product which is accompanied by reasonable value. Those direct marketing companies that have a high front end cost are surely of highest suspect. A well managed business pays it’s commissions, expenses and earns a profit from the selling cost of the product, not from a front end fee.

Sixth, surely the result of such Rule changes would be a dramatic reduction of small businesses and taxes paid by the owners of small businesses which compose a very substantial portion of this country’s economy.

Thank you for considering these objections to the proposed Rule and we trust your efforts to effectively meet the real objectives will be achieved by other means.

Janyce and Tom Freund