

To the Federal Trade Commission, Office of the Secretary.

I have been an independent business owner working with Amway Corporation throughout the 90's and now with Quixtar Corporation since 2002. I have cried in frustration over the so-called "business opportunities" that have wasted people's time and money. One of the worst, in my opinion, are the state lotteries that promote people living their dreams and getting rich quick. I would love to see people become more educated consumers of financial opportunities.

As you have clearly concluded, you cannot make people educate themselves. They either don't know what they don't know, or are lazy in their research and make emotional decisions. With that, I am in favor of legal recourse for the ignorant for sure (not so much for the lazy or greedy types).

Requiring a 7 day waiting period to register

For a legitimate business this will hurt the ambitious prospects who would otherwise go to work without delay and beginning filling a need for others. For an illegal business, they would simply operate under the table until the seven days is up. (Go ahead and buy from us at retail and then we will refund you when you get started.)

Seems like a long range (say 6 months) 100% money-back guarantee would solve this instantly.

Requiring references

I am glad to give out my contact information to anyone who wants to work with me or someone in my group. We offer many ways for them to meet with us. I even introduce my prospects to people who will not benefit from my business, face-to-face and with me there, in case they say something confusing. We do not share contact info with those outside our "line of sponsorship". I would not want someone else's prospect to have my contact info. And what if the prospect uses the reference list as a way to interview potential sponsors. Not cool at all.

When I first started my business I didn't trust anyone I met, but I valued the integrity of my friend and sponsor. Tens of thousands of dollars later (I'm a hobbyist) I'm glad my friend opened the door for me. And those others turned out to be good eggs.

Those slimy guys will just fake it. Reference each other and use fake addresses.

Litigation list

Spread gossip as a way to educate? Hmm. You know, if people looked at such a list before they took jobs, we might have a lot more open jobs in this country, you think?

This won't deter someone who wants the income and likes me. Even legitimate litigation can be explained away.

Earnings disclosure

The FTC currently makes us share some pretty low numbers. It fascinates me what lotteries are allowed to promote, and I have to disclose only what a slug might make. I guess we will tell them whatever you want us to. Lifestyle is hard to hide. Our legitimate business puts no limits on anyone.

I wonder how you can trap the businesses that hope to profit from someone else's hard work by capping profits or stealing their referrals?

This really is the nut to crack. People who want to get rich easy like these schemes and get caught.

The best I can suggest is a money-back guarantee on business tools, fees, and unsold product.

Financial substantiation

If the business compensation plan is legitimate, there is no need to look at a financial statement. You can calculate the potential from price lists, bonus schedules, and estimates of business results. Why limit someone to my earnings? I'm a hobbyist - they could do fantastically well. The missing piece is likely what it costs to do business. We explain this in detail before registering someone, but even so, it is all money-back guaranteed if they feel misled. That would be a good law. Require 100% money-back guarantee.

Conclusion

Jobs are not very stable, the stock market is not dependable, savings do not exist and for many boomers owning a business will be the only option for retirement. Stronger action against slimy businesses is vital. I'd like the illegitimate business promoter to believe he wouldn't last a month. Please put together rules that will serve the 50 and over crowd who have no other choices and can't recover. But, remember that the same consumers you are protecting are the ones who will be under the burden of this proposal when they find a legitimate business opportunity. As you review my comments, consider the 65 year old woman in financial need, energetic, and with a valuable product to sell. Maybe your Mom?