

July 11, 2006

Mary Jo Geideck  
Geideck Enterprises

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 or Madam:

I am writing to express strong opposition to the proposed Business Opportunity Rule R511993. I understand that the Federal Trade Commission must protect the public from "unfair and deceptive acts or practices," but the rule as proposed would make it very difficult for me to operate my business as a Shaklee Independent Distributor.

A confusing and burdensome section of the proposed rule is the seven-day waiting period to enroll new distributors. Most of the people who sign a Shaklee application are consumers of the products we produce. If they later wish to build a business, all they must do is supply Shaklee Corporation with their Social Security Number or Tax Identification Number. No additional kit, fee or application is required. The Shaklee Member Kit costs only \$19.95. This is far less than most consumer purchases, from Discount Stores such as Costco and or Sams club, TV's infomercials sell a wide assortment of household appliances, So do phone solicitors as well as direct mail companies none of which require a waiting period. The waiting period is also unnecessary as Shaklee Corporation already has a 90% buyback policy for products, including the Member Kit, purchased by a distributor within the last two years.

The proposed rule requires the disclosure of a minimum of 10 prior purchasers nearest to the prospective purchaser. In this day of identity theft, I am not only uncomfortable giving out the personal information of other Shaklee distributors in my organization, without their knowledge or consent if someone gave out my name and information and I would not consent to such a practice. I would consider it another form of privacy invasion. I understand that those who sign up after the rule takes effect would be told in writing "If you buy a business opportunity from the seller, your contact information can be disclosed in the future to other buyers." If this is the case would this also apply to such wholesale buying clubs like Costco or Sam's clubs? This would dissuade new people from signing up as distributors as they are concerned not only about identity theft, but also about their privacy. Providing the 10 references also could damage the businesses of Shaklee distributors. Lower ranking distributors often are involved in more than one direct selling company. Providing a list to a potential recruit, who may already be a distributor for a competing direct selling company, may be an invitation to solicit existing distributors for such other opportunity. Will this rule also apply to financial

planners Insurance Companies and the like? Who have actually sign non compete clauses when they leave their current company so that that company will not lose customers and clients to the new company him /her affiliates with?

The 10 reference requirement is an administrative burden. To obtain the list of 10 prior purchasers, I will need to provide Shaklee Corporation with the prospective distributor's address, and wait to receive the list of the 10 nearest distributors who became distributors within the past three years. Each prospective recruit will need a customized disclosure statement. This will result in a delay far longer than seven calendar days before anyone can sign an application. Many people enter direct selling to earn extra income for a specific goal, such as holiday purchases or a family vacation. The wait which the proposed rule creates may make the goal unattainable.

The proposed rule calls for the release of any information regarding lawsuits that allege misrepresentation or unfair or deceptive practices over a 10-year period. It does not matter if the company was found innocent or not liable. It does not make sense to me that I would have to disclose these lawsuits unless Shaklee Corporation, or its officers, directors or sales department employees, had been found guilty or liable. Fifty-year old companies such as Shaklee would be at a disadvantage compared to start-up companies, which may not yet have experienced litigation but are far more likely to have legal issues surrounding their opportunities.

I have been a Shaklee Distributor for more than **over 35** years. Originally, I became a Shaklee Distributor because I love the Company's nutritional/personal care/household products and wanted to earn some additional income working from home. Now my husband and I depend upon this income **for our livelihood. We are of retirement age and would never be able to live off of Social Security. Our age and healthy would limit our ability to earn income from any other source. I believe the US government has been encouraging the American People to have other sources of income to live on in their retirement years. If the vast majority of Americans have not been able to amass the amount investments necessary to derive an income large enough to supplement Social Security and or pension then why in the world would you want to make a rule that would totally destroy the an opportunity that would fit their needs and allow them to earn an acceptable income?**

**Today there is more information available to the buyer/distributor then at any time in our history. If the buyer or perspective distributor wants that information he/she can simply call the Better Business Bureau, US Chamber of Commerce, the DSA, the Department of Consumer Affairs for their state or simply go to their local telephone directory and call the Distributors listed under the Company name. If the Company name isn't listed in the telephone directory or with any of the other agencies referred to above then they should be concerned. There will always be con artists and scams but the many of honest legitimate companies should not be punished for the few who are unscrupulous.**

**This rule should you enact it would destroy the very opportunity that can be the answer to so many people's needs. Such as those working three jobs, seniors who need more income and better health, mothers who want to stay at home with their children, those wanting to buy a home and the handicapped. This is just a few as there are just too many others to mention!**

**This country was built on the back of small business owners. An in home business is the perfect way to cut down on the use of fossil fuel air pollution and overcrowded highways and streets. Today we have so many regulations we are driving the small business person out of business. Now we are trying to drive those who have in home business opportunities out of business also. I personally feel that everyone has the right to succeed and everyone has the right to fail! We cannot protect anyone from others nor from themselves.**

Thank you for considering my comments.