

Kimberly Engel
Independent Longaberger® National Sales Leader

July 11, 2006

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

Dear Sir or Madam:

I am writing this letter because I am concerned about the proposed Business Opportunity Rule R511993. If put into effect, this will greatly (and negatively) impact my direct selling business as an Independent National Sales Leader with The Longaberger® Company. In addition, it will deter others from starting or continuing as Longaberger Home Consultants since the added requirements will be perceived as unnecessarily and negatively overcomplicating this business, a business that we make every effort to keep simple.

One of the most confusing and troublesome sections of the proposed rule is the seven-day waiting period to enroll new Home Consultants. To get started in a Longaberger business, the business kit only costs \$129. People buy TV's, cars, and other items that cost much more than that, and they do not have to wait seven days. This waiting period gives the impression that there might be something wrong with our business opportunity. I also think this seven-day waiting period is unnecessary because direct selling companies have a 90 percent buy-back policy for all products, including business kits purchased by a salesperson within the last twelve months. In fact, our company's buy-back exceeds the DSA Code of Ethics requirement which, in my opinion, makes this rule unnecessary.

Under this waiting period requirement, I will need to keep very detailed records when I first speak to someone about Longaberger and will then have to send in many reports to the company headquarters.

Additionally, it is my understanding that 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. Today, anyone or any company can be sued for almost anything. It does not make sense to me that I would have to disclose these lawsuits unless Longaberger is found guilty. Otherwise, Longaberger and I are put at an unfair advantage even though The Longaberger Company has done **nothing** wrong.

Finally, the proposed rule requires the disclosure of a minimum of 10 prior purchasers nearest to the prospective purchaser. I am glad to provide references, but in this day of identity theft, I am very uncomfortable giving out the personal information of individuals (without their approval) to strangers. Also, giving away this information could damage the business relationship of the references who may be involved in other companies or businesses, including those of competitors. In order to get the list of the 10 prior purchasers, I will need to send the address of the prospective purchaser to Longaberger headquarters and then wait for the list. I also think the following sentence required by the proposed rule will prevent many people from wanting to sign up as a salesperson: "If you buy a business opportunity from the seller, your contact information can be disclosed in the future to other buyers." People are very concerned about their privacy and identity theft. They will be reluctant to share their personal information with individuals they may have never met.

I have been an Independent Longaberger Home Consultant for 15 years. I became a Longaberger Home Consultant because I loved the products, and I soon realized the freedom and advantages of owning my own business. Now my family depends on this extra income to supplement our budget. I am able to work from home while raising my three young children, one of whom has had a serious disease for 5 years.

Because of the flexibility of my business, I have been able to care for him myself the entire time and still contribute necessary income to our family budget, while having the incredible support of so many Longaberger Company employees, Longaberger Home Consultants, and Longaberger customers. Few jobs offer this flexibility, support AND income simultaneously! I love my job and all the people with whom I work, and I am aware of ONLY one Home Consultant out of at least 1,000 that I've known in all my 15 years with Longaberger who does not also think very highly of Longaberger and the business opportunity, an amazing statistic in my opinion. The Longaberger Company name is synonymous with 100% integrity, which not only makes me incredibly proud to represent this Company, but also makes me all the more certain that Business Opportunity Rule R511993 is completely unnecessary in our business.

I appreciate the work of the FTC to protect consumers, but I believe this proposed new rule has many unintended consequences and I am sure there MUST be other alternatives available in achieving its goals that have a much more positive outcome.

Thank you for your time in considering my comments.

Sincerely,

Kimberly A. Engel