

Federal Trade Commission  
Office of the Secretary  
600 Pennsylvania Ave, NW  
Washington, DC 20580

Re: Business Opportunity Rule R511993

July 13, 2006

Dear Sir or Madam:

I am fully in agreement with the FTC's efforts to protect the consumers from fraudulent activities and companies and applaud your efforts. Furthermore, I am confident that these types of initiatives can be of great service to the many legitimate companies that desire to run their businesses honestly and ethically.

However, I am writing this letter because I am concerned about the proposed Business Opportunity Rule R511993. I believe that in its present form, it could prevent me from continuing as a small business owner. I understand that part of the FTC's responsibilities is to protect the public from "unfair and deceptive acts or practices," yet some of the sections in the proposed rule will make it very difficult, if not impossible, for me to sell my technology based products.

I have been involved with direct sales for nearly eleven years, and with EcoQuest Int'l for eight of those. Because of other responsibilities I had, I needed to work from home and on my own hours. EcoQuest provided me an opportunity where I could do that and make enough money to provide adequately for our family and it still does. I thank the good Lord every day for EcoQuest and the opportunity to run my own business and be my own boss. I also feel blessed to provide products and a business opportunity to others that actually solve their problems. If I am not able to work like this because of this new ruling, our life would be greatly impacted, to say the least.

One of the worst sections of the proposed rule is the seven-day waiting period to enroll new distributors. My company's sales kit only costs \$49. People buy TVs, cars, and other items that cost much more and they do not have to wait seven days. This waiting period could give people the erroneous impression that there might be something wrong with the company I represent. This seven-day waiting period is really unnecessary, because our company as a Direct Selling Association member already has a 90% buyback policy for all products including sales kits purchased by any distributor within the last twelve months. Under this waiting period requirement, I will be overburdened with record keeping and report writing to my company. Please don't complicate matters with this rule. Just make sure companies have a buyback policy. This will protect the consumer.

The portion of the proposed rule calling for the release of **any** information regarding lawsuits involving misrepresentation, or unfair or deceptive practices is not necessary and would only be confusing. Today, anyone or any company can be sued for almost anything. My husband has been the recipient of a couple baseless and frivolous lawsuits, and people only remember the accusations—the bad news—not the fact that the suits were thrown out for lack of cause. For a typical citizen, any mention of a lawsuit past or present represents “bad news” and could create a negative impact on my business regardless of the outcome or nature of the suit. It does not make sense to me that I would have to disclose these lawsuits unless our company was found guilty. Otherwise, my company and I are put at an unfair competitive advantage even though there has been no wrong doing found.

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 and sexual predators, 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 EcoQuest International 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 product or service from the seller, your contact information can be disclosed in the future to other buyers.” People are very concerned about their privacy, identity theft and personal safety. They will be reluctant to share their personal information with individuals they may have never met.

I appreciate the work that the FTC does to protect consumers, yet I believe this proposed new rule has many unintended consequences. There are less burdensome alternatives available to achieving your goals.

Thank you for your time in considering my comments.

Respectfully,

Carol Gabbard  
Senior. Manager