July 15, 2006

Email to: https://secure.commentworks.com/ftc-bizopNPR/

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

Re: Business Opportunity Rule, R511993

Ladies and Gentlemen:

I am an independent distributor of 4Life Research USA, LLC ("4Life"). 4Life is a company that manufactures high quality dietary supplement products and markets those products through a network of independent distributors. My family depends on the extra income that I earn as an independent distributor of 4Life.

I am writing this letter because I am concerned about proposed Business Opportunity Rule R511993. I believe that in its present form, it could prevent me from continuing as an independent distributor of 4Life. I understand and appreciate that part of the FTC's responsibility is to protect the public from "unfair and deceptive acts or practices," but some of the sections in the proposed rule will make it very difficult, if not impossible, for me to sell 4Life products.

One of the most confusing and burdensome sections of the proposed rule is the seven day waiting period to enroll new distributors. 4Life's sales kits only cost $29.95. People buy televisions, cars, and other items that cost much more than the price of a 4Life sales kit, and they do not have to wait seven days. This waiting period gives the impression that there might be something wrong with the compensation plan. I also think this seven day waiting period is unnecessary because 4Life already has a 90% buy-back policy for all products, including sales kits purchased by a salesperson within the last twelve months. Under this waiting period requirement, I will need to keep very detailed records when I first speak to someone about 4Life, and will then have to send in many reports to 4Life's headquarters.

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. In today's legal environment, 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 4Life is found guilty. I believe this would place 4Life and me at an unfair advantage even though 4Life 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 to strangers, even with their prior approval. 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 4Life's 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 and will be very reluctant to share their personal information with individuals they may have never met.

I appreciate the work of the FTC to protect consumers, but I believe this proposed new rule has many unintended consequences and that there are less burdensome alternatives available in achieving its goals. I respectfully request that the proposed Business Opportunity Rule R511993 not be adopted; or, alternative, direct selling companies receive an exemption from the Rule.

Thank you for your consideration.

Sincerely,

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Gail Wood