

July 11, 2006

Re: Proposed FTC Rule for Business Owners  
To Whom It May Concern:

First of all, I would like to thank the FTC for actively seeking ways to protect individuals from “business scams”. I have personally had to deal with misleading information myself from other opportunities outside of Quixtar. With that being said, I am proud to associate myself with the Quixtar name and hope that we, IBOs’ (independent business owners) can continue to service our communities with excellent products and a genuine opportunity to develop income in addition to their regular source of income. I have been an IBO for nearly 4 years now. I started in college and the mentorship and experience has continued to be priceless for me. Through the mentorship alone, I have had countless opportunities to learn from multi-millionaires. These people are not fake, un-reachable personalities. Danny and Renate are real and offer true, face-to-face mentorship. It’s like having a Life Coach. And most people don’t get that after high-school or college. It is important that the Quixtar opportunity is not confused with the fly-by-night and pyramid schemes that come and go. However, I do have some concerns with the proposed FTC Rule and trust that my concerns will be taken to heart in making some final decisions regarding this new proposed rule. My main concerns are the following:

1. The seven day waiting period for registration
2. The requirement to provide references
3. The requirement to provide a “litigation list”
4. The requirement for several different earning disclosures
5. The requirement for financial substantiation

The majority of my concern stems from the fact that our interview process that is already in place should satisfy the needs of these requirements. The proposed rule would cause an unnecessary excess amount of work for IBOs, who are working hard to develop their business system and help others to do the same. The interview process includes a short interview (20-30mins), a chance to sit in on one of our business meetings and meet business owners who are already a part of the team and a follow-up meeting to address any other details re: money, income, work schedule, time constraints, and etc. When a person is interviewed for a position on our team we explain the income potential, how much work is involved for the income they want, start up costs, the realistic time-frame in which to expect that income (with the right amount of work), and even the expected amount of the very first check. That is why we have an interview process – not just a one interview. In fact we are actually encouraged not to register any one until they have been able to sit in on one of our meetings, *even if they want to register the first time they hear about our business plan.*

Our interview process already spans a week or more time-frame in most circumstances, therefore requiring an additional 7 day wait period may hinder a business owner from meeting a personal deadline, bonus, or chance to take advantage of promotions as a new business owner. (i.e. Sometimes new business owners are given the chance to receive free shipping on their orders as they register as a promotion to help aid new business owners as they get accustomed to our site and the ordering process.) This rule could actually punish new business owners.

In regards to the need for references, potential business partners receive plenty of personal ‘face-to-face’ references when they meet our business team, which takes place during the second part of the interview process (before they are registered). At this time they get to literally sit in on own business meetings/workshops and simply observe how our business plan is taught and meet people from our team in the area. Having to issue our team members phone numbers and addresses to every guests would be extremely time-consuming for business owners to meet the guests and then call their prospective business owners as well as others’ prospective business owners, while working a 40-50 hour week and tending to their normal family routine. And as a single lady I personally am very cautious about loosely advertising my personal address and home phone number to a large audience, for safety precautions.

The requirement to provide a litigation list could also hinder a business owner. We are taught to own up to our own actions, yet this requirement could require you to own your actions *and the actions of every one else*. And due to the large amount of people, who currently and in the past have utilized this system, it is an unrealistic expectation. It’s almost like requiring Wal-Mart to show every potential employee and customer the list of lawsuits they receive in a year.

In addition, the requirement to have a specific disclosure for every earning disclosure would cause mass confusion for our new business team members; preventing our business teams from teaching in a simple and duplicable pattern. Training and teaching involves, helping new business owners understand multiple ways of creating income within this business system (the income bonuses are different at each business level). A simple disclaimer should be adequate in regards to the earning potential.

The requirement to disclose personal income statements is an infringement on a person’s privacy. Some people join our business team because they have debt and are looking for a way to out-earn the problem, if they had to show every potential business owner their current debt problems how would they ever realistically develop a team of business owners. The income that you produce with the Quixtar business plan, is a choice, determined by you. (Many people buy into a membership at a gym and don’t fully utilize the gym; that doesn’t make the gym a bad gym.) This requirement would require business owners to potentially give a false negative pretense to the Quixtar business plan, due to their past personal financial mistakes.

In closing, I hope that the Quixtar business model can continue to be a safe avenue for ambitious people who truly want a chance to take active part in the “American Dream”, business ownership, freedom, and the chance to succeed as far as your dreams will allow you to go. And I thank the FTC for their continued support in this endeavor.

Sincerely,

*Kimberlie M. Wade*