

July 16, 2006

RE: Business Opportunity Rule, R511993

To Whom it May Concern:

I got involved in direct sales or network marketing almost 4 years ago. I had used products from other companies before but never approached them like a business. I think that many companies are bogus and contribute to the stigma of the industry. However, when I was introduced to XanGo I realized that not all companies, products and opportunities in this industry are equal.

I have found that not only does the company's product positively affect my family's health, their compensation plan is rewarding of hardworking individuals who want to help others. I always thought that those who "got in first" made the most money. However, after seeing several distributors in our sales force actually surpass our monthly income, I realized that the XanGo compensation plan rewards fairly. On top of incredible health and financial benefits, I have also had the opportunity to donate time and money to several different charity groups, serve in my community, and improve my communication, public speaking and leadership skills. In fact, I have even been able to travel abroad and participate in service expeditions. In short, direct selling has changed my life...only for the better and I am very grateful for this opportunity to own my own business and accomplish these goals.

I am also grateful for the work that the Federal Trade Commission does to ensure that directing selling is legitimate and as well as prevent fraudulent companies from destroying the success and dreams of other hardworking citizens. There are unethical, dishonest, unlawful organizations that scheme steal money. We support the FTC wholeheartedly in any work that can be done to distinguish the legitimate direct selling businesses from the fraudulent ones and to eventually remove the stigma associated with network marketing. However, after carefully reviewing Business Opportunity Rule, R511993, I have come to the conclusion that the implementation of this rule would be extremely detrimental to our business as well as every other legitimate direct sales business and in many ways be ineffective in deterring those that are unethical and illegal.

Our greatest concerns stem from the five disclosure requirements described in the proposed rule. The seven-day waiting period, for example, would thwart our business's momentum and growth. I can't think of any business (direct sales or otherwise) that would survive a waiting period between the time the opportunity is presented and the point of sale. People are not mandated to wait seven days when purchasing a gym membership or an expensive pair of shoes. It would also be difficult for us to explain to our potential customers why they would have to wait seven days before being able to order a health beverage from us at wholesale cost.

Another area of concern for us with Rule R511993 is the requirement for a list of references. Providing the names, addresses and telephone numbers of the ten geographically nearest purchasers to every prospect interested in purchasing our product is not only impractical and nearly impossible to do, it is unethical and violates the confidentiality of our distributors and customers. Illegitimate direct sellers will have no problem fabricating fake references, but an honest business like ours will struggle with the logistics of even managing that information.

Business Opportunity Rule R511993 may seem practical and necessary in theory, but if it were to be implemented as is, the FTC would cause much more harm than good to hardworking citizens like my wife and myself. Without an amendment of the five disclosure requirements, this rule will thwart the very legitimate business we and many others have worked hard to establish. Please consider our businesses, our families and our dreams when determining the status and implementation of this rule.

Thank you for taking the time to read this letter. We hope that it will assist the FTC in taking the best course of action for all direct sellers. Please feel free to contact us if you should need any other information.

Sincerely,

Rodger Smith - SeeLevel, LLC
XanGo Independent Distributor and Small Business Owner