

July 16, 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 greatly concerned and confounded by the FTC's proposed Business Opportunity Rule R511993. Since 1995, I have been an Independent Distributor through Sunrider International (Sunrider), based in Torrance, California. Sunrider is a model company that has received numerous awards and accolades for its quality control, product quality, corporate giving, and overall fairness and honesty in business practices. The expertise of its owners, who are intimately involved with the company, and their integrity is unparalleled. Sunrider offers a bonafide multi-level marketing program where people of all backgrounds, education, work experience, age, and gender can achieve financial security and stability beyond the traditional work place for a small investment. Through Sunrider, the average person is able to enjoy greater prosperity and a less stressful life because of the improvements to their health and financial security. In Sunrider, one advances based on their efforts; there are no office politics to play to get ahead. Again, shouldn't the FTC encourage and not dissuade people from such opportunities? Sunrider's practices should be modeled by other companies, and I would even suggest that **the FTC consider incorporating some of Sunrider's policies and standards into your rule proposal**. It is from this positive experience that I am writing this letter.

While I understand that part of the FTC's responsibilities is to protect the public from "unfair and deceptive acts or practices," I believe that there are some serious and unintended consequences to this rule, **that would do the exact opposite**, to companies like Sunrider that offer legitimate business opportunities. Specifically, I am most concerned about the following and will explain each of these in greater detail throughout this letter:

- 1) The rule does not offer positive standards that both protect consumers while allowing established companies like Sunrider to continue to grow and flourish;
- 2) Some of the sections in the proposed rule will make it very difficult if not impossible for anyone to sell Sunrider® products;
- 3) The rule will negatively impact the United States economy by stymieing free enterprise and individuals' abilities to advance and enhance their financial security beyond what traditional jobs offer and pay;
- 4) Legitimate and award winning companies like Sunrider and its distributors like myself will have an undue and unfair burden placed on them because of the practices of less honest companies;
- 5) The rule will potentially increase the likelihood of identity theft, a crime that is too widespread already; and

- 6) The rule is imposing stricter standards on becoming a Sunrider than some states impose before purchasing a gun!

You should also know that before I became a Sunrider Distributor, I was a Distributor with another multi-level marketing company for a few years. I left that other company (which still exists today) because I was unimpressed with their product line and their financial compensation plan to its Distributors, although it was a legitimate plan. By contrast, I have **never been displeased** with Sunrider's products or their business practices. I am continually impressed by the level of detail and investment that Sunrider's owners place in both product development and the compensation plan. From utilizing Sunrider's products on a daily basis, thousands of people have improved their states of health and well being, decreased their medical costs, and enhanced their financial situation which allows them to travel more often, spend more time with their families, and afford the things they may have only been able to wish for previously.

Since I started with Sunrider 11 years ago, I have continued to be impressed with Sunrider's **honest business practices** as well as the compensation plan and how it has become more generous over the years. (In a time of stagnant wages in this country, how often do you hear that)? Therefore, I would suggest that the FTC revise its proposal into a more positive framework, perhaps including requirements and standards that Sunrider already has in place, which I will describe later in this letter.

When I started with Sunrider 11 years ago at age 28, I was taking 8 different prescription medications daily for a range of health problems including acid reflux disease, environmental and food allergies (that sometimes ended me up in the hospital), eczema and acne, thyroid problems, weight gain, and severe sinus infections every winter. Within 90 days, I was seeing dramatic improvements, and my health has continued to improve every year. I feel (and am) healthier in my late 30's than at any other time of my life. Now how many people do you know can say that about their health as they age?! This is also a common experience for Sunriders. **Doesn't the FTC want to encourage United States residents to improve their quality of life?** Unfortunately, your rule proposal in its current form will discourage this rather than encourage it.

One of the most confusing and burdensome sections of the proposed rule is the seven-day waiting period to enroll new Distributors. Sunrider's Starter Pack costs **only \$140.00**, and is not a mandatory purchase in order to become an Independent Sunrider Distributor. People buy TVs, 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 illegitimate or compromised about the plan, which is **not the case at all with Sunrider**. Sunrider's company literature is also available to any prospective Distributor to help them make an informed and educated decision about whether or not to become a Distributor. I also think this seven-day waiting period is unnecessary because **Sunrider already has a generous 60-day return policy** for existing Distributors that is applicable to all products, including the Sunrider® Starter Pack. **Sunrider also has a 90% buyback policy** for former Distributors applicable to all products purchased within the last twelve months. Another problem with the seven-day waiting period is the administrative burden of keeping very detailed records when I first speak to someone about Sunrider, and then having to send numerous reports to Sunrider headquarters. Sunrider's

provisions fairly and adequately protect Distributors. (Perhaps the FTC should require that all companies include such provisions instead).

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 in this litigious society, anyone or any company can be sued for almost anything, regardless of the lawsuit's merits or basis in fact. It does not make sense to me that I would have to disclose these lawsuits unless Sunrider is found guilty. Otherwise, Sunrider and I are put at an unfair advantage even though Sunrider 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. Surely you've seen the Citi Cards commercials that humorously illustrate what happens when one's identity is stolen. **How does that fulfill the FTC's mission of protecting the public?** I certainly would not want my information given out randomly, would you? In order to get the list of the 10 prior purchasers, I would need to send the address of the prospective purchaser to Sunrider 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. If a prospect wants additional references, I am happy to direct them to people I know and who trust me. That should be more than sufficient. **If the prospect is still not satisfied, they need not become a Sunrider Distributor -- simple as that!** They're adults, and this is a free country. It's completely their choice. So why would the FTC try to exacerbate a problem like identity theft?

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, as I have described throughout this letter. Although there are other companies that may have made fraudulent claims to its prospects, Sunrider is not one of those companies. It is my understanding that Sunrider management has submitted its own set of comments on this rule proposal. I respectfully suggest that the FTC consider working with Sunrider to learn more about its extremely fair policies and generous payouts and revise your current rule proposal accordingly. **The good must not be punished because of the bad.**

Thank you for your time in considering my comments. If I may be of further assistance, please do not hesitate to contact me.

Sincerely,

Natalie Harrington