

A response to R511993 – 16 CFR Part 437:

This recently purposed rule changed dubbed “The Business Opportunity Rule” is an well intended change that fails to uphold the values and privacy of the American citizens. I have been affiliated with Quixtar Inc. and the BWW business team for nearly a year now as an Independent Business Owner. I simply cannot express to the FTC the personal pride that owning and operating my own business has brought me at the age of twenty, nineteen when I first joined. From the mentor team, and the backing of the Quixtar corporation, I have been able to slightly increase the lives of the people around me, and greatly increase my character, integrity, and values. Compared to what I have learned in the corporate world, I was at one point a sales team member at Best Buy Inc., Quixtar has given me the chance to change from a disgruntled teen to a prominent member of the American free enterprise system.

The changes purposed in 437 will negatively affect my business by causing a great deal of work and effort, but will also challenge my rights as an American citizen. In the following paragraphs I will direct comments towards each change that I personally feel are movements towards an invasion of my personal privacy and in essence a socialist outlook on the free enterprise system as a whole.

The requirement of prospective IBOs (Independent Business Owners) to have to wait seven days is simply an invitation to not get things accomplished. If as an IBO, I had to wait seven days to sign up my friends and family as clients or other IBOs, I would have lost a lot of my steam and there is a chance that I would not have grown in the corporation the way I have. The seven day waiting period serves no purpose in opportunities like Quixtar, where at any point up to 6 months after a new IBO signs up they can get back their money. It only serves to harm the citizens that join.

The purposed rule also states that an IBO would be required to give new prospects the names, addresses, and phone numbers of other IBOs in his organization. This is a personal invasion of my privacy and every other member of my organization. I find that the requirement of my name and personal information to be on list given to anyone that considers joining the business as a personal attack and would not stand for such a thing. Regardless of the validity of the opportunity that someone is looking to join, requiring that information is an invasion of privacy and an attack on citizens rights in this country.

The purposed litigation list I find to be extremely under-defined. It requests that I supply a list of every lawsuit against Quixtar and against other IBOs. As ludicrous as it sounds, this is like asking Wal-Mart to post on its doors a list of every time they have been sued, or anyone they did business with was sued. To me this is a waste of paper and effort. I do realize that the word needs to get out on fraudulent businesses, but this does not offer any help.

As far as the requirement to make a different disclosure for every income claim, Quixtar already has in place in place the SA-4400 which requires IBOs to show an average monthly gross income. At this point, requiring IBOs to make a different disclosure for each income claim would result in a lot of extra paperwork and time on the part of the IBO. In essence it would cause a decrease in business and an increase in time spent dealing with red tape.

Lastly, requiring the IBO to disclose substantiation to prospects is like asking how much money is in your bank account. It is a personal invasion of privacy. I agree that the IBO should possess such information, but asking for it to be disclosed is again, an attack on privacy. If my business were a publicly traded company, I could understand such requests, but I am not.

In closing, I would like for the FTC to rethink its proposal and not negatively influence the way legitimate opportunities like Quixtar do business. I have faith in the American free enterprise system and hope that in the future that faith was not misplaced.