



Carico International Inc.

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13 June 2006

Federal Trade Commission
Office of the Secretary, Room H-135 (Annex W)
600 Pennsylvania Avenue, NW
Washington, DC 20580

RE: BUSINESS OPPORTUNITY RULE, R511993

Dear Sir or Madam:

I have been made aware of your FTC Business Opportunity Rule R511993 that would in fact regulate direct sales organizations. I understand very clearly that your intention is to eliminate business opportunity frauds and pyramid marketing schemes. I too feel that these areas need to be addressed.

I have been in direct sales for over 40 years and have offered opportunities to many people to supplement their income and/or make a career in direct sales. As you are aware, direct sales is a very legitimate method of doing business. Millions of people have enjoyed successful careers in the field.

If these new laws were to be put into effect, I would venture to say that it would destroy the direct selling companies. I do agree that if the individuals are required to make a large initial investment, say \$1,000 or more, they should have a seven-day waiting period during which time they could request a return of their investment. This would tend to eliminate the dishonest companies. However, I think you will agree the dishonest companies wouldn't refund the money in most cases and wouldn't honor any agreement put into effect. The only companies that would honor the agreement are the legitimate companies. This ruling would only have a negative effect on the legitimate organizations.

In reference to mandating the names and phone numbers of direct sellers, it would seem to me in this "do not call" environment, I would be offended if someone were to give my name without my permission.

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If your objective is to shut down direct sales, I believe your proposal would accomplish that. I can assure you that based on the current proposal, our companies could not operate effectively and it would cause thousands of people on staff in administration, manufacturing, warehousing, transportation, credit, etc. to lose their jobs. I do not believe that is your purpose.

Please take the time to review the negative impact this would have on our direct sales organizations. I cannot conceive how this could have any positive impact for our country during such trying times.

Sincerely,

Richard R. Cappadona
President
Carico International

RRC/bej