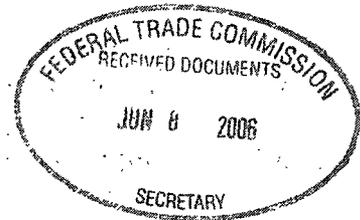


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JAMES L. BAUCHERT, Esq.

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June 2, 2006

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

RE: Proposed BUSINESS OPPORTUNITY RULE,
R511993

Dear Gentleperson:

I am deeply concerned about the proposed Business Opportunity Rule, R511993. After reviewing the proposal, I find that it has a prohibitive impact upon the continued functioning of any direct selling market, including my own operation as an associate with Mannatech, Inc. While I agree that it is the function of the F.T.C. to protect the public from "unfair and deceptive acts or practices" the current proposal will make it impossible for me to continue in my chosen profession as a direct seller with Mannatech, Inc.

First, I am concerned with the proposed "seven day waiting" plan. I know of no other profession where such a waiting period is required or permitted. I find it rather prohibitive when a person has no waiting period for a major purchase such as a car, home – or even services, such as your prior profession as an attorney, where the retainer became binding and enforceable once signed.

It seems to me that while well intended this proposal tends more to cast an onerous image upon the market than to actually protect the consumer. When such a period is not required for any other business or profession, why this one?

In addition, Mannatech, Inc. already has a firm buyback offer to all purchasers, including sales kits purchased within the past twelve months, so the consumer is already protected.

In addition, this new proposal will add an additional layer of record keeping that for a home based business can easily become unduly burdensome.

The requirement of full disclosure of information of any and all lawsuits involving "misrepresentation, or unfair or deceptive business practices" is even more burdensome.

As an attorney, you know that these days lawsuits frequently have no merit and can be filed by anyone having access to a paralegal and the filing fee. R511993 makes no distinction between lawsuits that were dismissed, where the defendant prevailed, or a settlement was reached. As such, this blanket requirement creates an atmosphere where any lawsuit casts a poor light upon the entire company, whether or not the action had merit.

R511993 makes no distinction as to where the lawsuit was filed. As an attorney, I am sure that you are aware that some jurisdictions may be more liberal than others and more accepting of a suit. The proposed rule makes no distinction between countries either. Mannatech, Inc. is active in the United States, Canada, Great Britain, Germany, Japan, Australia, and New Zealand and growing. Each jurisdiction has its own requirements and jurisprudence. This proposed rule does not take into consideration this international exposure.

In addition, your proposal makes no distinction between actions brought against an independent associate and the corporate office. A misrepresentation of an associate in Australia should have no impact upon my marketability here in Southern California, but R511993 makes no allowance for the distinction.

Lastly, the requirement of maintaining an up to date international litigation file to present to all my contacts would again create such a burdensome task as to be cost prohibitive – and again, I know of no other business where such a requirement is made. Could Ford Motor Company or Johnson & Johnson also be required to keep and present such records, and should they?

As a prior victim of identity theft I am deeply concerned about R511993's requirement to disclose the private information (even address and telephone number) of a minimum of ten prior purchasers nearest to the prospective purchaser.

This requirement would not only force me to disclose contact information of my customers to a total stranger to them, but it would be done without the existing customer's permission or knowledge.

The addition of a paragraph disclosing that by agreeing to purchase the current business opportunity you are agreeing to the release of your private information to future prospective purchasers would have a chilling impact upon potential purchasers. Under R511993, all one has to do is make an inquiry to me about the business opportunity and in return receive the private information of ten persons in the immediate area who have already become involved. This is a ready-made opportunity to build a free contact list for someone who has learned how to manipulate the system.

Worse, by the very nature of direct selling, contacts are scattered and varied. Personally, I have contacts in Indiana, California, Hawaii, and waiting in Malaysia. This requirement would mean that if I get a referral for a new contact in Hawaii, I would have to inquire at the corporate office of Mannatech, Inc. to learn of ten others who are in the immediate area as I do not have ten contacts in Hawaii. I may be one of the first to be active in Malaysia; would the next ten closest purchasers be in Australia? Of what purpose would such a list be?

This creates a deep burdensome level of record keeping and distribution of very personal and private information – most of which I would not have access to otherwise. This frightens me – and should you as well.

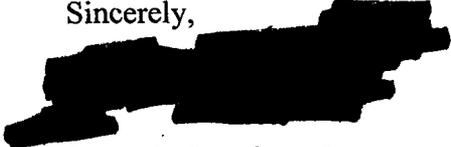
I have had a varied career path, but in the end, after being a member of the State Bar of California for twelve years, I turned to Mannatech, Inc. as a business opportunity after having an incredible life-changing experience with the products and realizing that the Direct Selling market is a true method of creating wealth and retirement for my family. I recently retired from the law firm where I turned down a partnership offer to devote my time and attention to building a business for my family, who now depend upon my efforts with Mannatech.

I understand and appreciate the efforts of The Federal Trade Commission, but I also understand that sometimes proposals made in good faith can have unintended consequences, especially when there are less burdensome alternatives available and in place to achieve the same results of protecting the public.

I strongly urge you to reconsider R511993 and rescind it in its entirety.

I thank you in advance for your valuable time, attention, and consideration of my letter.

Sincerely,

A large black rectangular redaction box covers the signature area, obscuring the name and any handwritten notes.

James L. Bauchert, Esq.