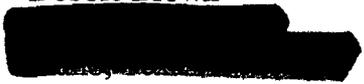


522418-70565



Debbie Brown



Federal Trade Commission / Office of the Secretary, Room H135 (Annex W)
600 Pennsylvania Avenue, NW
Washington, DC 20580

RE: Business Opportunity Rule, R511993

Dear Sir/Madam:

I am writing in response to the proposed new Business Opportunity Rule R511993, which if not modified, will be a significant impediment and burden to myself and the network marketing industry. In my opinion this new rule although well intended, represents a very large burden to free market trade. The proposed rule would require a defacto seven day waiting period to enroll new distributors. In essence, I would have to potentially sell to a person twice on the same business—even if the start up fee is immaterial.

The rule requires that any earnings claim statement made by the distributor or company to a prospect, whether written or oral, general or specific, be validated with a detailed "Earnings Claims Statement Required By Law." Additionally, the distributor would be required to provide written substantiation of any earnings claim made upon request. I support the disclosure of an average earnings income statement because it is good business practice to establish realistic expectations. However, I oppose being forced to provide written substantiation because it is an excessive burden considering the investment of money to enter into the business is nominal. (That is, if the investment is under \$1000 or even under \$500 as with the company I represent).

The rule also calls for the release of any information regarding prior litigation and civil or criminal legal actions involving misrepresentation, or unfair or deceptive practices even if you were found innocent. In our lawsuit-happy culture, anyone can be sued for anything almost with impunity. Irregardless of the outcome, I would have to disclose it and explain it to the prospective business partner. This would be like a medical doctor having to explain and show previous lawsuit cases to a new patient when prescribing a pharmaceutical drug. Now, wouldn't that take up a lot of his or her time and be an unfair practice plus cause possibly unnecessary doubt? This kind of information should only be made available if the party was in fact found guilty.

While providing references of satisfied customers is good standard business practice, it is a burden for small businesses and, as a requirement, is a violation of personal confidentiality. Also, it is impractical to find 10 nearest distributors. This kind of requirement could threaten business relationships and make current customers and distributors subject to cross-marketing by competitors. Plus, I would not want to bother my current customers with having to give personal references. Furthermore, this rule raises privacy issues due to ID theft and personal safety. Besides, companies such as mine already make personal stories available to those prospective

customers and business partners.

The network marketing industry is one of the few remaining opportunities for people to leverage their time and limited resources to earn additional income or to create a new career. Once scoffed at by investors, many network marketing companies are publicly traded on Wall Street including Herbalife, Nu Skin, Pre-Paid Legal Services, USANA and others. Network marketing is being used by blue-chip corporations including Citigroup, MCI and IBM. Top business management leaders and New York Times best-selling authors Robert Kiyosaki, Paul Zane Pilsner, and Steve Covey have endorsed network marketing. The industry is also growing in popularity and contributes to the US economy. This growth should be encouraged. There are 13 million Americans involved in the network marketing industry today. Lastly, the network marketing industry contributes to our growing economy. Sales of products and services through network marketing are estimated at more than \$29 billion in 2003. I have been involved in network marketing for over 5 years.

I would like to highlight that network marketing has been a wonderful experience for me in the way of personal development and financial stability. My confidence has soared and my people skills have drastically improved. The personal growth I have experienced has helped me in my married life, family life and my business and social life. Furthermore, my husband and I have hope of building a retirement income that does not have to depend on social security. Due to our company's international expansion we have a way to spread our business internationally into other countries such as neighboring Mexico. If this proposed rule had been in place 5 years ago I might have been too frightened and too bogged down with unnecessary questions and information to stretch myself and move into the unknown territory of sales.

I understand and value the role of the FTC mission "to stand up for America's free market process and for its consumers, who benefit from competitive markets in which truthful information flows" because there may be fraudulent groups out there. However, I believe that this proposed new rule far exceeds what is necessary and needs significant modification because it unfairly targets legitimate direct selling businesses. We live in a free market economy where people have the responsibility of making informed decisions on their own based on best information available. A better approach would be to provide consumers with objective criteria when analyzing a business opportunity and let an informed market move forward unhindered by even more unnecessary "red tape".

Thank you for taking the time to read my letter. Please consider the points I have written above as well as my personal experience.

Respectfully,


Debbie Brown
Independent Rep/Distributor
Legacy For Life, LLC
