

**UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION**

In The Matter of Telemarketing Rulemaking –

FTC File No. R411001

**COMMENTS OF MARKETLINK, INC.
ON THE PROPOSED REVISIONS TO THE
TELEMARKETING SALES RULE**

INTRODUCTION

As the President and CEO of Marketlink, Inc., a teleservices firm with 425 employees, I am writing to comment on the proposed revisions to the Telemarketing Sales Rule.

Our firm, which is headquartered in Des Moines, IA., was founded nearly 10 years ago. We have grown to 425 employees at five call centers by providing highly ethical, cost-effective sales and customer care calling programs for hundreds of clients.

Our clients include many of the largest cable television firms in the country such as Comcast Corporation, Charter Communications and AOL Time Warner. These companies rely heavily on Marketlink to provide high quality, cost-effective calling programs. The programs typically involve contacting current cable subscribers to offer attractive new services such as high-speed Internet access or to measure subscriber satisfaction levels.

These calling programs are a very significant source of revenue growth for our clients and for the cable industry in general. We estimate that Marketlink's calling programs alone generate approximately \$35,000,000 annually in new revenue for our cable clients.

While we are a major source of economic growth for our clients, we also have a major impact as an employer. Small, rural communities in Iowa and Minnesota have relied on Marketlink for job creation and economic growth in their communities.

We have been actively recruited to establish call centers in these communities and not a week goes by that we don't receive a solicitation from a community somewhere in the U.S. that would welcome a new teleservices business like ours in their community.

We now have three centers in rural areas - Storm Lake, IA, Estherville, IA, and Fairmont, MN. In each community, we are among the largest employers. As the farm economy deteriorated in the 1980s, Marketlink emerged as a key provider of career opportunities in these communities. As stated earlier, these communities have aggressively sought our presence – because of our positive economic impact and because of the quality and professionalism that is part of our culture.

In the case of two communities – Storm Lake and Estherville – we also employ more than 20 university and community college students who otherwise would have difficulty finding jobs to supplement their incomes. A number of these students have joined our firm as marketing professionals upon graduation.

And in the case of Storm Lake, IA., we have created a new career opportunity for Hispanic residents through our bi-lingual calling unit. This has been a wonderful employment alternative for these newer residents of the U.S. and their families.

We estimate that Marketlink’s five call centers have an annual economic impact of nearly \$13,000,000 in the communities which house our call centers.

In summary, Marketlink provides a key stimulus to the U.S. economy by generating approximately \$35,000,000 in sales revenue for our clients, and as a major employer we provide an economic boost of approximately \$13,000,000.

We believe that the proposed revisions to the Telemarketing Sales Rule will seriously jeopardize our ability to continue to cost-effectively provide our services and ultimately significantly reduce our employment levels. These negative impacts will reduce the growth rate of a major U.S. service industry – cable television – and severely diminish the economic stimulus Marketlink provides in local communities.

While we detest the unprofessional and fraudulent practices of some companies engaged in so-called “telemarketing,” we believe it would be extremely unfair to put companies like Marketlink - who conduct their businesses professionally and with the utmost integrity -- at a severe economic disadvantage which would affect the livelihoods of 425 employees and their families.

We also find it extremely ironic that the FTC would seek to stifle our business while local communities and states are providing incentives for us to expand!

Several proposed revisions are particularly onerous:

(1) Creation of a National Do-Not-Call Registry:

As you well know, consumers can already easily remove their names from calling lists under federal law. It is, therefore, difficult to understand why a FTC registry would be needed to duplicate an existing federal do-not-call mechanism. Further, other options already exist for consumers in the form of the Direct Marketing Association’s

Telephone Preference Service which is a free, easy way for consumers to be placed on a national do-not-call list.

And on top of the already-existing federal and DMA options, twenty states (representing 60% of the country) now have DNC lists and the number is growing!

As a business owner and speaking for the 400+ taxpayers at our firm, we strongly question why the FTC would want to waste further tax dollars to launch a highly redundant registry.

(2) Predictive Dialers:

America's economic growth has been driven largely through advances in technology. Predictive dialers were introduced within the teleservices industry to improve productivity and have, in fact, yielded significant gains leading to major expansion of our industry. By enabling us to hold our costs down, both our clients and ultimately consumers have benefited from lower prices.

What kind of productivity gains does this technology provide? Let's assume we launch a program designed to contact 1,000 consumers to make them aware of a new service being offered by a local cable television operator.

Using predictive dialing, we estimate that it would take 50 hours of calling time to contact the 1,000 consumers. If the prospects were dialed "manually," i.e., without the use of a dialer, it would take 200 hours to contact them – four times as long.

This would increase the cost of the calling program by 300%! These costs would have to be passed on to our clients and ultimately to consumers. If clients are unwilling to absorb these increases, we will suffer revenue losses which, of course, could dramatically affect our ability to continue our business and cause us to reduce our workforce.

Please consider, too, that if the industry is forced to abandon predictive dialing, you will very likely be pushing teleservices jobs outside the U.S. For example, there has already been significant growth in call center jobs in India where wage rates are incredibly low by U.S. standards. The communications infrastructure exists internationally to support this type of employment exodus to other countries where the jobs would certainly be welcome.

In conclusion, we appreciate the opportunity to comment on the proposed revisions, and in summary we ask that the FTC:

- ❑ Let the existing federal law stand as means to provide a do-not-call option for consumers; there is no need for a redundant, wasteful Federal Registry;

- Not ban or severely curtail the ethical use of predictive dialing equipment. To do otherwise, would put companies such as Marketlink in very serious economic jeopardy.

On behalf of our 425 employees, their families, and the communities that benefit economically and socially from our presence, we ask you to take our comments to heart and to allow us to continue to operate as we have - in an ethical and professional manner without the economic burden created by these proposed revisions.

Sincerely,

John M. Miksich
President/CEO
Marketlink, Inc.

March 21, 2002

cc: The Honorable Thomas J. Vilsack
Senator Thomas Harkin
Senator Charles Grassley
Representative Greg Ganske
James Aipperspach, President, Iowa Association Business & Industry