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March 15, 2002

Office of the Secretary
Federal Trade Commission
Room 159
600 Pennsylvania Avenue, N.W.
Washington, D.C. 20580

~~Dear~~ Sir/Madam:

Reese Brothers, Inc. began its work on behalf of its many nonprofit clients in 1974. Since that time we have grown and now have to over **5,000** employees. One of our earlier **and** primary successes ~~was~~ for **Mothers** Against Drunk Driving (MADD). Through the use of our telemarketing efforts we were able to assist MADD change society's attitude about drinking and driving.

Our telemarketers go through **an** extensive training program and are carefully monitored. We subscribe to the various do-not-call lists that are currently in existence in approximately 21 states. We also access private industry lists and require our clients to maintain voluntary do-not-call lists.

I **am** extremely concerned over the proposed amendments to the Telemarketing Sales Rule that would create a national do-not-call registry. The lack of **an** exemption for calls made on behalf of nonprofit organizations will cost many worthy charities a substantial portion of their donor support. It will **also** mean our company will have to scale back and lay off employees.

The Federal Trade Commission should recognize there is not a distinction between the message delivered directly by a charitable organization and the **same** message when delivered by a professional representative of that same organization. Most charities do not have the facilities to provide the expertise to conduct their own charitable appeals. **As** a result, the proposed do-not-call registry will have a disproportionate impact against the smaller **and** mid-size charitable organizations. **Many** of these organizations depend upon grass roots support **to** maintain their social welfare programs. At a time when government is doing less and we need charities to do more, this proposed regulation will have **a** material negative effect on their capacity **to** meet that need.

It has been explained to me that because the Federal Trade Commission has limited jurisdiction **certain** calls will continue while others will not. I was surprised to learn that among the calls that will not be affected are calls made by long distance services, credit card services, political calling, intra-state calling, **and** calls made by charities that are large enough to have their own in-house telemarketing force.

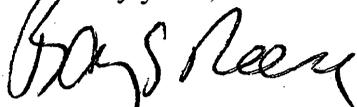
Presumably, the application forms for the registry will be widely publicized and promoted; therefore, it is not unreasonable to assume that **40%** to 50% of residents in the United States will sign up if there is no enrollment fee. How quickly will these individuals become disenchanted with the action of the Federal Trade Commission, when the volume of telephone calls they now receive are not appreciably reduced because of the numerous exemptions and exceptions?

I **am** also concerned with regard to what the cost of an additional layer of regulation will cause. It is naive for any regulatory body to consider that the cost of compliance will not be passed along to the charitable organizations relying upon telemarketing, again reducing the amount of revenue that will be available to them. This, too, would not appear to reflect favorably on the Federal Trade Commission.

We propose that you consider creating exemptions for all calls made on behalf of nonprofit organizations, and for individuals with whom the caller has a past business relationship. We would further suggest, in the event the proposal goes into effect, that a nominal fee is charged to be placed on the registry and that registration expires on an annual basis.

If any representative of the Federal Trade Commission would like discuss this matter further, the undersigned would be available to do so.

Sincerely yours,



Barry S. Reese,
Chairman