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United States Senate

WASHINGTON, DC 20510

April 9, 2008 13604377

The Honorable William E. Kovacic
Chairman
Federal Trade Commission
600 Pennsylvania Avenue, NW
Washington, D.C. 20580

Dear Chairman Kovacic:

I read with interest the Federal Trade Commission's (FTC) March 18, 2008, revised rulemaking regarding the proposed Business Opportunity Rule.

Because of our shared interest in consumer protection and commitment to protecting the public from unfair and deceptive business practices, it was encouraging to see the recent FTC announcement appears to take into account the many public comments concerned with the unintended consequences of the previous proposal. As you know, many people were troubled by the potential for the original proposal to over-regulate legitimate business activities, including direct selling companies.

I encourage the FTC to continue to work with stakeholders and potentially affected individuals to ensure the final proposal achieves the FTC's desired goals of consumer protection, while not adversely affecting legitimate business ventures or the benefits they provide the U.S. economy. In the meantime, please keep me updated on developments with this proposed rulemaking.

Thank you for your attention to this matter.

Sincerely,

Mike Crapo
United States Senator

FEDERAL TRADE COMMISSION
2008 APR 21 PM 2:23
CONG. CORRES. BRANCH

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CONG. CORRES. BRANCH



Office of the Secretary

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

May 22, 2008

The Honorable Mike Crapo
United States Senate
Washington, DC 20510

Dear Senator Crapo:

Thank you for your letter of April 9, 2008, to Chairman Kovacic, regarding the Federal Trade Commission's recent revised proposal to amend the Business Opportunity Rule. Chairman Kovacic has asked that I respond to your letter on his behalf. As you know, the rulemaking proceeding is ongoing, and members of the Commission staff are now reviewing comments submitted in response to the Revised Notice of Proposed Rulemaking. Your letter and this response will be made part of the public record of the rulemaking proceeding.

We appreciate your remarks about the revised rulemaking proposal. As you suggest, the Commission staff will continue to solicit input from entities that could be affected by the proposed rule, and will seek in all phases of this project to strike the right balance so that consumers receive protection from unfair or deceptive practices, but industry is not asked to bear a greater compliance burden than is necessary to achieve such protection.

We appreciate your interest in this matter. Please let us know whenever we can be of service.

Sincerely,

Donald S. Clark
Secretary of the Commission