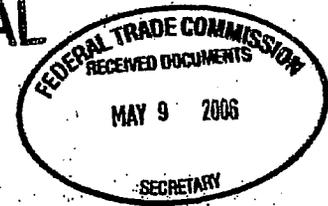


ORIGINAL



Robert R. Jasper

May 3, 2006

FTC  
Office of the Secretary  
Room H-135, 600 Pennsylvania Avenue, N.W.  
Washington, D.C. 20580.

Dear Sir or Madam:

**I am writing to comment on 16 C.F.R. Part 437: Business Opportunity Rule: Notice of Proposed Rulemaking to Promulgate a Trade Regulation Rule to Prohibit Business Opportunity Sellers From Failing to Furnish Prospective Purchasers With Material Information Needed to Combat Fraud and Other Unfair or Deceptive Acts or Practices.**

I have not read the whole rule, but from the summary you published online, I very much favor such a rule. I am an MLM "Survivor" and help moderate the MLM Survivor's Group online. Our group comprises over 5,000 individuals most of whom have been hurt or know someone who has been hurt by an MLM (multi-level marketing company). I think your regulation, if enacted and enforced, will go a long way toward limiting some of the most egregious aspects of these scams.

I was involved in one called the Financial Freedom Society, Inc. for almost a year. Despite doing everything that was recommended and more, I never made a dime. I calculated that to earn the \$6600/mo, I would have needed to recruit 340 people. Of those 340 people, only 5 would be earning enough to cover minimum costs and make a profit. And that was under a "best case" scenario that assumes that everyone who joined remained a member. Of course, that never happens, so to get 340 people, you may have to recruit 3400 or more. People realize they are not making any money, which was their purpose for joining, and they quickly drop out.

Having looked at many MLMs, I'm convinced they are all set up to do one thing, and they do that very well. They take money out of the pockets of the many struggling, hard-working souls at the bottom of the pyramids and put it into the pockets of the few at the top.

By requiring such schemes to publish honest figures on earnings, number of people recruited and number who have terminated in a given period, you will be doing a great service to those who might be tempted to join. I think knowing the true costs and earnings and failure rate will help many people make better informed decisions and hopefully avoid the pitfalls of MLM. I've heard that fewer than 0.1% of those who join ever make a profit; however, such figures are hard to verify. Having government substantiated data would definitely help show this industry for the fraud that it is.

Sincerely,

Robert R. Jasper