



Business Opportunity Rule, R511993

I recently became aware of the new policies being put forth by the FTC for consideration. While I respect and appreciate the FTC's role in protecting consumers from fraud, I wanted to write this letter as I am concerned by at least some of the newly proposed policies.

I am a marketer and have been involved with network marketing for over 3 years. While I admit that there are those in this profession who have questionable-degree of integrity in their business building practices, they are a minority. Furthermore, any and every business model has its "bad apples".

These new laws would make it very challenging for a legitimate marketer who works with a quality product/service to bring this to the marketplace for the consumers who are very much looking for such solutions.

Specifically, I'd challenge these parts of the policies:

- 7 day wait period
- Previous litigation records even when found innocent
- Business references

The 7 day wait is not needed. When you consider that any legitimate company (whether network marketing structured or other) offers a money back guarantee, there isn't a need for the buyer to wait 7 full days in order to get started as a distributor. There isn't a 7 day wait required for marriage, for buying a house and I'm pretty sure there isn't even one for buying guns. When considering a potential \$100-\$500 refundable investment (on average), I'm not seeing the value in having this wait period. I can, however, see how it would negatively impact a lot of business owners as they would now be required to do twice the work for the same profit and same growth.

I would be interested in learning what the proposed reasoning was for even considering this 7 day wait.

As for previous litigation records being required, this I support. However, not if all parties were found innocent. A party could sue their competitor, have them found innocent for the false charges but the competitor is now left with a black mark against them for all their years of operations. But more importantly, this is extra work for the distributor yet provides no added security for the consumer.

Finally, the suggested 10 business references. This I'm strongly opposed to and I feel the FTC should really consider this point. This is a violation of privacy laws at the very minimum. Additionally, it absolutely hinders the new associate just starting out (who wouldn't have much in the way of business references or customer testimonials). What sort of business references could we expect a new person (new to entrepreneurship, new as a distributor) to have? They have little-to-no knowledge and nearly the same level of

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credibility in the eyes of their peers. They certainly don't have an organization of business partners and they may only have a handful of customers.

But going back to privacy laws. All of my marketing ensures the individuals that their information will never be sold or rented (or disclosed in any manner). Yet I could find myself with a potential competitor pretending to be an interested candidate for a distributorship and partnership. They would require my 10 names which I would be forced to provide. They could then use that information for their own marketing purposes. I have just violated a privacy law and my own ethics. Therefore, if this law is passed, I will certainly take my business elsewhere. I find this very detrimental to the network marketing profession as a whole. And I think it's about as fair as me walking into a doctor's office and asking for 10 patients' contact information... or doing the same with a lawyer.

When I first got involved in network marketing, I was a 21 year old with lots of ambition but not much else. No business or marketing education. No experience or skills. No credibility in the eyes of my peers. I literally started from scratch.

Through the teachings of the businessmen and women that I met, I started seeing how I could use the network marketing compensation model, provide a great product/service to the marketplace and in turn build a long term income for myself and my family.

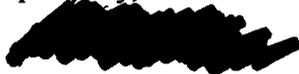
Because of this vehicle, at age 25, I have more financial security than 98% of North Americans.

I feel that many others are in need of a similar opportunity and while I completely support any legislation that will reduce the amount of false claims and hype, I feel that the earlier mentioned proposed laws would have a negative impact and accomplish nothing productive.

I ask the FTC to carefully consider the pros/cons of implementing those policies. I understand that it can be a tough job to create measures that will further protect consumers, but I feel that some of what is currently proposed will not accomplish that.

Your time is appreciated.

Respectfully,


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