MIKE CRAPO U.S. SENATOR IDAHO

CO-CHAIRMAN, WESTERN WATER CAUCUS CO-CHAIRMAN, SPORTSMEN'S CAUCUS CO-CHAIRMAN, COPD CAUCUS Internet/e-mail:

United States Senate

WASHINGTON, DC 20510

COMMITTEES: AGRICULTURE, NUTRITION, AND FORESTRY

> BANKING, HOUSING, AND **URBAN AFFAIRS**

> > BUDGET FINANCE

13604377 April 9, 2008

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 good of consumer protection, while not address. of consumer protection, while not adversely affecting legitimate pusitiess ventures or the benefits they provide the U.S. economy. In the meantime please keep me updated on developments with this proposed rulemaking.

1. 1. 1. 1. 1. 1.

Sincerely.

Mike Crapó⊕ United States Senator

> 2008 APR 21 PM 2: 23 FEDERAL TRADE COMMISSION



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



480 SOUTH HOLLY STREET DENVER, CO 80246 T: (303) 316-8577 F: (303) 316-8078 WWW.XELR8.COM



Federal Trade Commission/Office of the Secretary Room H-135 (Annex S) 600 Pennsylvania Avenue, NW Washington, DC 20580 Tuesday, May 27, 2008

Re: Revised Proposed Business Opportunity Rule, R511993

Dear Sir or Madam:

I am writing regarding the Federal Trade Commission's (FTC) Revised Proposed Business Opportunity Rule, R511993. We very much appreciate the FTC's good faith efforts to consider the views of thousands of direct sellers and concur with your conclusion that revisions to the originally proposed rule were necessary to exempt legitimate direct sellers from coverage.

As a direct selling company and member of the Direct Selling Association, we recognize and support the FTC's important consumer protection role and share your commitment to protecting the public from unfair and deceptive business practices that undermine consumer confidence in legitimate business enterprises such as our own.

We also fully concur with the comments and suggestions submitted to the FTC by the Direct Selling Association, and trust that you will incorporate these helpful recommendations as you work to perfect, clarify, and implement the improved and revised business opportunity rule.

Thank you again for your consideration of our views, and if you require additional information, please do not hesitate to contact me.

Sincerely,

Tim Transtrum

Vice President

XELR8 INC.

Cc: Doug Ridley, President, XELR8 INC.

John Pougnet, CEO/CFO, XELR8 INC.

John W Webb, Associate Legal Counsel, DSA



12907 South 3600 West Riverton, UT 84065 T: 801.257.5400 F: 801.257.5401 www.stampinup.com



May 27, 2008

Mr. Donald S. Clark Secretary Federal Trade Commission Room H-135 (Annex S) 600 Pennsylvania Avenue, N.W. Washington, D.C. 20580

> Re: Business Opportunity Rule, R511993: Direct Selling Association's Comments on the Federal Trade Commission's Revised Notice of Proposed Rulemaking Regarding Business Opportunities

Dear Secretary Clark:

Stampin' Up! Inc. is a direct selling company headquartered in Riverton, Utah which sells decorative rubber stamps for use in the card making and scrapbooking industry. Stampin' Up! is the largest such company in the world with sales of approximately a quarter of a billion dollars per year through approximately 50,000 independent sales persons to several million customers. The decisions of the Federal Trade Commission have a very material impact on the future of this company and I consider it appropriate to submit this letter regarding the Federal Trade Commission's ("FTC") Revised Notice of Proposed Rulemaking ("RNPR") regarding Business Opportunities, amending 16 CFR Part 437.

We greatly appreciate the FTC's recent efforts in dealing with the Proposed Business Opportunity Rule. We nevertheless feel that there are still certain critical distinctions that merit your further attention. We feel that those are most clearly stated by the Direct Selling Association (DSA) of which our company is a member. Accordingly, we join in the position of the Direct Selling Association and respectfully urge the FTC to carefully consider the well-crafted counsel of the DSA which it has provided to you by separate letter in this matter.

Should you have any questions, please feel free to contact me.

particle of the design of the second of the

Dale L. Fillmore
President and Chief Operating Officer