

Mr. Mark Rukamp
Usana Health Sciences – Independent Distributor

Federal Trade Commission/Office of the Secretary
Room H-135 (Annex W)
RE: Business Opportunity Rule, R511993
600 Pennsylvania Avenue, NW
Washington, DC 20580

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Dear Sir or Madam:

This letter is drafted out of genuine concern for the negative impact the above referenced ruling will have – not only on my Usana Independent Distributorship – but also on professional network marketers nationwide. Personally, I have dedicated the last three years to professionally educating clients on the importance and need for Usana’s products and the business model of Network Marketing. This company and business model have allowed my wife and I to develop a successful home based business that provides the majority of our family income as well as the time to properly raise and support our 10, 11 and 13 year old children. I understand the FTC’s responsibility to protect the public but I feel the ruling goes too far, to the point of creating requirements that will make it burdensome if not impossible to develop our business effectively.

The seven-day waiting period section is a primary concern. This concept by default will instill in the prospective clients mind that there may be something “wrong” with Usana’s business plan or products, hence a negative perception and roadblock to effective marketing. The fact that Usana’s sales kit, which is only \$49.95, and products have a 30-day 100% buyback policy and a 90% buyback policy for products purchased in the last twelve months is exemplary! I am not aware of other mainstream retail products or businesses that have such a roadblock to conduct simple business. The additional paper trail and reporting to Usana corporate will also create a wasted time burden on all parties involved.

The section on release of information regarding lawsuits, whether guilty or not guilty, also has the potential to create a huge burden. In today’s society people and/or businesses sue over basically anything. A company with the extreme integrity of Usana Health Sciences and its’ associates would become vulnerable to any entity looking to maliciously create bad publicity and hence restrict growth – whether the claims were found to be true or not. I agree that if a company, or officer of said company, is found guilty of misrepresentation or deceptive practices there should be some repercussions! But to lump companies like Usana, that go through immense effort to do things right, with companies that do not, again casts an unfair negative perception and restricts growth – even if Usana may have done nothing wrong!

Finally, the section of the rule that would require the company to disclose to each prospective business associate the names and contact information of at least 10 previously enrolled associates nearest the prospect is bad business for a couple of reasons.

First, almost everyone today is concerned about identity theft. This ruling would greatly restrict business development, regarding identity theft, for two reasons: 1) New associates would have to agree to allow their contact information to be disclosed to any future buyers in the area, which they may never have met. People are very concerned about the privacy of their personal information and this, I feel, would keep prospects from deciding to benefit from the opportunity, and 2) I feel it to be my responsibility to keep my associates and clients information private out of service to them! It is the individual's decision to give out their contact information, not Usana's or mine.

Second, I could potentially be giving out my business partners contact information to prospects that may be involved with other network marketing companies. This creates the possibility of the prospect recruiting existing Usana associates away from the Usana opportunity. This is bad business for Usana corporate and myself!

Lastly, being required to send the address of the prospect to corporate and waiting for a response would be extremely slow and tedious, creating another time burden.

I do appreciate the work and roll of the FTC to protect the public, but I do believe many sections of the proposed rule would result in unintended consequences for the corporations, professional network marketer and the part-time network marketer. Possibly consequences that would make it impossible for successful business people and parents like us to continue to create the life for our family we have chosen.

Thank you for your time and consideration.

Sincerely,

Mark J. Rukamp