

Teresa Brethauer
Stampin' Up!© Independent Consultant

June 1, 2006

Dear Sir or Madam:

I am writing this letter because I am concerned about the proposed Business Opportunity Rule R511993. I believe that in its present form, it could prevent me from continuing as a Stampin' Up!© Independent Consultant. I understand that part of the FTC's responsibilities is to protect the public from "unfair and deceptive acts or practices," yet some of the sections in the proposed rule will make it very difficult, if not impossible, for me to sell Stampin' Up!© products.

I have been a Stampin' Up!© Independent Consultant for more than 8 years. Originally, I became a Consultant in my company because I felt the products were exceptional and I wanted to earn some additional income. When I first joined Stampin' Up!© I was working 50+ hours per week at a local higher education institution while being a mother to my 1 year old. Over the past 8 years I have also taught Foreign Languages. Now, I am a stay-at-home mom to my three children and my family is supported through my direct selling business. With my Stampin' Up!© business I am able to earn more money than teaching while being able to work along side my family's activities. The future of my family is dependent on the stability of the direct selling industry. Through my direct selling business I have been able to purchase school supplies and clothing for my children, pay for CCD classes, purchase new appliances for our home and aid in the monthly household bills.

One of the most confusing and burdensome sections of the proposed rule is the seven-day waiting period to enroll new consultants. Stampin' Up's sales kit only costs \$195 for over \$350 worth of product. People buy TVs, cars, and other items that cost much more and they do not have to wait seven days. This waiting period gives the impression that there might be something wrong with the company or the compensation plan. I also think this seven-day waiting period is unnecessary, because Stampin' Up already has a 90% buyback policy for all products including sales kits purchased by a salesperson within the last twelve months. Under this waiting period requirement, I will need to keep very detailed records when I first speak to someone about Stampin' Up and will then need to send in many reports to my company headquarters.

The proposed rule also calls for the release of **any** information regarding lawsuits involving misrepresentation, or unfair or deceptive practices. It does not matter if the company was found innocent. Today, anyone or any company can be sued for almost anything. It does not make sense to me that I would have to disclose these lawsuits unless Stampin' Up! is found guilty. Otherwise, Stampin' Up! and I are put at an unfair advantage even though Stampin' Up! has done **nothing** wrong.

Finally, the proposed rule requires the disclosure of a minimum of 10 prior purchasers nearest to the prospective purchaser. I am glad to provide references, but in this day of identity theft, I am very uncomfortable giving out the personal information of individuals (without their approval) to strangers. Also, giving away this information could damage the business relationship of the references who may be involved in other companies or businesses including those of competitors. In order to get the list of the 10 prior purchasers, I will need to send the address of the prospective purchaser to Stampin' Up! headquarters and then wait for the list. I also think the following sentence required by the proposed rule will prevent many people from wanting to sign up as a salesperson - "If you buy a business opportunity from the seller, your contact information can be disclosed in the future to other buyers." People are very concerned about their privacy and identity theft. They will be reluctant to share their personal information with individuals they may have never met.

I appreciate the work that the FTC does to protect consumers, yet I believe this proposed new rule has many unintended consequences and there are less burdensome alternatives available to achieving your goals. I feel that Stampin' Up! is the most honest, ethical and reputable direct selling company. If they were not, I would not be with this company for so long and I would not have shared the business opportunity with many people each and every day.

Thank you for your time in considering my comments.

Respectfully,

Teresa Brethauer