

Heather E. Heath-Frank
Sunrider Independent Distributor--Group Director

June 13, 2006

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:

I am writing to oppose the proposed Business Opportunity Rule R511993. In its present form, it will hamper those of us involved in network marketing and direct sales, making it unnecessarily hard to conduct business and earn the income from which our federal taxes are assessed. Any law that limits income production will strangle economic growth and decrease disposable income. In this country, that threatens the base upon which our economic system is built.

I understand that the FTC's responsibility is to protect the public from "unfair and deceptive acts or practices." However, for businesses that have a nominal entry fee, a money-back guarantee and an honest business plan, the proposed seven-day waiting period to enroll new Distributors is a confusing and burdensome and, frankly, arbitrary rule. People buy much more expensive items -- automobiles, televisions, boats and other items -- and do not have to wait seven days.

In addition to the inconvenience, the waiting period gives the impression that there is something defective or deceptive about purchasing a membership. Are new Costco customers going to be forced to wait seven days before being able to enjoy the benefits of their membership? At Sunrider International, it is not even mandatory to become a distributor; anyone may simply register with the company as a buyer--like Costco. If you do choose to purchase a Starter Pack, it costs only \$140 and there is the consumer protection of a 60-day return policy that is applicable to all products, including the Sunrider® Starter Pack. If a person changes their mind, they can get a full refund.

Running a small business is complicated and time consuming. This law would add a huge burden in the area of added paper work that must be provided to new distributors and also reports that must be sent to Sunrider headquarters. It will add a lot of expense and running a small business is already an expensive undertaking.

The proposed rule also calls for the release of any information regarding lawsuits involving misrepresentation, or unfair or deceptive practices. It doesn't matter if the company was found innocent. Today, anyone or any company can be sued for almost anything. If Sunrider were found guilty of wrongdoing, then it would make sense to disclose this information. But since Sunrider has done nothing wrong, it puts our company and our business at an unfair disadvantage.

Finally, the proposed rule requires the disclosure of a minimum of 10 prior purchasers nearest to the prospective purchaser. With identify theft becoming more and more common, this practice could harm more than it would help. In order to get the list of the 10 prior purchasers, I will need to send the address of the prospective purchaser to Sunrider headquarters and then wait for the list.

I was also surprised by the following stipulation. "If you buy a business opportunity from the seller, your contact information can be disclosed in the future to other buyers." This sounds more like a step backwards than a step forward in creating a reputable business – to say nothing of the added risk of identity theft.

While I appreciate the work of the FTC to protect consumers, this proposed rule does more to harm honest business practices than it will do to stop fraudulency. It will have many unintended consequences, and I must oppose it.

Thank you for considering my comments.

Sincerely,

Heather E. Heath-Frank