

Jennifer Coffey Independent Mary Kay Sales Director

May 14, 2005

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

Re: Business Opportunity Rule, R511993

Submitted via US Mail and email at <https://secure.commentworks.com/ftc-bizopNPR/I>

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 Mary Kay Sales Director. I understand that part of the FTC's responsibilities is to protect the public from "unfair and deceptive acts or practices," but some of the sections in the proposed rule will make it very difficult if not impossible for me to sell Mary Kay products.

One of the most confusing and burdensome sections of the proposed rule is the seven day waiting period to enroll new consultants. Mary Kay sales kit only costs \$100.00. People buy TVs, cars, and other items that cost much more than that and they do not have to wait seven days. This waiting period gives the impression that there might be something wrong with the plan. Mary Kay has been a successful direct selling company for over 40 years. I think the seven-day waiting period is unnecessary because Mary Kay has a 90% buyback policy for all products including sales kits purchased by a consultant within the last twelve months. Under this waiting period requirement, I will need to keep very detailed records of when I first speak to someone about Mary Kay and then I will have to send in many reports to Mary Kay 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. Perhaps there are other companies that are deceitful in their practices but Mary Kay is a reputable company that would be damaged by this unnecessary rule.

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 identify theft, I am very uncomfortable giving out the personal information of individuals to strangers. I hold weekly training meetings that are open to anyone where prospective consultants can come and meet other women who own a Mary Kay business. 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 have been a Mary Kay consultant for three years. I have a teaching degree and a Master's Degree but I choose to run a Mary Kay business from home because I make more money as a Mary Kay

Sales Director than I did as a teacher, I work fewer hours and most importantly I don't have to put my children into daycare. I am able to be a mother and a businesswoman. My family depends on this extra income to supplement our budget.

I appreciate the work of the FTC to protect consumers, but I believe this proposed new rule has many unintended consequences and that there are less burdensome alternatives available in achieving its goals.

Thank you for considering my comments.

Sincerely,

Jennifer Coffey