

Dr. Peter J. Diffenderfer

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

June 13, 2006

To Whom It May Concern:

I am writing this letter to express my concern about the proposed Business Opportunity Rule R511993. I believe that, as proposed, it would severely damage my Mannatech distributorship. I appreciate the FTC's role in protecting the public from "unfair and deceptive acts and practices". However, some of the sections of the proposed rule will make it extremely difficult, if not impossible, to distribute Mannatech products.

I began eating Mannatech nutritional supplements in March of 1998, when I was a Fitness Consultant. I found the products to be of great benefit to my health. Others wanted to know about them and I began to build a small business as a Distributor. I am a student of nutritional science and am dedicated to the concept of wellness. Over the years my commitment to the Vision and Mission of Mannatech has deepened and I am thankful and proud to be a distributor of the Company's products. My wife stays at home with our 3 young children and we depend on our Mannatech income to supplement my academic position.

I will now address several onerous sections of the proposed rule:

One section that I strongly oppose is the proposed seven-day waiting period to register new Associates. People can purchase Mannatech's products and, therefore, achieve Associate status for a one-time purchase of slightly over \$100. Countless retail items are sold for this price (and much more), and NO WAITING PERIOD is required. Mannatech already has a 90% buyback policy for all products purchased in the previous 12 months. This rule would prove redundant and would burdensome record keeping requirements to the Sales Associates' workloads.

As you know, a high percentage of lawsuits are either frivolous or simply unsuccessful. By requiring Associates to release ANY information pertaining to past legal actions - involving misrepresentation, unfair, or deceptive practices – regardless of determination  
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of innocence or guilt - Mannatech (and therefore the Associates) are put at unfair disadvantage. The only information that should be disclosed would address judgments of PROVEN GUILT. The litigation rule, in its current form, would make bad policy.

People are extremely concerned about protecting their identity from theft. The proposed rule to disclose prior purchasers is extremely cumbersome and intrusive. The proposed statement “If you buy a business opportunity from the seller, your contact information can be disclosed in the future to other buyers” will drastically reduce sales. How many people want to have personal information shared with people that they may never have met? In addition to the tremendous barrier that this proposal will create for developing new business, it will pile on administrative requirements. Given the high mobility of the population, just keeping track of the whereabouts of Associates at any given time will prove costly!

While I appreciate the mandate of the FTC to protect American consumers, I believe that the proposed rule, in its current form, would prove detrimental to the public interest and would decimate my business. Science is demonstrating that people absolutely need the nutrition that Mannatech develops and distributes. The implementation of burdensome regulations will greatly inhibit the delivery of these health-essential products.

I am confident that the FTC seeks to do NO HARM to legitimate business practice. We hate fraud and deception! I believe that there are better ways to mitigate the effects of dishonest practices. In my opinion the proposed R511993 would do great harm to good businesses such as Mannatech. I implore you to NOT TO ADOPT IT and explore other approaches to protecting the public interest.

Thank you for considering my views.

Sincerely,

Peter J. Diffenderfer, Ph.D.