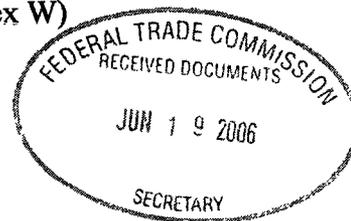


522418-70097

Leonard K Kane II

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



Dear Sir or Madam

As an associate of the direct selling company Mannatech, Inc, I am writing this letter because I am very concerned about the adverse impact that Business Opportunity Rule R511993 will have on my business. I understand that part of the FTC's responsibilities is to protect the public from "unfair and deceptive acts or practices" and I definitely see why such a rule is needed for those unscrupulous companies and individuals who are only in business for themselves. However for those of us who are truly interested in helping others prosper, some of the sections in the proposed rule appear to make it very difficult or impossible for me to sell Mannatech products.

In particular I find the proposed seven day waiting period to enroll new associates will be burdensome. Mannatech enrollment packages range in cost from \$99 to \$1,099 and contain products with wholesale value well above the cost. There is already a 90% buyback policy for products purchased by a person within the last twelve months. If this waiting period were placed in effect, I believe I would be forced to maintain very detailed records about when I first spoke to a person about Mannatech and would then have to send in many additional reports to Mannatech headquarters. This will be a record keeping nightmare at much unnecessary additional overhead expense for both me and for Mannatech. Additionally, I usually have people enroll only because they are interested in the products and not in the business. Just because there is also a business opportunity available if they should so avail themselves of it at a later date, it appears that those people who may desperately need the products for their health would have to wait an additional 7 days. I propose that where the actual value of purchased products exceeds the purchasing cost, no waiting period is required. Personally I have found myself a victim of an internet web development package where it was buying now or never (or at a higher cost) and no refund was available. If the proposed rule were modified to prevent this type of situation where no physical products are involved; that would be very beneficial.

The proposed rule also calls for the release of any information regarding lawsuits involving misrepresentation, or unfair and deceptive practices. In today's courts many frivolous and speculative lawsuits are brought against a company without merit. I should not have to disclose these lawsuits unless Mannatech is found guilty. If forced to provide information on pending lawsuits, Mannatech and I are placed at an unfair advantage, even though Mannatech has done nothing wrong. Are retailers, including large

department stores and manufacturers required to provide this information to every customer who purchases a product?

Finally the proposed rule requires the disclosure of a minimum of 10 prior purchases nearest to the prospective purchaser. I gladly make available the names of previous buyers if so asked. Again this requirement makes little sense where the prospective purchaser is not interested in the business. If we are forced to keep track of those specific individuals who only sought a business opportunity, additional record keeping is required. I am glad to provide references, but I do so only with approval of that reference. It is unwise to provide personal information of individuals to strangers. Also giving away this information could damage the business relationships of the references who may be involved in other companies or businesses, including those of competitors. Finally, again because of only a few people seeking a business opportunity and the majority seeking products, Mannatech would need to somehow track those who enrolled for the business and not the products - another costly time consuming procedure.

Personally I have invested the last seven years of my life in helping people find optimal health. Most of those people remain committed product users but a few have found that after seeing improved health, they are also able to benefit financially by sharing the product benefits with others. I do not have one person who enrolled based on a business opportunity. My wife and I spend many hours personally coaching others in order to see that they derive the most benefit they can from the products and also from the business if they are so inclined. It has been a joy to build many new close relationships over the years based on my enrollment in Mannatech. At this point based on our income from Mannatech, my family is able to pay for their products as well as enough to give it to others who do not have the financial means.

Reading the Federal Trade Commission 16 CFR Part 437 – Business Opportunity Rule I can appreciate the need for such a rule in many instances and do support much of the proposed rule. Please take into consideration the many people who are honestly trying to help others achieve a better life. Some do not have computers as you have suggested for this additional record keeping. Please do not place unreasonable burdens on the many individuals who are struggling to become successful and do not need additional unnecessary regulations.

Thank you for your time and consideration.

  
Leonard K Kane II