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Germaine A. Hoston, Ph.D.

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June 15, 2006



Federal Trade Commission
Office of the Secretary
Room H-135 (Annex W)
600 Pennsylvania Avenue, NW.
Washington, DC 20580
RE: Business Opportunity Rule, R5119933

Ladies and Gentlemen:

I am writing concerning the proposed Business Opportunity Rule, R511933.

I am appalled to see that the Federal Trade Commission is opting to use its power to quash free trade and impede the ability of the average citizen—one who does not have tens or hundreds of thousands of dollars in savings—to start a franchise or other investment intensive business. I urge that you reconsider this initiative and that you decide to abandon it.

I appreciate some of the reasons cited for the new regulation. There are certainly unscrupulous promoters out there, and I am personally sick of having my email inbox crammed full of SPAM promoting questionable enterprises. Unfortunately, the proposed regulation will do absolutely nothing to stop the scammers who are already violating Federal laws on a daily basis. What it will do is discourage individuals who are looking for an opportunity to do what the Government wants them to do--that is, contribute to national prosperity by operating businesses that will eventually increase the employment rolls.

What I find most objectionable about the proposed regulation is that it is based on a profound underestimation of the average American. Most people are naturally suspicious of the offers that flood into their mailboxes everyday. This is why there was a sufficient outcry against SPAM and telephone solicitation to have the CAN-SPAM Act and the Do Not Call list implemented. The downfall of the American consumer lies in frivolous and wasteful spending on useless toys and gadgets that quickly end up in their garages and in the landfills—not in their being seduced into working hard to build their own businesses.

I have been involved in home-based business for over 20 years. With my husband I had an S-corporation that did computer consulting. At that time (in 1988-1992), we had close friends

who had a very successful MLM (multi-level marketing) business marketing Amway products. We became customers of theirs and appreciated the quality of their products and their customer service. Since then, I have also had a freelance translation and consulting business, and in the past several years, I have become involved in generating additional streams of income with multi-level marketing. With SFI I have the opportunity to purchase products from my own virtual store, products that are environmentally friendly and non-toxic and represent a considerable savings for me over what I would normally buy even at Costco. I also market web domain names with Global Domains International. I make sales and earn commissions monthly from both companies. When I signed up, I was under no illusion that I would begin to earn thousands of dollars a month within weeks. I have made a good start in these businesses and am grateful for the opportunity. I did my due diligence, and my experience is that the vast majority of consumers looking at such businesses do so as well. Most people sign up only after looking around quite a bit at the numerous opportunities available on the internet. I see no reason to discourage people who are already stretching outside their normal comfort zone any further. I believe that people can see the difference between fraudulent "opportunities" which are pyramid schemes and genuine business opportunities that offer quality products. Having and operating one's own business has certainly helped me to develop interpersonal skills, as well as contributing to my family's financial stability and future.

It is already terribly difficult for someone with a full-time job to have a business. Why would the FTC take pains to make it even more difficult for the average citizen by proliferating paperwork that will do absolutely nothing to stop scamsters and hurt those who work hard to support the economic life of the country?

I find particularly objectionable the requirement that advertisers give the names of 10 other people "in the same area". What is wonderful about the internet is the ability to advertise internationally, and whether someone is in the "same area" as one or not is irrelevant. When I read that provision, I began to ask myself if those who drafted the regulation had included this deliberately knowing how ridiculous and meaningless a requirement it would be. And why should MLM companies be singled out for this? Why doesn't the FTC require that Best Buy or Vons's or any other large company give the names of 10 local customers who purchased X or Y or Z product from their store and be required to give the customer 7 days to change their mind before purchasing the product? Hmmm, I can already hear the answer: "Well, they're not selling business opportunities." Certainly not. And that is why this proposed regulation looks very much like an effort to make sure that business opportunities remain the exclusive province of those who are already wealthy.

In conclusion, I would urge that you abandon this Business Opportunity Rule and devote the agency's resources to promoters of operations that are genuinely scams. Network marketing of real products at excellent prices are alternatives to the status quo, but they are not scams. Why don't you focus your efforts on the numerous obviously fraudulent operations that promise high returns to customers for simply surfing on the internet: I have in mind scams like 24daily.com and the like.

FTC Business Opportunity Rule R5119933

I thank you for taking my views into account and hope that you will rule in support of the average citizen and abandon this misguided "Business Opportunity Rule".

Sincerely yours,

A black rectangular redaction mark covering the signature of Germaine A. Hoston.

Germaine A. Hoston, Ph.D.