

Comments to FTC Proposed Rule

We became involved in the Quixtar business a number of years ago and at that time we were looking to make a couple of hundred dollars a month. We attained that rather quickly and have continued to grow on a consistent basis based on the effort we put into the business. Because of busy schedules and time constraints the Quixtar Business with its minimal time requirements has enabled us to supplement our income and in the near future, Brenda to be home on a full time basis. Additional benefits outside of income are mentorship, training in operating your own business, not to mention additional help and support for building our business from the associates who we are affiliated with. The Teachings include value of the American Dream and a way of life being an independent business owner in the USA. The Quixtar Business is based on helping others to be profitable before you are profitable.

When we were shown this business we were given as much information as we requested, all our questions were answered and we were given the opportunity to visit with other business owners within the Quixtar Business. This gave us more than enough information to make our decision about becoming involved with the Quixtar Business. We carry on the same practices of providing information and answering all questions before registering them as independent business owners (IBO). We explain up front to our prospects that this is not a get rich quick avenue, it will require effort and work, and there are no guarantees of success as with all businesses.

It would dramatically affect our business if prospects had to wait seven days before registering. We have already explained the business information before we get to the registration process a seven day waiting period would disrupt the momentum of their business inevitably affecting income for them. We continue to answer questions for an IBO as they arise. With distance people we would have to make additional trips to complete the registration process causing unnecessary expenses for all IBOs. We cannot see any benefits to the seven day waiting period.

Prior to registering prospects are shown the business opportunity and given a Business Overview which discloses average income for independent business owners as well as conservative earnings for standardized levels of achievement.

Being required to provide a list of prospects would violate our privacy as well as the prospects and lose our trust relationship. Giving a list to any other local IBO would allow them the opportunity to sponsor that prospect into their business which could have incredible impacts to the business as a whole. Our prospects can meet other IBOs at business meetings designed to give them a second look at the business and question other IBOs before they register.

With the advent of the internet people have an avenue to view all litigations against Quixtar and/or affiliates. I believe each potential IBO can do that research on there own if they deem it necessary. It's been our experience that no one inquires about litigations because by the time they get to the registration process they are well informed and see the integrity Quixtar Business. Giving them a list would also inform them of litigations that have no merit and/or may not be related to our business at all.

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In regards to the requirement to specific earnings disclosures, through showing the business opportunity and utilizing the FTC approved SA4400 and Business Overview, the prospect gets numerous examples of income potential at various stages of business growth. Inclusive is the average monthly income for an active IBO. Specific earnings disclosures would confuse the prospect and make it cumbersome for us as IBO's because we would have to have disclosures for every possible example of income potential available thus overwhelming the prospects as well.

In regards to the requirement for financial substantiation, we provide our prospects approximate income earnings and give them details as to what impacts the added income has done for our lifestyle, i.e. we are supplementing college education and reduction of debt. I think it would be inappropriate to be required to disclose financial records for any IBO because it isn't a fair representation of the business potential due to the effort individuals put into his/her business. The Business Overview and SA4400 give specific examples of incomes based on business volume.

In summary the Quixtar business has allowed us an avenue to supplement our income and provide for our family without stealing time from them. It has also affirmed the values and integrity of the free enterprise system. The impact the proposed rules would have on our business would make the business very inefficient and greatly slow growth potential.

The rules should create a level playing field by requiring clear, simple, and standardized income disclosures that apply to various standard levels of achievement for all direct sellers; and provide a reasonable cancellation policy.

Sincerely

Tom & Brenda Kircher
Quixtar IBO