



Tharren & Jodee Thompson

July 17th, 2006

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

RE: Business Opportunity Rule R511993

Dear Sir or Madam,

I am writing to you today in reference to your proposed Business Opportunity Rule, R511993. While my wife and I are grateful for the Federal Trade Commission's vigilance in protecting American consumers from unscrupulous and fraudulent business practices, we are also concerned about the effects that this particular rule would have on our home-based business.

Since July of 2005, we have been independent distributors for a premium mangosteen single-focus functional health beverage called XanGo. We were drawn to this opportunity because of the high level of integrity with which the company's founders pursue their business, as well as the exciting prospect of working as a team with other distributors across the county to build a residual income. Our business allows us to work from home, on our own time and at our own hours. As we come up on our one-year anniversary as independent distributors with XanGo, we are already generating over a hundred dollars in extra income each month, and are seeing our business expand steadily. With full-time employment and three small children at home, network marketing has been a wonderful way for us to accomplish our goal of supplementing our income for the sake of our children's future.

Unfortunately Business Opportunity Rule R511993, while intended to *protect* families like ours from business fraud, may in fact *jeopardize* our ability to pursue our dream of running a profitable home business.

The proposed business rule would require us to implement a seven-day waiting period before a prospective customer could purchase XanGo juice from us. This would put us at an almost insurmountable disadvantage in our business. Every sales environment depends on enthusiasm and excitement. While fraudulent businesses have to rely exclusively on whipped-up emotions and spur-of-the-moment decisions, that does not undermine the legitimacy of genuine excitement over a truly revolutionary product (which, of course, we believe we have!) This proposed rule would create a very "un-level" playing field for us in selling our product. Other companies that rely on commercial advertisements can use spur-of-the-moment decision-making to sell their products, but we would effectively be prohibited from being excited about our

product. (If I may be permitted to point out as well, we already comply with the FTC's requirement that we allow a three-day cancellation window after the date of purchase, so our customers are already protected from an "impulse buy" that they later re-think. On top of *that*, XanGo also offers a full 30-day money-back guarantee on all first-time purchases, further protecting the consumer.)

The business rule would also require that I provide a prospective customer with a list of names, addresses and phone numbers of ten of my geographically nearest purchasers. Quite apart from the undue administrative burden this would create, it would be hard to overestimate the negative impact this rule would have for our business. The privacy concerns alone could effectively shut my distributorship down. If my existing distributors find out that I will be routinely handing out their home phone numbers to strangers, it would be highly likely that they would end their business relationship with me. In addition, if I tell a prospective purchaser that they must agree to have their personal contact information handed out to other people unknown to them, they will almost certainly decline my invitation to join this business. (I know that if this rule had been in force when we decided to join, we would under no circumstances have taken up this home business.)

The proposed rule would also require that we provide prospective customers with a list of all of the people who have cancelled their XanGo orders with us. Again, this would impose an administrative burden on us, as well as create an unfair perception in the minds of our prospective customers. There are many reasons why a particular customer might decide to stop purchasing XanGo, and they don't necessarily reflect a dissatisfaction with the product or business practices of our company. But I don't have the ability to explain all of that to a prospective customer—all I can do is tell them how many people quit buying my product. (If Proctor and Gamble, for instance, had to disclose to potential purchasers the number of people that quit buying their toothpaste, I wonder how they'd fare in the dental hygenics market??)

Once again, let me express to the Federal Trade Commission our sincere appreciation for your commitment to protect the American consumer from fraud and deception. The strength and vitality of our magnificent American economy owes much to your vigilance and concern. I have every confidence that you will apply the same vigilance in protecting the cornerstone of the American dream—the home-based business. Thank you for carefully weighing my concerns as you consider the future of Business Opportunity Rule R511993.

Respectfully Submitted,

Tharren J. Thompson