

I am writing this letter because I am concerned about proposed Business Opportunity Rule R511993. In its current form, I believe it could well block entirely or seriously hinder my success in my growing business. For the past two+ years I have been an independent distributor for XanGo, a dietary supplement company.

During that time, working from home, I have built a business with satisfied product users and like minded entrepreneurs in 43 of the 50 states. In addition to the money generated by my business, I have met many, many people who became friends as well as customers and business associates.

One of the greatest benefits of this business is the people you meet along the way. People you would not otherwise meet because they live across the country from you, are involved in totally different industries or have entirely different belief systems, in time, because of the mutual respect that develops from building a business together, become someone you can call friend. You grow together and learn from each other.

This learning is evident in the personal growth seen in a very high percentage of distributors. For myself, I know that I have absorbed books, CDs and tapes that, in all likelihood, I would not have learned about. No doubt I have become a better and more rounded person. This is apparent in my home life, business life, social life and community involvement.

Interestingly enough, I became involved in the industry some 13 years ago as a result of my community involvement. At the time I was a freelance fund raising consultant for organizations such as the American Heart Association, Girl Scouts of America, an internationally acclaimed youth theatre as well as numerous local charities. In order to continue their much needed work, all of these charities needed funds on an ongoing basis.

Looking for something that would bring the charities monies on an ongoing basis without having to go back to the same people and corporations for yet more money, I came across this industry. We could set the programs in place, the supporters of the organizations would receive desired products delivered to their homes or dependable service from trusted companies and the individual charities received monies on an ongoing basis and experienced the benefits of residual income. The charities could count on that money coming in month after month and budget it for immediate program use or investment purposes. It is a win-win solution for all.

Just as there are wonderful charities and scam charities, responsible developers and slum developers, so too are there principled direct selling companies and bad apples. While the proposal may be well intentioned, I do not believe the changes were thought through to their unfortunate conclusion.

In trying to "protect" us from the bad apples, unwittingly you would be destroying the lives of hundreds of thousands of people and negatively impacting the lives of millions of people in America. In addition, as the companies in the America were forced to close their doors, the reverberations would be felt throughout the world as distributors in those countries saw opportunities for help or assistance disappear. America would likely receive another Ugly American award for the damage left in the wake of Rule R511993. I fear that this proposal is a classic case of throwing the baby out with the bathwater.

The 7 day waiting period sends a message that there is something "wrong" about

what we have to offer or the way we offer it. This is a relationship business. From the newest distributor to successful leaders, you will find people at the height of their professions, respected within their churches and committed to their communities and, for some, to making a difference in the world. This 7 day waiting period casts a bad reflection. Since XanGo, the company for which I am a distributor, has a 100% buyback guarantee, I do not understand why a waiting period is necessary.

Since Americans don't a 7 day waiting period to purchase expensive items like cars or televisions or even trips, why should they have to wait before they can starting generating additional income or, in the case of XanGo, improving their health? Think about it, does that make sense to you?

Aside from the fact that it is extremely impractical, I cannot even imagine the amount of time that would be spent on record keeping under this Rule. It would be a tremendous waste of time for the distributors, companies that may have to set up monitoring and yet another burdensome task for the government--a task that takes considerable time and generates neither money nor benefits for anyone.

It strikes me that the requirement for disclosure of a minimum of 10 prior purchasers, is a tremendous invasion of privacy. I don't believe it is anyone's business what food I eat, type of clothes I wear or movies I see. I wouldn't want a store to provide that information to anyone who wants to buy a similar product so why should our industry have to provide that information. What are a citizen's rights? What about rampant identity theft? It seems that this proposal violates many existing safeguards.

Once again massive amounts of paperwork will be generated to no end. Policing systems will be set up where none are needed. Who becomes responsible when a "bad apple" uses information that a distributor and company were required by law to provide a new purchaser? Any lawsuit that would be filed as a result of this requirement would, necessarily, join the government in the action resulting in yet another waste of time, money and resources.

I urge you to please think this through again. In any given industry, there are a few bad apples yet industry of all types is what built this great country of ours. Please do not penalize the many because of the few.

Thank you for your consideration.

Sincerely,

Janet Callaway