

June 28, 2002

Office of the Secretary, Room 159
Federal Trade Commission
600 Pennsylvania Avenue, N.W.
Washington, DC 20580

Re: Telemarketing Rulemaking - User Fee Comment. FTC File No. R411001

This letter is written in response to the request for public comment upon the above-referenced rule.

The experience our company has had in Oregon, which is the only state in which we do business that has adopted a Do Not Call list, has been a costly one. Formerly we used to send a list of individuals who requested not receive telephone calls from our company to the list companies from which we purchased their number. Unfortunately, because the list companies were not diligent when we submitted names to be removed from their database, we went out and hired a programmer to develop an in-house database and program at a cost of \$12,500 to maintain our own Do Not Call List and check it against lists we purchase from list companies. We have now hired a fulltime employee to input the names into the database. He was hired at \$12.00 an hour or \$480.00 per week and has been working for four weeks.

Additionally, because not all the lists we receive from list companies are electronic, we have had to hire another employee at \$8.75 an hour or \$350.00 per week to manually scrub the paper lists we purchase for any names which may appear on our in-house Do Not Call List or the Oregon State Do Not Call List. So far in the state of Oregon, there are approximately 64,000 names on their list which is updated quarterly. The individual who we hired to scrub the paper lists started in May and has still not finished the list. This procedure will have to be repeated when a new directory comes out. Imagine what will happen when we are required to do this in all five of the states in which we do business.

We are not a large company and do not have an automated call system. We have a few people in each office who use single line telephones to call prospective customers and introduce our company. We do not sell any products over the telephone but rather schedule in-home appointments with people who are interested in learning more about our company. This new legislation intends to prohibit us from doing that where we used to be exempt. It is not only interfering with what we believe is our right to commercial free speech but is now going to be extremely expensive.

Moreover, we feel it will be a huge cost to many of our employees because we will have to terminate some of them because of this new requirement. We anticipate the cost of those terminations to be several hundred thousand dollars.

We have not been able to determine other costs of compliance, such as registration with various agencies and the federal government. We do anticipate that as the result of this legislation we will be dragged into court because of human error. Mistakes in inputting and visually scrubbing the paper lists will inevitably lead to the unintentional telephone calls to individuals on the Do Not Call List. As an example, we receive a referral from an existing customer but because the list of referrals are manually written by the customers themselves we would have called the referral at their friends urging even though they happened to be on some list.

Again, this is extremely expensive and will have a very disastrous effect on our business from a marketing perspective. Even if we are able to survive, the cost to stay in business and maintain the list will be prohibitive.

Once again, we feel that since in our business we do not try to make any sales over the telephone, it not constitutional to prohibit us from simply introducing ourselves and because there has never be any telephone fraud allegations with reference to closing with a later face to face presentation we should be entitled to an exemption.

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Thank you for your consideration.

Sincerely,
Celebrity Prime Foods

Mark Gombar
President