

**Nonmaterial Changes to Currently Approved Collections of Information
Under OMB Control Number: 3084-0107**

The currently approved analysis and Paperwork Reduction Act (“PRA”) estimates under OMB Control No. 3084-0197, thus far covering both franchisors and business opportunity sellers, has OMB clearance expiring October 31, 2008. That clearance, however, encompasses a portion of disclosure requirements codified under a separate rule for sellers of non-franchise business opportunities. To more appropriately reflect their distinct, separate status and for clearer PRA administration, we seek to transfer into a newly assigned control number the inventoried totals strictly applicable to sellers of non-franchise business opportunities. Consequently, the name of the information collection assigned under the existing OMB control number should be revised to reflect what will be the remaining category applicable to it, thus: “Disclosure Requirements Concerning Franchising.”¹ We will thereafter pursue renewed three-year PRA clearance separately for each rule, tied to the above expiration date.

Specifically, on January 23, 2007, the Federal Trade Commission amended the Franchise Rule and separated it into two parts, 16 C.F.R. Part 436 and what was then newly-created Part 437.² Part 436 is the amended Franchise Rule, which covers the sale of business format franchises and is what we aim to retain under existing OMB Control No. 3084-0107. Part 437 covers the sale of non-franchise business opportunities. The disclosure requirements in Part 437 are essentially identical to those in the original Franchise Rule under Part 436.

The most recent OMB-approved PRA estimates for Pt. 437, and that we request be transferred from the existing control number to a new one are:

	<u>Annual Responses</u>	<u>Annual hours</u>	<u>Annual Costs</u>
Business Opportunity Sellers (New Entrants)	25,000	7,750	\$388,750
Business Opportunity Sellers (Established Entities)	225,000	<u>9,000</u>	<u>\$3,498,750</u>
TOTALS		<u>16,750</u>	<u>\$3,887,500</u>

As a result of this transfer, previously cleared burden hour and non-labor cost totals under OMB Control No. 3084-0107 would be reduced by 16,750 hours and \$3,887,500,

¹ To date, OMB’s online system for PRA submissions, ROCIS, reflects the formerly applicable title: “Disclosure Requirements for Franchising *and Business Opportunity Ventures* (‘Franchise Rule’)” (emphasis added).

² The Federal Trade Commission announced this final rule on January 23, 2007, posting it on its website. It later published in the Federal Register on March 30, 2007. 72 Fed. Reg. 15,444. Shortly after the website announcement, we submitted to ROCIS and OMB thereafter approved, a non-substantive, non-material change request reflecting adjustments pertinent to Part 436. We did not then seek to rename the information collection; since that time, however, the Franchise Rule’s bifurcation became officially codified.

respectively, with these amounts and the above-noted estimated number of annual responses carried over to a newly assigned control number.

Thus, until further potential revision by our next pursuit of renewed clearance and/or by further rulemaking, the remaining totals under the existing control number will be:

	<u>Annual Responses</u>	<u>Annual hours</u>	<u>Annual Costs</u>
Business Format Franchisors (New Entrants)	25,000	8,250	\$800,000
Business Opportunity Franchisors (Established Entities)	225,000	<u>11,250</u>	<u>\$7,200,000</u>
TOTALS		<u>19,500</u>	<u>\$8,000,000</u>