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Montgomery Municipal ABC Biscoe, NC .27209-9779

May 12, 2003

Chief Regulations and Procedures Division Alcohol and Tobacco Tax and Trade Bureau P.O. Box 50221 Washington, D.C. 20091-0221

To Whom It May Concern:

RE: TTB Notice Number Four

As a small businessman, I can see both sides of the coin in reference to the TTB's proposed new regulations. The TTB wants to safeguard excise tax revenue, and the flavored malt beverage retailers want to prevent our market from being destroyed. That is why I am certain that an adequate compromise can be made that could serve both sides without negatively effecting consumers or destroying retailers in the process.

Failure to reach such a conclusion will be severely detrimental to retail stores not only in North Carolina but across the United States as well. Consumers of flavored malt beverages are the driving force behind the majority of sales in many of these businesses. When they come in to purchase their favorite beverage, nine times out of ten, they purchase additional items as well. Surely you can see the negative effect imposing these new regulations would have on businesses? Basically our profit margin, already slim, would be cut to the bone. Exactly what would happen to your excise tax revenue then?

Given these facts I hope you can see that the TTB is about to make a decision with ruinous implications for consumers and small retailers across the country. Please oppose this rules change before irreparable damage is done.

I would appreciate your thoughts on this issue.

Richardson Phillip