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MYRTLEWOOD LIQUORES AND
JOHNS CIGARS
EUREKA. CA. 95501

May 16, 2003

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

Dear Sir/Madam:

RE: TTB Notice Number Four

I am very concerned about the government's proposal to enforce new rules on the flavored malt beverage industry. In fact, TTB Notice No. 4 could well be remembered as the point at which the Alcohol Tobacco Tax and Trade Bureau launched an offensive aimed at the taste preferences of consumers and the economic interests of business.

This new rules proposal is illogical. The TTB should be guided by the earlier research that flavored malt beverages do not diminish the excise tax revenues of the federal government. But the proposal laid out in Notice No. 4 would not only cut into excise tax revenue but also kill a successful niche market in the process. How is this beneficial to anyone?

Your rejection of the proposed rules change would help keep small retailers going, save thousands of jobs and millions of dollars in excise taxes for the federal government. Please do everything you can to see that these new rules do not become national policy.

Sincerely yours,

John Baddeley