0040007

SNAKS
Mantson Welch
Winston Salem, NC 27107-6823

RE: TTB NOTICE NUMBER FOUR

May 9,2003

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

Dear Alcohol Tobacco Tax and Trade Bureau:

Retailers of this nation have had it with the federal government taxing the very bread and butter of their businesses out of existence. That is exactly what TTB Notice No.4 will do if enacted. It will raise the price of flavored malt beverages so high that the average consumer will not be able to afford them. This type of regulatory proposal is nothing more than an attack on the tax-paying American businesses that bring so many tax dollars into the Federal Reserve. In the long run it will not help to increase taxes, it will cut them!

Government and the industry have the experience of 30 successful years with the regulations governing the flavored malt beverage market. Those regulations continue to serve all parties fairly and efficiently. Why, given our current economic climate, would you even want to change them now?

In my opinion, this type of rule change would be a step backwards for regulatory policy in the U.S. It would also prove extremely cost prohibitive to everyone. Please stop this rules change or at least work out a fair compromise. Thank you for your time.

Sincerely

Mantson Welch