



April 1, 2009

Dear Hawaii State Senators,

With utter disappointment, we learned of House Bill 895 that is making its way through your committees. While we understand the intent of this bill, which is aimed at eliminating tobacco products that target under age smokers, this bill, as it is written will also destroy our Kauai grown, premium hand rolled cigar business.

As a certified organic farmer in Kauai, a father of two young children, husband to a teacher, and a youth athletic coach, I have a firm understanding of what goes into building a healthy home, and community here on our island. Lashing out and destroying the cigar industry will not only kill our business, but it will displace workers, and remove a viable product from local stores like ABC Stores, Whaler's General Stores, Hilo Hattie, Lamonts Sundry, and nearly 100 other independent Hawaii merchants. Our premium Kauai grown cigars have a high appeal with both visitors and residents of Hawaii. Besides the inflated workers compensation insurance, and unemployment taxes that are imposed on us for operating our coffee and tobacco farms, this tax is simply unfathomable in a country that lays claim to personal freedoms.

Never foreseeing a tax law like this, four years ago, I decided to take my love for premium hand rolled cigars, and turn it into a business. I invested hundreds of thousands of dollars into this small business, and the Hawaii economy in an attempt to grow and operate a niche oriented business that produces a product that is enjoyed by healthy, responsible adults of legal age. I will also add that in no way are these cigars targeted at underage consumers.

The federal government recently passed a law that will tax large hand rolled cigars a maximum of 40¢ per cigar for manufacturing or importing cigars into the United States. LBD Coffee, LLC holds both a Federal Manufacturing permit, and a Federal Import Permit for its Kauai Cigars, and we currently pay the 40% wholesale tax imposed on us by the current Hawaii tobacco tax law. This new 85% (and ultimately 105% by 2011) wholesale tobacco tax will ultimately reduce the tobacco tax revenue that the State receives on tobacco sales. This bill will also increase the black market for cigars and the amount of untaxed mail order business for cigars being shipped to consumers in Hawaii.

For more information on our farms and business please visit www.lbdcoffee.com. Thank you for your attention, and I look forward to hearing your response.

Sincerely,

A handwritten signature in black ink, appearing to read 'Les Drent', written in a cursive style.

Les Drent