

SECURITIES AND EXCHANGE COMMISSION

Issuer Delisting; Order Granting the Application of Sherwood Brands, Inc. to Withdraw its Common Stock, \$.01 par value, from Listing and Registration on the American Stock Exchange LLC File No. 1-14091

December 16, 2005

On June 20, 2005, Sherwood Brands, Inc., a North Carolina corporation ("Issuer"), filed an application with the Securities and Exchange Commission ("Commission"), pursuant to Section 12(d) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 12d2-2(d) thereunder,² to withdraw its common stock, \$.01 par value ("Security"), from listing and registration on the American Stock Exchange LLC ("Amex"). Notice of such application requesting comments was published in the Federal Register on November 25, 2005.³ No comments were received. As discussed below, the Commission is granting the application.

The Board of Directors ("Board") of the Issuer unanimously approved resolutions on March 2, 2005, to withdraw the Security from listing and registration on Amex. The Issuer stated the Board considered several factors relevant to its decision to withdraw the Security from Amex, including, but not limited to the following: (i) the limited number of holders of the Security; (ii) the Security is very thinly traded; (iii) the nature and extent of trading in the

¹ 15 U.S.C. 78l(d).

² 17 CFR 240.12d2-2(d).

³ See Securities Exchange Act Release No. 52794 (November 18, 2005), 70 FR 71178.

Security; (iv) the lack of analyst coverage and minimal liquidity of the Security; and (v) the costs, both direct and indirect, associated with the preparation and filing of the Issuer's periodic reports with the Commission and Amex. The Board noted that the Issuer had anticipated its legal, accounting, and insurance costs would increase substantially as a result of recently enacted legislation affecting all public companies (e.g., Sarbanes-Oxley Act of 2002). The Board believed that in addition to the significant time and cost savings which would result from deregistration, withdrawing the Security from listing and registration on Amex would allow management to focus its attention and resources on implementing the Issuer's business plan and exploring financing and strategic alternatives for the business.

The Issuer stated that it has met the requirements of Amex's rules governing an issuer's voluntary withdrawal of a security from listing and registration by complying with all the applicable laws in effect in the state of North Carolina, in which it is incorporated, and by providing Amex with the required documents for withdrawal from Amex. The Issuer's application relates solely to the withdrawal of the Security from listing on Amex and from registration under Section 12(b) of the Act,⁴ and shall not affect its obligation to be registered under Section 12(g) of the Act.⁵

⁴ 15 U.S.C. 781(b).

⁵ 15 U.S.C. 781(g).

The Commission, having considered the facts stated in the application and having due regard for the public interest and protection of investors, orders that the application be, and it hereby is, granted, effective at the opening of business on December 19, 2005.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁶

Jonathan G. Katz
Secretary

⁶ 17 CFR 200.30-3(a)(1).