

Mail Stop 3561

December 3, 2007

Mr. Stephen V. Coffey
Chief Executive Officer
Diedrich Coffee, Inc.
28 Executive Park, Suite 200
Irvine, CA 92614

**Re: Diedrich Coffee, Inc.
Form 10-K for the Fiscal Year Ended June 28, 2006
Filed September 26, 2006
Form 10-K for the Fiscal Year Ended June 27, 2007
Filed September 25, 2007
File No. 0-21203**

Dear Mr. Coffey:

We have completed our review of your Forms 10-K and related filings and have no further comments at this time.

Sincerely,

William Choi
Accounting Branch Chief