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Attention: TTB notice No.4
Chief, Regulations and procedures Division
Alcohol and Tobacco Tax and Trade Bureau
P.O. Box 500221
Washington, D.C. 20091

Anderson Valley Brewing supports the Alcohol and Tobacco Tax and Trade Bureau (TTB)'s "0.5% Flavored Malt Beverage (FMB) standard" set forth by the TTB Notice No. 4 of March 2003.

Our company feels that this proposed rule is critical for the following reasons:

1. Continuing the present regulations blurs the distinction between beer and distilled spirits, a distinction maintained in regulation and throughout society and the market place. The proposed change recognizes that beer and distilled spirits are distinctly different products.
2. Blurring these distinctions threatens the tax rates of the beer industry, most significantly the Small Brewers Differential at federal and state levels.
3. The proposed changes would help to maintain an orderly market place and sustain consistency of the longstanding and carefully considered federal and state alcohol beverage policies and regulations.

We reaffirm our company's support of the Alcohol and Tobacco Tax and Trade Bureau's March, 2003, proposed "0.5% standard" for the composition of flavored malt beverages as an important clarification of federal alcohol beverage categories established to maintain integrity of the beer category and an orderly U.S. marketplace.

Sincerely,

Fal Ailen, brewery general manager
Anderson Valley Brewing Co. Boonville CA 94515

