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Clare Rose Inc.

8/7/03

Attn: TTB Notice No.4  
Chief, Regulations and Procedures Division  
Alcohol and Tobacco Tax and Trade Bureau  
P O Box 50221  
Washington, D.C. 20091-0221

Dear Sirs or Madam:

I am writing on behalf of Clare Rose Distributing, an Anheuser Busch Wholesale Distributor located on Long Island, New York. We support the proposed rule issued in March 2003 by the Tax and Trade Bureau that outlines the alcohol content requirements in order for flavored malt beverages to be classified as beer. The Tax and Trade Bureau proposes that for malt beverages to be classified as beer the alcohol content from distilled alcohol cannot exceed 0.5%.

Beer has been regulated and taxed differently than other alcohol products for quite sometime. By continuing the 0.5% by volume standard, beer will continue the integrity and brewing process it has obtained.

The proposed rule would definitely continue to maintain the marketplace. This would avoid confusion, not to mention the cost factor. The New York State Liquor Authority, Taxation and the distribution policies could suffer from this. Beer continues to be made through the brewing process. The 5% standard will ensure that the integrity of beer remains.

Clare Rose encourages the Tax and Trade Bureau to give approval to the proposed 0.5% standard on flavored malt beverages.

Sincerely,

Tom Dugan  
Sales Manager

72 Clare Rose Boulevard • Patchogue, NY 11772 • (516) 475-1840