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From: Dan SCHULTZ [s_danno@msn.com]

Sent: Thursday, October 16, 2003 11:58 AM

To: nprm@ttb.gov

Subject: RE: TTB Notice #4, Flavored Malt Beverages and Related Proposals (2001R-136P)

October 16, 2003 Chief, Regulations and Procedures Division Tax and Trade Bureau PO Box 50221 Washington, D.C. 20031-0221 RE: TTB Notice #4, Flavored Malt Beverages and Related Proposals (2001R-136P) Dear Sir or Madam: I support the proposed regulations for products marketed as flavored malt beverages (FMBs), as set forth by the Tax and Trade Bureau (TTB) in TTB Notice No. 4 of March 2003.

FMB's are simply mixed spirit drinks sold under the guise of a malt beverage. They are no different than a gin and tonic, Tom Collins or a margarita. They are simply pre-mixed and sold in a way that prevents their taxation as a distilled beverage.

True malt beverages are the result of painstaking preparation and fermentation of malted barley and other adjuncts along with other flavor enhancers such as hops, spices, and fruits into what I know to be a craft beer. To include FMB's into this market allows an unfair advantage in manufacturing costs to the producers of FMB's and will lead to loss of revenues and jobs in the craft brewing industry which has seen such fantastic growth in the last twenty years.

If you were to look at beers as most see wines, you will see a serious contingent of people than enjoy craft brewed beers for the variety of styles and symphony of flavors that are available throughout the United States and the world. Organizations such as the American Home Brewers Association and the Beer Judge Certification Program (BJCP), have developed standardized style categories (over 100 of them) and developed flavor characterization and judging programs to educate the public on the finer aspects of craft beers that helps focus the American public on enjoying craft beers for their flavor, not pounding them (drinking many in a short time) in order to get drunk. The result is fewer drivers under the influence of alcohol and fewer fatalities and injuries that result from such behavior.

In summary, I support the proposed "0.5% standard" for FMBs in order to preserve the craft brewing industry and the craft beer culture and to defend the image of what the general public considers beer.

Sincerely, Dan Schultz

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