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Jon Thompson, Jr.
ASSISTANT GENERAL MANAGER

August 11, 2003

Attention: 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 Sir or Madam:

Ben E. Keith Beers supports the proposed rule issued by the Tax and Trade Bureau in March 2003, outlining the alcohol content requirements for flavored malt beverages to be classified as beer. Specifically, the proposal that the alcohol content of flavored malt beverages from distilled alcohol cannot exceed 0.5%.

Beer has been regulated and taxed differently than other alcohol beverages since the 1800s. The proposed rule is consistent with the historical interpretation of what constitutes beer and other malt beverages. Adoption of the "0.5 by volume standard" would ensure the integrity of beer and the brewing process.

States generally follow federal regulatory guidelines, making consistent regulatory policy very important. As a wholesaler, we believe this proposal would help maintain an orderly marketplace and avoid costly or confusing disruptions in state licensing, taxation and distribution policies.

We believe it is important for federal regulatory guidelines to distinguish between beer and products with higher alcohol content. Beer is made through the brewing process and should not be equated with distilled spirits or fortified wine. The 0.5% standard will ensure that the integrity of beer remains.

Ben E. Keith Beers encourages the TTB to give final approval to the proposed 0.5% standard on flavored malt beverages.

Sincerely,

Jon Thompson

BEN E. KEITH BEERS
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