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POST OFFICE BOX 2 RULES

MT SOLON, VIRGINIA 22843

August 18, 2003

William Foster, Chief Regulations and Procedures DMsion Alcohol and Tobacco Tax and Trade Bureau P.O. Box 50221 Washington, DC 20091-0221

ATttention: Notice 4

Dear Mr. Foster:

As Chairman of the Senate Rehabilitation and Social Services Committee, the committee in the Senate of the Virginia General Assembly which handles legislation dealing with alcohol beverages, I am writing to express my support for the United State Treasury Department Division of Alcohol and Tobacco Tax and Trade Bureau's (TTB) proposed rulemaking for flavored malt beverages (2001R-136P).

I strongly believe the TTB's proposed action is a much needed clarification of the federal alcohol beverage categories, which have been established to maintain an orderly marketplace in our country. Additionally, the debate associated with the proposed standard provides for an important opportunity for the discussion of the stability of the retail licensing system and the overall marketplace. If the proposed rule is adopted the standard will maintain an orderly marketplace, meet consumer expectations for consistent products, and help sustain the long-term development of the product category. Furthermore, these reformulated products will be consistent with state tax, license, and distribution laws allowing wholesalers and retailers to continue to distribute, sell, and market flavored malt beverages as they do today.

Finally, while there are some who have concerns regarding the ability of manufacturers to produce flavored malt beverage products in accordance with the new proposal, brewers have already demonstrated the expertise and technical ability necessary to brew these products under the new federal standard. The flavored malt beverage products that look and taste the same will be available to wholesalers and retailers in all states with no interruption and no discernable taste differences for consumers.

Thank you for this opportunity to share my viewpoint on this important issue. Should you require any further information, please do not hesitate to contact me.

Sincerely,

Emmett W. Hanger, Jr. EWH/hwh