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PEARCE BEVERAGE Co.

PEARCE 402 S. 54th Place • Phoenix, Arizona 85034 • Office 602.346.5500 • Fax 602.346.5600

August 11, 2003

ATTN: TTh Notice No. 4
Chief, Regulations and Procedures Division
Alcohol and Tobacco Tax and Trade Bureau
PO Box 50221
Washington, DC 20091-0221

Dear Sir or Madam,

Please accept this letter as support of the Tax and Trade Bureau's (TTB) "0.5 by volume standard", which states the alcohol content requirements for which flavored malt beverages (FIVIB) are classified as beer.

We at Pearce Beverage Company are in full agreement with this regulation and believe it will ensure the standards of beer and the brewing process. Since beer is a unique alcohol beverage, we agree that the regulations and taxations should be classified differently than other alcohol drinks. Beer is not a distilled spirit and is not made by a distilling process. Therefore, passage of this standard will prevent other producers of alcoholic beverages from categorizing their products as beer. The "0.5 volume standard" will clearly maintain this difference.

Pearce Beverage Company looks forward with great anticipation to TTB's approval to the proposed standard.

Sincerely,

Arthur L. Pearce II
Chairman

bc: NBWA