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FRANK B. FUHRER WHOLESALE CO.

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Chief Regulations & Procedures Division

Alcohol & Tobacco Tax & Trade Bureau

P.O. Box 50221

Washington, DC 20091 0221

Attn: TTB Notice No. 4

To Whom It May Concern:

Frank B. Fuhrer Wholesale Company supports the proposed rule issued in March 2003 by the Tax and Trade Bureau (TTB) which outlines the alcohol content requirements in order for flavored malt beverages (FMB) to be classified as beer. The TTB proposes that for an FMB to be classified as beer, its alcohol content from distilled alcohol cannot exceed 0.5%.

Throughout our nation's history, beer has been a unique product. It has been regulated and taxed differently than other alcohol beverages. The TTB proposed rule is consistent with the historical interpretation of what constitutes beer and other malt beverages. The distinct regulatory treatment of beer is based on its age-old production process. Its definition in the Internal Revenue Code dates back to the 1800s when Congress first imposed the beer excise tax. The adoption of the TTB "0.5 by volume standard" would ensure the integrity of beer and the brewing process.

Equating beer and beverages that derive a majority of their alcohol content from distilled spirits could weaken the important distinctions between beer and products with higher alcohol content. These distinctions impact state and federal policies regarding the regulation and taxation of beer and other alcohol beverages.

Consistent regulatory policy is important because, while states enjoy regulatory power over alcohol, most follow federal regulatory guidelines. This proposed rule would help maintain an orderly marketplace and avoid costly and confusing disruptions in state licensing, taxation and distribution policies. All of these would deal a severe blow to beer wholesalers.

It will only be a matter of time before other producers of alcohol beverages attempt to categorize themselves as beer products if traditional distinctions disappear.

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Beer is not a product that has been made through the distillation process. Beer is not fortified wine. Beer is made through the brewing process. The 0.5% standard will ensure that the integrity of beer remains.

Frank B. Fuhrer Wholesale Company encourages the TTB to give final approval to the proposed 0.5% standard on FMBs.

Sincerely,

David Fuhrer

President

DF/cks