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Compli BEVERAGE INDUSTRY COMPLIANCE

September 22, 2003

Chief, Regulations & Procedures Division Attention: Notice No. 4 Alcohol & Tobacco Tax & Trade Bureau P.O. Box 50221 Washington, DC 20091

To Whom It May Concern:

I am writing in regards to your recent proposed changes in regulations on Flavored Malt Beverages (FMBs) offering two alternative standards for alcohol sources in FMBs; Option #1 - the 90-10 (or .5%) standard Option #2- the 51-49 (or "majority") standard

As the owner of Compli, a beverage industry compliance firm in Paso Robles, California, which administers the licensing and compliance for more than 200 wineries, breweries, importers and wholesalers, I am in support of maintaining the current regulations regarding FMBs. However, if change is inevitable, with the current information available, I support Option #2.

If Option #1 were adopted it would have a negative impact on the industry as well as my business. We are in the business to simplify the cumbersome paperwork that is involved while reducing our clients' costs. If Option #1 were adopted, many of our clients would endure significant expense to apply the new standard in their formulas, which would negatively impact affordability to register, license, market and distribute the product.

If Option #2 were adopted it would minimize the impact to the industry maintaining the use of flavor types and tastes based on the previous standard.

I urge you to consider and adopt Option #2.

Sincerely,

Rachel Dumas, Consultant

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