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Auugust 7, 2003

Attn: TTB Notice No. 4 Chief, Regulations and Procedures Division Alcohol and Tobacco Tax and Trade Bureau P.O. Box 50221 Washington, DC 20091-0221

Dear Sir or Madam:

We would like to thank you for your proposed rule issued in March, 2003 that outlines the alcohol content requirements for flavored malt beverages to be classified as beer by stating the alcohol content from distilledalcohol cannot exceed 0.5%.

Beer is viewed very differently by the public and the regulating authorities not only in our country but all over the world. Attempting to lump beer in the same category as distilled spints would be extremely misleading to the public at large. In our state of North Carolina, state controlled ABC stores sell distilled spirits while independent retailers sell beer. Beer is a different category than distilled spirits.

Coastal Beverage Company, Inc. strongly encourages the TTB to give final approval to the proposed 0.5% standard on flavored malt beverages.

Sincerely,

Lewis T. Nunnelee II Chairman

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