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Staten Island Clare Rose

August 11, 2003

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

Dear Sir or Madam:

Clare Rose Staten Island Inc., supports the Tax and Trade Bureau's proposed rule outlining the alcohol content requirements for flavored malt beverages (FMB) to be classified as beer. We agree that for an FMB to be classified as beer, its alcohol content from distilled alcohol cannot exceed 0.5%.

The integrity of the brewing process for beer and other malt beverages will be ensured by the TTB ".05 by volume standard".

Since most states follow federal regulatory guidelines, a consistent regulatory policy would help maintain an orderly marketplace while avoiding confusion in state licensing, taxation and distribution policies.

There are important distinctions between beer and products with higher alcohol content and it is important that we do not blur the line between the two. If that were to happen, other producers of alcohol beverages would soon attempt to categorize their products as beer.

Beer is made naturally through the brewing process, not the distillation process. Clare Rose Staten Island, Inc. encourages the TTB to approve the 0.5% standard on FMB's to ensure the continued integrity of beer.

Sincerely,

Richard Ippolito
President
Clare Rose Staten Island, Inc.

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