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Mike's Hard Lemonade Company
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September 17,2003

Mr. William Foster
Chief Regulations and Procedures Division
ATTN: Notice No.4
Alcohol and Tobacco Tax and Trade Bureau
Post Office Box 50221
Washington, D.C. 20091-0221

RE: TTB Notice No.4

Dear Mr. Foster:

I am an employee with Mark Anthony Brands, Inc. and would like to express my opinion regarding the future viability of flavored malt beverages, also known as FMBs. I strongly oppose TTBS proposal to limit the alcohol contribution from flavoring materials in these beverage products to 0.5% alcohol by volume. In order to establish a more rational standard, I encourage TTB to adopt a majority standard that would allow less than 50% of the alcohol content in FMBs to come from flavoring materials. Listed below are some reasons as to why I feel my points are valid.

Notice No. 4 suggests that these guidelines must be changed in order to prevent consumer confusion on the source of alcohol in FMBs. However, as I interact directly with many wholesalers in the Southeast and many retailers and consumers as well, I have not witnessed or experienced any confusion whatsoever. In my opinion, people are not concerned with the source of alcohol; rather, they choose FMBs simply because they taste good and they are an affordable alternative.

We are now experiencing favorable market conditions in the FMB category sales have grown and we have developed a loyal consumer base. This category is one of few that can be satisfied with its recent past and, hopefully, future prospects in the alcoholic beverage industry. I urge TTB to adopt a standard that all companies can meet a majority standard that caps the alcohol contribution derived from flavoring materials contained in an FMB to less than 50% of the product's alcohol content. This would satisfy all preliminary objectives and more. First, a majority standard would prevent consumer confusion if any exists. Second, it would establish a nationally uniformed standard that would assist the federal government and the states in regulating FMBs. And finally, it would preserve both market stability and competition, maintaining a level playing field for which agencies like yours strive every day to ensure the very core fundamentals of the American marketplace.

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For the sake of consumers and a truly competitive marketplace, I encourage TTB to reject the proposed 0.5% standard for FMBs and to work with the FMB industry to achieve a more reasonable and workable set of rules that can preserve and promote this valuable product category.

With all respect,

Mike Santomaso
Mark Anthony Group Inc.