ESTABLISHED 1919
Fabiano Brothers

September 15, 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:

Fabiano Brothers, Inc. is in support of the proposed rule issued in March 2003 by the Tax
and Trade Bureau (TTB) that specifies that flavored malt beverage (FMB) alcohol cannot
exceed 0.5% to be classified as beer.

Throughout America's history, beer has been regulated and taxed in a different manner
than other malt beverages. The TTB has proposed a rule that parallels the historical
interpretation of what constitutes beer and other malt beverages. In fact, the distinct
regulatory treatment of beer is based on its age-old production process, and the IRS code
dates back to the 1800's when Congress first imposed the beer excise tax. The adoption
of the TTB.5 volume standard would ensure the integrity of beer and its 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 high
alcohol content. The TTB has proposed a rule that would help maintain continuity and
avoid costly and confusing disruptions in state licensing, taxation and distribution
policies in all states.

Beer is neither distilled spirits nor fortified wine. Beer goes through a brewing process
not a distillation process. If traditional distinctions are allowed to disappear, it will only
be a matter of time before other producers of alcoholic beverages also try to put
themselves in the same category as beer.

Again, Fabiano Brothers, Inc. encourages the TTB to give final approval to the proposed
0.5% standard on FMB's.

Sincerely,
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Vice-President
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