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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:

This letter is in regards to the TTB's proposal to limit the alcohol contribution from flavoring materials in flavored malt beverage products (FMBs) to 0.5% alcohol by volume. I strongly oppose this current proposal based on my opinion that it is extreme, unfair, and unnecessary, and I urge TTB to adopt a majority standard that would allow less than 50% of the alcohol content in FMBs to come from flavoring materials.

For years, TTB has allowed brewers to produce and sell FMBs that derive a majority of their alcohol from flavoring materials. Notice No. 4 now claims that a 0.5% standard is necessary to prevent consumer confusion. In my current position at Mark Anthony Brands, as well as my former job as marketing manager at a Seagram's Cooler distributor, I have had the opportunity to work with an array of wholesalers, retailers, and consumers. In my ten plus years in the alcohol beverage business, I have never been approached or contacted by a consumer or retailer who was confused or concerned with the source of alcohol in FN{Bs. Rather, they select FMBs on the basis of their taste and cost.

Notice No. 4 also notes that state alcohol beverage authorities have urged TTB to establish regulatory limits on the addition of alcohol to malt beverages from flavors. While a nationally uniform standard could benefit both state regulators and the FMB industry, Notice No.4 gives no reason why the proposed 0.5% standard is the only way to accomplish this goal.

As you know, FMBs are enjoying a strong growth in sales. It appears to me that this proposal was spawned by large beer producers with products that do not currently compete well in the category, for the express reason of elimination of the healthy market competition that now exists. I strongly urge TTB to adopt a rule that all companies can meet - a fair and reasonable 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. Also, this would mirror the existing standards and precedence that currently

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exists in the alcohol beverage business for products such as wheat beers, bourbons, wine varietals, etc.

As a hard-working, tax-paying American, I am concerned with the fact that large multi-national corporations can propose such unnecessary regulations under the guise of consumer protection, when in reality as stated above, it is a ploy to eliminate any and all competition from the market place. 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, and the smaller companies that rely on it.

Thank you for your consideration in this matter

Sincerely,

Matthew Yurkie  
15675 White Oak  
Fraser, MI 48026