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September 17, 2003

Chief, Regulations and Procedures Division Tax and Trade Bureau POBox 50221 Washington, DC 20031-0221

RE: TTB Notice #4

Dear Sir or Madam:

Highland-Brewing Company supports the proposed standard of composition for Flavored Malt Beverages ("FMB's"), as set forth by the Tax and Trade Bureau ('TTB") in TTB Notice No. 4 of March 2003.

The United States has, in the past quarter of a century, experienced a revival in the brewing industry, from a low of41 breweries to today's high of more than 1,400 breweries. The revival is predicated on renewed commitment to traditional processes and beer styles. This dedication to the art of beer has produced extensive investment in small businesses INCLUDING MY OWN PERSONAL INVESTMENT and the emergence of a group of consurrers who appreciate the unique properties of beer.

Continued success in the small brewing industry requires maintenance of an even playing field for all industry members claiming to produce beer or other malt beverages. Our company regards this proposed rule as a critical step towards consistent classification of alcoholic beverages. An orderly marketplace and consistency of laws and regulations establishing alcohol beverage categories are primary concerns of the brewing industry.

We reaffirm our company's support for the proposed "0.5% standard" for FMBs. Its consistency with historical interpretations of federal regulations will help maintain an. orderly marketplace and integrity of the beer category.

Thank you for your consideration.

Sincerely,

Oscar Wong Owner and President 42 BILTMORE AVENUE • PO BOX 2351 ASHEVILLE, NC 28802-2351 TEL (828) 255-8240 FAX (828) 255-8145