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C & H DISTRIBUTING COMPANY
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September 2, 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:

Our company, C & H Distributing Company in Vernal, Utah, definitely supports the proposed rule issued in March 2003 by the Tax and Trade Bureau that outlines the alcohol content requirements for Flavored Malt Beverages to be classified as beer and that the alcohol content can not exceed 0.5%.

The proposed rule is consistent with how our government and the Internal Revenue Code has treated beer for approximately 150 years and the historical interpretation of what constitutes beer versus other alcoholic beverages. Our family has distributed beer for over fifty years and feel that this rule is important to maintain an orderly marketplace. We need to avoid costly and confusing disruptions in state licensing, taxation and distribution policies.

We feel strongly that if beer were to be equated with beverages that derive a majority of their alcohol content from distilled spirits this could weaken the important distinctions between beer and high alcohol content beverages. If these distinctions disappear, other producers of alcohol beverages would soon attempt to categorize themselves as beer products. This would also create more confusion for the consumer.

C & H Distributing respectfully encourages the TTB to give a final approval to the proposed "0.5% standard" on Flavored Malt Beverages.

Sincerely,

Frances W. Harding, President

Wholesale Distributors for:

Anheuser-Busch, Inc. . Coors Brewing Co. • Miller Brewing Co. . Seagram Beverage Co. • E & J Gallo Winery • Bacardi: USA