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STEIN DISTRIBUTING, INC.

August 25, 2003

Attn. TIB 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:

Stein Distributing Inc. supports the proposed rule issued in March 2003 by the Tax and Trade Bureau (TTB) that outlines the alcohol content requirements in order for a flavored malt beverage (1'MB) to be classified as a beer. Specifically the TTB proposes that for an F MB to be classified as a beer, its alcohol content from distilled spirits cannot exceed 0.5%.

Beer has always been taxed differently than other alcohol beverages through out our nations history. Consistent regulatory policy is important because while states enjoy regulatory power over alcohol, most follow federal regulatory guidelines. This proposed rule would help maintain an orderly market place and avoid confusion. Beer is not distilled spirits. Beer is not fortified wine. Beer is a product that is made through the brewing process. The 0.5% standard will ensure that the integrity of beer remains.

Once again, Stein Distributing Inc. encourages the TTB to give final approval to the proposed 0.5% standard on FMB's.

Sincerely,

Dean Karnofski  
Stein Distributing