PEERLESS BEVERAGE COMPANY Wholesale Purveyors of Fine Malt Beverages

September 10, 2003

Attn: TTB Notice No. 4 Chief, Regulations & Procedures Division Alcohol and Tobacco Tax and Trade Bureau P.O. Box 50221 Washington, D.C. 20091-0221

Dear Sir or Madam:

Peerless Beverage Company, a malt beverage distributor in Union, New Jersey, is in full support of the proposed rule that if flavored malt beverages are to be classified as beer, the alcohol content should not exceed 0.5%.

If beer is to continue to be regulated and taxed differently than wine and spirits (as we believe it should be) then the distinctions in production and alcohol content should be maintained. Failure to do so could lead to widespread confusion and chaos with the entire alcoholic beverage industry.

Again, we urge you to support and approve the proposed 0.5% standard on FMB's. Sincerely,

James C. Lau V.P. Marketing

JCL:sn

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