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Cindy Fox
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Frisco, Texas 75034

September 30, 2003
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:

I am the South West Region Chain Manager for Mark Anthony Brands and because my job depends on the future viability of flavored malt beverages (FMBs), I strongly oppose TTB's proposal to limit the alcohol contribution from flavoring materials in these beverage products to 0.5% alcohol by volume. In order to establish a more reasonable standard, 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. I have worked in the beverage alcohol industry for over twenty-five years, and have had the opportunity to work with wholesalers, retailers, and consumers. I am sure that there is little, if any, confusion regarding alcohol derivation or content because consumers are not concerned with the source of alcohol in FMBs. Consumers select FMBs solely on the basis of their taste.

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 does not state the rationale of why the proposed 0.5% standard is an appropriate way to accomplish this goal.

FMBs are enjoying a strong growth in sales and it appears that a new standard would eliminate the healthy market competition that now exists. I strongly urge TTB to adopt a rule that all companies can meet which would be a 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. A majority standard would prevent consumer confusion, if any exists, establish a nationally uniform standard that would assist the federal government and the states in regulating FMBs.

I encourage TTB to reject the 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. If any major changes are made to this category, my livelihood, as well as many others in this industry, can be dramatically affected. Please help us preserve both market stability and competition within this category.

Sincerely,

Cindy Fox