0045694

Dear Sir or Madam:

As an employee of Portland Brewing Company and someone who is deeply concerned about preserving the integrity of beer, I am writing to express my support for the U.S. Treasury's Alcohol and Tobacco Tax and Trade Bureau proposed rulemaking for flavored malt beverages. (2001R-136P)

I believe the TTB's action is an important clarification of federal alcohol beverage categories established to maintain an orderly US marketplace. Further, I believe the debate surrounding the proposed standard poses important issues for the stability of the retail licensing system and the overall marketplace.

Furthermore, the TTB standard is the most efficient means to address recent concerns by both federal and state officials. If adopted, the standard will maintain an orderly marketplace, meet consumer expectations for consistent products, and help sustain the long-term development of the product category. In addition, these reformulated products will be consistent with state tax, license, and distribution laws allowing wholesalers and retailers to continue to distribute, sell and market flavored malt beverages as they do today.

However, absent a national standard rooted in existing law and regulation, manufacturers, retailers, and wholesalers will face a

potential for a patchwork of individual state laws and regulations where the same product may ultimately be sold as a "beer" in one state and as "hard liquor" in another.

Finally, while there are some who have concerns regarding the ability of manufacturers to produce FMB products in accordance with the new proposal, as you may know, brewers have already demonstrated the expertise and technical ability to brew these products under the new federal standard.

Thank you for this opportunity to offer my support for your proposed FMB rule preserving the unique differences and

integrity of beer.
Sincerely,

Matt Demarinis