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Brewing NW Ltd.  
341 SW 2nd St.  
Corvallis, Oregon 97333  
541 758-3527

10/20/2003

Chief, Regulations and Procedures Division  
Tax and Trade Bureau  
PO Box 50221  
Washington, D.C. 20 31-0221

RE: TTB Notice #4  
Dear Sir or Madam;

Brewing NW Ltd. supports the proposed standard of composition for Flavored Malt Beverages ("FMB") as set forth by the Tax and Trade Bureau ("TTB") in TTB Notice No. 4 of March 2003. This proposal is essential to the beer industry as it clearly delineates the difference between beer and other alcohol beverages requiring that the alcohol content in FMB's derived from distilled alcohol not exceed 0.5% in order to be classified as beer.

The United States has, in the past quarter of a century, experienced a revival in the brewing industry from a low of 41 breweries to today's high of more than 1,400 breweries. This revival is predicated on renewed commitment to traditional processes and beer styles. This dedication to the art of beer has produced extensive investment in small businesses and the emergence of a group of consumers who appreciate the unique properties of beer. Many of our customers do understand the attributes of beer and the consequences of this rulemaking process.

Continued success in the small brewing industry requires maintenance of an even playing field for all industry members claiming to produce beer or other malt beverages. Our company regards this proposed rule as a critical step towards consistent classification of alcoholic beverages. An orderly marketplace and consistency of laws and regulations establishing alcohol beverage categories are primary concerns of the brewing industry.

We reaffirm our company's support for the proposed 0.5% standard for FMBs. Its consistency with historical interpretations of federal regulations will help maintain an orderly marketplace and the integrity of the beer category.

Sincerely,

SEC  
David S. Wills