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FAHR
BEVERAGE

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September 2, 2003

Attn: TTB 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:

I support the proposed rule issued in March 2003 by the Tax and Trade Bureau (TTB) that outlines the alcohol content requirements in order for flavored malt beverages (FMB) to be classified as beer. its alcohol content from distilled alcohol cannot exceed 0.5%.

The TTB proposed rule is consistent with the historical interpretation of what constitutes beer and other malt beverages.

This proposed rule would help maintain an orderly marketplace and avoid costly and confusing disruptions in state licensing, taxation and distribution policies, any of which would deal a severe blow to beer wholesalers.

Equating beer and beverages that derive a majority of their alcohol content from distilled spirits could weaken the important distinctions between beer and products with higher alcohol content. These distinctions impact state and federal policies regarding the regulation and taxation of beer and other alcohol beverages.

If traditional distinctions disappear, it will only be a matter of time before other producers of alcohol beverages attempt to categorize themselves as beer products.

Beer is not distilled spirits. Beer is not fortified wine. Beer is not a product that has been made through the distillation process. Beer is made through the brewing process. The 0.5% standard will ensure that the integrity of beer remains.

Once again, Fahr Beverage, Inc. encourages the TTB to give final approval to the proposed 0.5% standard on FMBs.

Sincerely,

Fahr Beverage, Inc.

Terry P. Timmerman
Director, Sales and Marketing
Proudly Distributing the Quality Beers
of
Anheuser - Busch, Inc.