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September 26, 2005

Transmitted via E-Mail:
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Chief, Regulations and Procedures Division
Alcohol and tobacco Tax and Trade Bureau
Attn: Notice No. 41
P.O. Box 14412
Washington, DC 20044-4412

On behalf of the membership of the Oregon Neighborhood Store Association, as well as all grocery retailers throughout Oregon, I would like to submit the following comments on the Alcohol and Tobacco Tax and Trade Bureau's Advance Notice of Proposed Rulemaking (ANPR) regarding the labeling and advertising of wines, distilled spirits and malt beverages. This notice was initially published in the *Federal Register* on April 29, 2005 (F.R. Vol. 70, No. 82, April 29, 2005).

Grocery retailers engaged in the sale of alcoholic beverages may be significantly impacted through a variety of the issues identified in the Advance Notice of Proposed Rulemaking. For purposes of clarity, it should be noted Oregon retailers are primarily engaged in the sale of beer and wine, as opposed to distilled spirits. As a "control" state, distilled spirits are purchased, distributed and sold to the public under the regulatory auspices of the Oregon Liquor Control Commission (OLCC). Although falling under the regulatory framework of the OLCC, beer and wine products are sold to the public by retail outlets through an "off-premise" license issued by the Commission. With respect to Oregon retailers who are engaged in the sale of beer and wine products, I would like to note the Oregon Neighborhood Store Association was the primary entity responsible for the establishment of Oregon's existing "Responsible Vendor Program" (Oregon Revised Statutes 471.344). The purpose for mentioning this program is to help demonstrate the responsible nature of those individuals who are engaged in the retail sale of alcohol beverages to the public. The aforementioned comments are also provided to briefly identify the high degree of regulation Oregon maintains with respect to the sale of any type of alcohol beverage.

Specifically with respect to the Advance Notice of Proposed Rulemaking and request for comments, I would like to strongly discourage the Alcohol and Tobacco Tax and Trade Bureau from significantly expanding labeling requirements associated with

alcohol beverages. Rather than serving to further inform the public about a product's contents, we believe such efforts may actually have the unintended consequence of giving false guidance to those members of the public who choose to consume alcohol beverages.

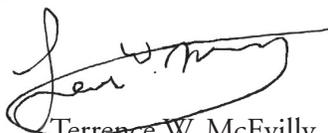
The most immediate area of concern is associated with the discussion surrounding the potential requirements to modify labeling standards. We believe references to a "standard drink" would not assist the public by providing a greater degree of information, but instead may serve as a costly and confusing requirement that would oversimplify the numerous and varied factors which affect how each individual reacts to the intake of an alcohol beverage. The debate over what constitutes a "standard drink" has continued for a number of years and has been primarily pursued by those who are engaged in the manufacturing, distribution or sale of distilled spirits. We strongly recommend the agency not pursue efforts to define or require labeling of alcohol products based upon a standard drink basis.

In terms of labeling standards that provide the public with accurate, appropriate and objective information regarding the alcohol content of a particular beverage, we believe the public is readily familiar with and relies on identification based upon the percentage of alcohol by volume of product. It should be noted that type of identifying standard is even used in the ANPR (Page 2280). This standard has traditionally been used and provides the public with an objective informational basis.

From the retail segment engaged in the sale of alcohol beverages within the State of Oregon, I encourage your agency to cautiously approach these considerations. Retailers, as well as the public have relied on existing labeling requirements. As noted, significant modifications may tend to lead to confusion and ultimately prove detrimental to the public.

Thanks you for the opportunity to provide comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Terrence W. McEvilly". The signature is written in a cursive style with a large initial "T" and "M".

Terrence W. McEvilly
ONSA President