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PEPIN DISTRIBUTING COMPANY

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THOMAS A. PEPIN
President & CEO

September 9, 2003

Attn: TTB Notice No. 4
Chief, Regulations and Procedures Division
Alcohol and Tobacco Tax and Trade Bureau
Post Office Box 50221

Dear Sir or Madam:

Pepin Distributing Company is in support of the proposed rule recently issued in March 2003 by the Tax and Trade Bureau that outlines the requirement of Flavored Malt Beverages (FMB) alcohol content derived from distilled alcohol can not exceed 0.5% in order to be classified as beer. The proposed rule is consistent with the historical interpretation of what constitutes beer and other malt beverages.

Consistency with this policy is important because while states enjoy regulatory power over alcohol, most follow federal regulatory guidelines. This proposed rule would help maintain an orderly marketplace, thus

avoiding costly and confusing disruptions in state licensing, taxation and distribution policies. Any of which would deal a severe blow to beer wholesalers.

Moreover, equating beer and beverages deriving a majority of their alcohol content from distilled spirits could weaken the important distinctions between beer and products with a higher alcohol content. These distinctions impact state and federal policies regarding the regulation and taxation of beer and other alcohol beverages. If these distinctions disappear, it will only be a matter of time before other producers of alcohol beverages attempt to categorize themselves as beer products.

Once again, Pepin Distributing Company encourages the TTB to give a final approval to the proposed "0.5% standard" on FMB's.

Sincerely

Tom Pepin
President/CEO

Proud Distributors of the Fine Products from Anheuser-Busch, Inc.

Budweiser, Bud Light, Bud Ice, Bud Ice Light, Bud Dry Busch, Busch Light, Busch NA, Natural Ice, Natural Light, King Cobra, O'Douls, O'Douls Amber, Michelob, Michelob Light, Michelob Black and Tan, Michelob Honey Lager, Michelob Hefewiczen, Michelob Amber Bock, Tequiza, Doe Otis, Red Wolf Lager, Redhook ESB, Kirin Lager, Kirin Ichiban, Kirin Light