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LUCE & SON, INC.  
IMPORTERS - WHOLESALERS - BEER - UQUOR' - WINES - BEVERAGES

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September 24, 2003

Mr. William Foster  
Chief Regulations and Procedures Division  
Attention: Notice Number 4  
Alcohol and Tobacco Tax and Trade Bureau  
Post Office Box 50221  
Washington, D.C. 20091-022 1

Dear Mir. Foster:

I have been working in. the Malt Beverage Industry for over 30 years and have witnessed the evolution of many new malt beverage brands and packages. The flavored malt beverage category (FMBs) has been selling exceptionally well in recent years.

I am writing to express my concerns and opposition to the Alcohol and Tobacco Tax and Trade Bureau (TPB") Notice Number 4 which would severely limit the use of flavors containing alcohol in flavored malt beverages. This proposal, if adopted, would drastically hurt the viability of the FMB beverage category. It would result in significantly complicating the FMB production process, raise production costs, increase prices and might even change product taste.

Instead, I support the. more reasonable majority standard that would allow such flavoring materials to contribute up to 49% of the alcohol content of a FMB.

I strongly urge TTB to adopt a. majority standard rather than its current proposal.

Phil Marshrey  
Vice President of Sales  
Luce & Son, Inc.

PM:pb