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KING OF EEBERS

SUNCOAST BEVERAGE SALES
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September 2, 2003

Chief, Regulations and Procedures Division
Alcohol and Tobacco Tax & Trade Bureau
Attention: Mr. William Foster
PO Box 50221
Washington, D.C. 20091-0221

RE: Federal Alcohol and Tobacco Tax and Trade Bureau Notice No. 4

Dear Mr. Foster,

Please accept this letter as confirmation of Suncoast Beverage Sales support for the United States Treasury's Alcohol and Tobacco Tax and Trade Bureau Notice No. 4, which outlines the necessary alcohol content requirements in categorizing Flavored Malt Beverages as beer.

The proposed standard, which would require that the alcohol content derived from distilled alcohol not exceed 0.5% in a Flavored Malt Beverage, is significant in that it ensures product integrity, preserves longstanding distinctions imposed on beer, wine and spirits and provides a uniform classification system on which the states, manufacturers, wholesalers and retailers may rely.

In addition, the proposed standard is consistent with the federal definition of "malt beverage" that has remained unchanged since 1935, the definition of "beer" in the Internal Revenue Code dating back to the 1800's and federal law dating back to the first beer excise tax enacted in 1864, maintaining that a malt beverage contain alcohol, which is the result of fermentation at the brewery.

Brewers have demonstrated that flavored malt beverages can be produced under the new standard without discernable taste differences. The reformulated Flavored Malt Beverages will be consistent with state tax, license and distribution laws allowing wholesalers and retailers to continue to distribute, sell and market flavored malt beverages. Moreover, the product uniformity proposed by Notice No. 4 will ease state regulatory burdens by providing consistent product and quality standards.

Suncoast Beverage Sales encourages the Alcohol and Tobacco Tax and Trade Bureau to approve Notice No. 4 and mandate a .5% standard on Flavored Malt Beverages.

Sincerely

Mike Mitobell
President
Suncoast Beverage Sales