







December 11, 2008

Treasury Secretary-Designate Timothy F. Geithner Transition Office GAO 451 6th Street, N.W Washington, D.C. 20001

Mr. Timothy F. Geithner President Federal Reserve Bank of New York 33 Liberty Street New York, N.Y. 10045

Re: TTB Notice 73 – Labeling and Advertising of Wines, Distilled Spirits

And Malt Beverages

Dear Secretary-Designate Geithner:

At a time when America faces a growing financial crisis, you will be focusing most of your attention on stabilizing and strengthening the U.S. economy. We wish you Godspeed in that endeavor. However, we feel compelled to call to your attention another matter where action by the Treasury Department is needed and long overdue: requiring comprehensive labeling information on alcoholic beverages.

December 16, 2008 marks an important anniversary for the public health and consumer communities that are concerned about alcohol abuse. On this date, it will be five years since the National Consumers League, Center for Science in the Public Interest, Consumer Federation of America, and 75 other organizations petitioned the Alcohol and Tobacco Tax and Trade Bureau (TTB) to require an easy-to-read, standardized "Alcohol Facts" label, similar to the popular "Nutrition Facts" labels on foods and nonalcoholic beverages.

Coming after 25 years in which TTB and its predecessor agency, the Bureau of Alcohol, Tobacco and Firearms (BATF), delayed taking any concrete action, the 2003 petition advanced the public goal of providing consumers with the information needed to follow the *Dietary Guidelines for Americans advice* on alcohol consumption, rather than just allowing the minimal information that bottlers want to include. Specifically, the petition called on TTB to require meaningful labeling of alcohol beverages, including alcohol content per serving, calories per serving, serving size, number of servings per

container and the definition of a "standard drink." Additionally, the petition sought the inclusion of the Dietary Guidelines' definition of moderate, or low-risk, alcohol consumption on product labels.

Unfortunately, TTB's actions have been late in coming and are not adequate in authorizing a tool to reduce alcohol abuse, drunk driving, obesity, and the many diseases attributable to excessive alcohol intake. Even though TTB issued a proposed rule in 2007, its proposal notably ignored the most important information consumers need when consuming an alcoholic beverage – alcohol content disclosure and the amount of alcohol in a serving.

As such, Americans would not have the information they need to follow *Dietary Guidelines* recommendations on alcohol consumption.

As organizations committed to making meaningful change in how the Treasury Department operates, we hope you will do the right thing and make final action on alcohol labeling a priority for the Obama Administration's policy initiatives on alcoholic beverages. Based on the record in the current rulemaking, we believe it will not be necessary for TTB to re-propose the rule. Rather, TTB can act now to issue a final regulation to require the following information on all beer, wine, and spirits labels: serving size, calories per serving, alcohol per serving, percent alcohol by volume, the definition of a "standard drink," number of drinks per container, and the *Dietary Guidelines* recommendation on moderate drinking. TTB also should consult with FDA as to the most effective format and graphic design for the "Alcohol Facts" label.

Anything short of this basic information would leave alcoholic beverages as an enormous blind spot in the American diet and would be a failure of the regulatory process. Here is why:

- Despite serious problems with underage drinking, binge drinking, drunk driving, and obesity, American consumers can't easily track the amount of alcohol and calories in the alcoholic beverages they drink.
- The *Dietary Guidelines for Americans*, federal and state agencies, and numerous public health groups provide advice on alcohol consumption in terms of the number of "standard drinks" consumed. (A "standard drink" is defined as 12 fluid ounces of regular beer, 5 fluid ounces of wine, and 1.5 fluid ounces of 80-proof distilled spirits.) For example, the FDA-mandated warning on aspirin and acetaminophen states in part: "If you consume 3 or more alcoholic drinks per day, ask your health professional whether you should take acetaminophen or other pain relievers...." The problem is that most consumers don't know what a "drink" is, and there is nothing on product labels to tell them.
- When TTB asked for public comment on alcohol labeling in 2005, the agency received more than 18,000 letters, many from public health leaders and consumers who urged TTB to mandate a standardized label with calorie information and more useful information on alcohol content.
- The agency received another barrage of letters from consumers and public health leaders in response to its 2007 proposed rule. All the comments from the public health community criticized TTB for omitting alcohol content information and stressed the need for a useful and comprehensive alcohol label.

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TTB should not require alcohol labels to list the amount of fat, protein, or micronutrients if these nutrients are present in what FDA considers to be an "insignificant amount" (see 21 C.F.R. § 101.9(f)(1)).

• Polls show American consumers overwhelmingly favor more informative labels on wine, beer and distilled spirits, especially information about the alcohol and calorie content per serving.

The facts boil down to this: more than 30 years have gone by and the American public still does not have access to standardized and complete labeling information on beer, wine and distilled spirits. It's time for real change.

Mr. Secretary-Designate, we recognize the challenges you face on many fronts. But the need to modernize alcohol beverage labels so that consumers can comply with the *Dietary Guidelines* has been unaddressed for too long. Alcohol awareness cannot happen without better labeling. Therefore, we urge you to make 2008 the last year in which alcohol content and calorie information is not included on those labels.

Thank you for your leadership on this important matter.

National Consumers League

Shape Up America!

Consumer Federation of America

Center for Science in the Public Interest

Sally Greenberg Executive Director Barbara Moore, Ph.D. President & CEO

Christopher Waldrop Director, Food Policy Institute George Hacker Director, Alcohol Policies Project