



Consumer Federation of America



February 14, 2013

Treasury Secretary-Designate Jack Lew
c/o Department of the Treasury
1500 Pennsylvania Avenue NW
Washington DC 20220

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

Dear Secretary-Designate Lew:

Congratulations on your nomination to the post of Secretary of the Treasury.

As you prepare to tackle the myriad problems facing our nation and its economy, we urge you to complete important pending business from almost a decade ago: the proposal that all alcohol beverages under your regulatory jurisdiction have easy-to-read, standardized “Alcohol Facts” labels, similar to the popular “Nutrition Facts” labels on foods and nonalcoholic beverages.

Action on this matter was made more urgent just yesterday, when the Federal Trade Commission (FTC), with which the Treasury Department’s Alcohol and Tobacco Tax and Trade Bureau (TTB) shares jurisdiction over alcohol beverage advertising, finalized an Order¹ requiring the makers of *Four Loko*, a high-alcohol-content flavored malt beverage, to seek TTB approval of an Alcohol Facts panel on any *Four Loko* product container holding more than 2 standard drinks. We urge you, if you are confirmed by the Senate, to take action to approve a consumer tested Alcohol Facts label as discussed below, and to expedite finalization of the TTB’s pending rule to require an Alcohol Facts panel for all alcohol beverages.

Background

On December 16, 2003, the National Consumers League, Center for Science in the Public Interest, Consumer Federation of America, Shape Up! America, and 75 other organizations petitioned the Alcohol and Tobacco Tax and Trade Bureau (TTB) to require Alcohol Facts labels. 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 are still currently required 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

¹ <http://ftc.gov/os/caselist/1123084/130212phusiondo.pdf>

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 exceedingly slow in coming and ultimately were not adequate in authorizing a meaningful 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 one of the most important information consumers need when consuming an alcoholic beverage – the amount of alcohol in a serving and the number of servings in a container. (See Docket TTB-2007-0062.)² It is precisely this missing element that the FTC has now required *Four Loko* to seek.

From our point of view, the two essential elements lacking in the FTC’s proposed Alcohol Facts panel are fluid ounces of alcohol per serving and calories per serving. These elements were featured in the original petition and are essential for Americans to have in order to make informed decisions about what and how much to drink.

In response to the need for information on what consumers prefer, we conducted consumer research in 2007 and learned that the most complete label (illustrated below) was the label most preferred:

Serving Facts	
Serving Size 12 fl oz (355 ml)	
Servings Per Container 1	
Amount Per Serving	
Calories	153
Fat	0g
Carbohydrate	13g
Protein	1g
Alcohol by volume	5%
Fl oz of alcohol *	0.6
* A standard drink contains 0.6 fluid ounces of alcohol	

Figure 6. Illustration of label 3.

Eight in 10 of those polled (79%) agreed with the statement: “There is no point in having labeling on the containers of alcohol beverages unless labels include all nutrition and ingredient information, including the amount of alcohol in each drink.” Furthermore, when we informed survey participants that the TTB was considering requiring mandatory labeling on all beer, wine and distilled spirits products, 9 in 10 (90%) of those polled in 2007 said they supported this action.

² <http://www.regulations.gov/#!docketDetail;D=TTB-2007-0062>

We hope you will do the right thing and make final action on Alcohol Facts labeling a priority for the Obama Administration's policy initiatives on alcohol 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, fluid ounces of 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 (a maximum of one standard drink per day for women and two for men).

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.

Mr. Secretary-Designate, we recognize the challenges you face on many fronts. But the need to modernize alcohol beverage labels so that consumers can better understand how much alcohol they are consuming, and to comply with the *Dietary Guidelines*, has been unaddressed for far too long. Better alcohol awareness cannot happen without better labeling. Therefore, we urge you to make 2013 the year in which alcohol content and calorie information is included on those labels.

Thank you for your leadership on this important matter.

Sincerely,

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CC: John J. Manfreda, Administrator, Alcohol and Tobacco Tax and Trade Bureau
Neal Wolin, Acting Secretary and Deputy Secretary of the Treasury