



**Department of the Treasury**  
Alcohol and Tobacco Tax and Trade Bureau  
Washington, DC 20226

May 27, 2003

Mr. George A. Hacker  
Director, Alcohol Policies Project  
Center for Science in the Public Interest Suite 300  
1875 Connecticut Avenue, NW Washington, DC 20009

Dear Mr. Hacker:

This is in response to your inquiry dated May 7, 2003 regarding your concerns surrounding the placement and appearance of the Government Warning Statement on containers of alcohol beverages. Specifically, you are concerned that the Government Warning Statement appearing on labels of Smirnoff brand vodka are not "separate and apart from all other information" and that the number of characters per inch exceeds the maximum specified in the regulations. The Alcohol and Tobacco Tax and Trade Bureau (TTB) is committed to ensuring the Government Warning Statement meets the regulatory requirements found in 27 Code of Federal Regulations (CFR) part 16.

TTB is responsible for regulating the labeling of alcohol beverages under the provisions of the Federal Alcohol Administration (FM) Act, 27 U.S.C. 205(e). In that regard, TTB's statutory mandate is to prevent consumer deception and ensure the label provides the consumer with adequate information as to the identity and quality of the product. TTB also enforces the Alcohol Beverage Labeling Act of 1988 requiring the appearance of a health warning statement on all alcohol beverages for sale and distribution in the United States containing 0.5% or more alcohol by volume.

TTB and its predecessor agency, the Bureau of Alcohol, Tobacco and Firearms (ATF), have published extensive guidance to the industry with regards to the Government Warning Statement, the most recent being the article in the Alcohol and Tobacco Newsletter, Volume 3, Issue 11, of November 2002 when, among other things, we addressed the issue of the legibility of the required Government Warning Statement.

In addition, Labeling Specialists with the Advertising, Labeling and Formulation Division (ALFD) have comprehensively addressed the requirements of 27 CFR part 16 in labeling seminars offered to industry members, indicating standards of type- size and character placement as well as providing examples of statements which conform to the regulatory mandate of "separate and apart from all other information." ALFD's efforts to educate industry are not limited to seminars. The Customer Service Specialists routinely field calls from and provide guidance to industry members whose

Certificates of Label Approval (COLA) applications are rejected due to problems with the Government Warning Statement.

Just as TTB is committed to ensuring no label is approved unless it meets the regulatory stipulations set forth in 27 CFR part 16, we are equally concerned with removing labels from the marketplace which fail to meet these standards. If it is discovered that a label currently on a product for sale does not meet the minimum requirements of current regulations, we will initiate an investigation and then take any necessary corrective action, including initiating informal and formal revocation proceedings under 27 CFR part 13.

We are grateful to you for alerting us to these two labels and we concur that technical problems exist with regard to the Government Warning Statements that appear on them. While the Government Warning Statements appearing on the actual containers and on the original COLAs meet TTB's visibility and legibility standards, the number of characters per inch exceeds those specified in the regulations. In these cases, TTB is taking corrective action to bring these labels into compliance with the requirements.

With regard to the issue of "separate and apart," we have reviewed a number of original Smirnoff COLAs in addition to collecting samples from the marketplace and find that, in the majority of instances, sufficient space exists between the Government Warning Statement and other label text for the statement to be considered "separate and apart." In a few instances, we determined that the Government Warning Statement was not sufficiently separate and apart from other text on the label. In these cases, TTB is also taking corrective action.

We assure you that TTB will continue to carefully review both applications for label approval as well as products currently in the marketplace to ensure that the Government Warning Statements meet the regulatory requirements. Thank you for your interest and we hope this information has addressed your concerns.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "L. F. Bibeaux".

Administrator Alcohol and Tobacco Tax and Trade Bureau