

State Attorneys General

**A Communication from the Chief Legal Officers
of the Following States and Territories:**

**District of Columbia * Hawaii * Idaho * Illinois * Indiana * Iowa * Kansas
Kentucky * Michigan * Mississippi * New Mexico * North Carolina * Ohio
Pennsylvania * Rhode Island * South Carolina * Vermont**

September 28, 2015

Mr. Jaisen R. Freeman
Managing Partner
Phusion Project, LLC
640 North LaSalle, Suite 265
Chicago, IL 60654

Dear Mr. Freeman:

We, the undersigned Attorneys General of States, write to express our serious concerns over the alcohol content of your company's flavored malt beverage (FMB), Four Loko. While we are pleased with your recent agreement with state attorneys general to stop manufacturing caffeinated alcoholic beverages and to reform your marketing tactics to children, we still have two concerns with your product Four Loko.

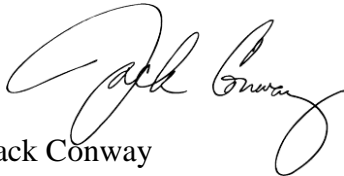
First, the Centers for Disease Control (CDC) defines a standard serving of alcohol as any drink (whether beer, wine or distilled spirits) that contains 0.6 fluid ounces or 14 grams of "pure" ethyl alcohol. The CDC also defines binge drinking, which for men is drinking five (and women drinking 4) or more alcohol servings in about two hours. With a 12% (ABV) alcohol concentration in a 23.5 ounce container, one can of Four Loko contains 4.7 servings of alcohol; *drinking just one can of Four Loko therefore constitutes a binge drinking episode according to the CDC.*

Also according to the CDC, such excessive drinking typically raises a person's blood alcohol concentration (BAC) to 0.08 grams percent or more, resulting in impaired brain function resulting in poor judgment, reduced reaction time, loss of balance and motor skills and slurred speech. Coma and death can even occur if an excessive amount of alcohol is consumed rapidly.

Second, Four Loko seems to have been expressly created to build on the popularity of the current energy drink craze with teens and young adults-your marketing is clearly geared to this demographic. But your product is not just another over-caffeinated, sugar laden energy drink. Rather, Four Loko is a potent alcoholic brew that by its very design and marketing poses a serious, on-going public health risk to teenagers and young adults precisely because, sadly, the binge drinking phenomenon has become so entrenched in large segments of our Nation's teen and young adult population.

For these reasons, we ask that you follow the lead of others in the FMB industry and take immediate steps to significantly reduce the alcohol content in Four Loko to the industry standard of 8% alcohol by volume on your 24oz package, which will reduce the serious public safety risks posed by your product. We are hopeful you will take swift and responsible action in the important matter.

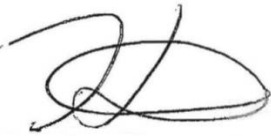
Sincerely,



Jack Conway
Kentucky Attorney General



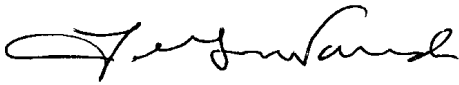
Mike DeWine
Ohio Attorney General



Karl A. Racine
District of Columbia Attorney General



Doug Chin
Hawaii Attorney General



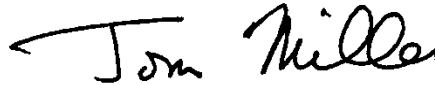
Lawrence Wasden
Idaho Attorney General



Lisa Madigan
Illinois Attorney General



Greg Zoeller
Indiana Attorney General



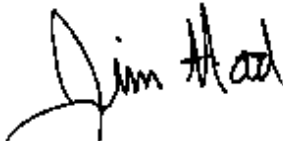
Tom Miller
Iowa Attorney General



Derek Schmidt
Kansas Attorney General



Bill Schuette
Michigan Attorney General



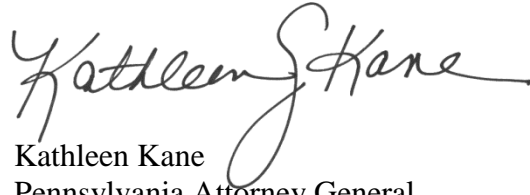
Jim Hood
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Roy Cooper
North Carolina Attorney General



Kathleen Kane
Pennsylvania Attorney General



Peter Kilmartin
Rhode Island Attorney General



Alan Wilson
South Carolina Attorney General



William Sorrell
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