



The **Brighter** Future of the NPL

Julie Arthur
Chemist
Nonbeverage Products Laboratory

The The Brighter Brighter
Future of the NPL Future
of the NPL

**Julie Arthur Julie Arthur Chemist
Chemist Nonbeverage Products**

Laboratory Nonbeverage Products Laboratory

Objectives

- Discuss the challenges under the current regulations and identify the need for new regulations
- Outline the proposed new regulations
- Suggest interim solutions

Objectives Objectives

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Discuss Discuss the the
challenges challenges under
under the the current current

Industry Challenges

- Condensed time for production of flavored alcoholic beverages
- Beverage industry's demand for TTB approved formulas
- Increasing requests for "rush" approvals
- Formulas submitted vs. products manufactured

Industry Industry
Challenges
Challenges |

Condensed Condensed time time

for for production production of of
flavored flavored alcoholic
alcoholic beverages beverages ■

**Beverage Beverage industry's
industry s demand demand for for
TTB TTB approved approved
formulas formulas ■**

**Increasing Increasing requests
requests for for “rushrush”
approvals approvals ■**

Formulas Formulas submitted
submitted vs. vs. products
products manufactured
manufactured

Internal Challenges

- Increasing workload over the past few years
- Staffing levels have not met the increased demand
- Increasing difficulty to meet the established 10 day turnaround time
- Decrease in job satisfaction of NPL chemists

Internal Internal
Challenges
Challenges |

Increasing years Increasing years
workload workload over over the
the past past few few ■

Staffing increased Staffing
increased levels levels demand

demand have have not not met
met the the ■ Increasing
established Increasing established
difficulty difficulty 10 10 day day
turnaround turnaround to to meet
meet the
th

e time time ■

Decrease chemists Decrease
chemists in in job job satisfaction
satisfaction of of NPL NPL

Our Goals

- Minimize NPL's burden on industries' business opportunities
- Meet the established turnaround time for formula approval
- Provide better tools for industry members
- Improve NPL employee morale

Our Our Goals Goals I

**Minimize industries' Minimize
industries NPLNPL's business**

business burden burden
opportunities opportunities on on
■ Meet time Meet time for for the
the formula formula established
established approval

approval

turnaround turnaround ■

Provide members Provide
members better better tools tools
for for industry industry ■ Improve
Improve NPL NPL employee
employee morale morale

Business Process Re-engineering

- Contractor hired to do a thorough review of the current process
- Contractor evaluated other Federal agencies with similar missions
- Proposed recommendations for nonbeverage processes

Business Business Process
Process Re--engineering
Re engineering

■ Contractor Contractor hired hired

to to do do a a thorough thorough
review review of of the the current
current process process ■

Contractor Contractor evaluated
evaluated other other Federal
Federal agencies agencies with
with similar similar missions
missions ■ Proposed Proposed
recommendations
recommendations for for
nonbeverage nonbeverage
processes

processes

Proposed Recommendations

- Allow manufacturers of nonbeverage products (MNBPs) to certify drawback formulas that meet TTB's standards
- Allow products to be certified based on organoleptic results when they do not meet the standards

Proposed
Recommendations
Proposed
Recommendations
Allow
products formulas
products formulas
manufacturers
manufacturers (MNBPsMNBPs)

that (that meet meet) to to
TTBTTB's certify of of certify
nonbeverage nonbeverage
standards

stand

ards drawback drawback I

Allow organoleptic meet Allow
organoleptic meet the the
products products standards

**standards results results to to be
be when when certified certified
they they based based do do not
not on on**

The Result: New NBA Regulations

- Consists of two parts:
 - 0.1% and 1% Solution General Use Formulas
 - Certification

The The Result: Result:
New New NBA NBA
Regulations Regulations |

Consists Consists of of

two two parts: parts: I

0.1% 0.1% and and 1% 1%

Solution Solution General

General Use Use Formulas

Formulas I Certification

Certification

0.1% and 1% Solutions

- Natural and artificial flavor ingredients known to make alcohol unfit for beverage use
- Concurrent publication of General Use Formulas (TTB Publication 5154.1)
- To be added to the formulas allowed by 27 CFR 17.132
- Solutions may be manufactured without submission of TTB Drawback Form 5154.1
- Manufacturers will be allowed to claim drawback by submitting a drawback claim to the National Revenue Center (NRC)

0.1% 0.1% and and 1%
1% Solutions Solutions ■

Natural alcohol Natural alcohol unfit unfit and
and artificial artificial for for beverage beverage
flavor flavor use

use ingredients

ingredients known known to to make make ■

**Concurrent Publication Concurrent Publication
publication 5154.1)**

**publication 5154.1) of of General
General Use Use Formulas Formulas (TTB (TTB ■**

**To To be be added added to to the the
formulas formulas allowed allowed by by 27 27
CFR CFR 17.132 17.132 ■**

**Solutions TTB Solutions TTB Drawback
Drawback may may be be Form Form
manufactured manufactured 5154.1**

**5154.1 without without
submission submission of of ■**

**Manufacturers submitting Center Manufacturers
submitting Center (NRC)**

**(NRC) a a drawback drawback will will be be
allowed allowed claim claim to to to to the the
claim claim National National drawback
drawback Revenue Revenue by**

by

Certification

- Three categories of certified formulas:
 - Certified as unfit without a taste panel
 - Certified as unfit with a taste panel
 - Certified as fit for beverage use

Certification

Certification

I

Three Three categories categories
of of certified certified formulas:

formulas: – Certified Certified as
as unfit unfit without without a a
taste taste panelpanel

– Certified Certified as as unfit
unfit with with a a taste taste panel
panel – Certified Certified as as fit
fit for for beverage beverage use

use