

FAIR TRADING COMMISSION

June 2018

FTC provides opinion to energy drink manufacturer

The FTC received a request for opinion from the manufacturer of energy drink Lucozade regarding a planned summer promotion. The manufacturer indicated that Lucozade currently retails for approximately \$250 and the essence of the promotion is a "temporary summer special" price of \$200. The manufacturer further indicated that it intends to achieve the \$200 retail price by reducing price throughout the distribution channel and communicating the \$200 price as a suggested retail price by way of labeling on the product.

The FTC reviewed the arrangement under sections 25 (Individual resale price maintenance), 34 (Price-fixing) and 17 (Anticompetitive agreements) of the Fair Competition Act (FCA) and concluded that there is likely to be no breach of the FCA.