



BUREAU OF COMPETITION

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

V880010
COMMISSION AUTHORIZED

September 11, 1968

Gay Woodhouse, Esq.
Senior Assistant Attorney General
123 Capitol Building
Cheyenne, Wyoming 82002

Dear Ms. Woodhouse:

I am writing in response to your letter of September 17, in which you described your interest in updating the Wyoming statute that governs below-cost sales. The staff of the Federal Trade Commission appreciates this opportunity to give

~~you some information about our own statutes and also to contact~~

more generally about this subject.¹

We believe that every state should be circumspect in enacting prohibitions against below-cost pricing. Statutory prohibitions against pricing below cost can chill price competition that would be beneficial to consumers, due to the difficulty of distinguishing between below-cost pricing and vigorous competition. Moreover, after having reviewed many

