

AB InBev dips toe into cannabis drinks business with \$100m joint venture deal

SAB owner Anheuser-Busch InBev (AB InBev) has entered into a partnership with Canadian cannabis producer Tilray that will see the companies focus on research into the cannabis-infused, non-alcoholic drinks market.



Jan Faulkner via 123RF

AB InBev, the world's leading brewer, said that the partnership was limited to Canada and decisions regarding the commercialisation of the beverages would be made in the future. The partnership is limited to Canada and decisions regarding the commercialisation of the beverages will be made in the future. According to the announcement, each company intends to invest up to \$50 million, for a total of up to \$100 million.

The research partnership combines AB InBev's experience in beverages with Tilray's expertise in producing and distributing cannabis products. AB InBev's participation will be through its subsidiary Labatt Breweries of Canada, one of the country's founding businesses and its leading brewery, and Tilray's participation will be through its Canadian adult-use cannabis subsidiary High Park Company, which develops, sells and distributes a portfolio of socially responsible cannabis brands and products in Canada.

"Labatt is committed to staying ahead of emerging consumer trends. As consumers in Canada explore THC and CBD-infused products, our innovative drive is matched only by our commitment to the highest standards of product quality and responsible marketing. We intend to develop a deeper understanding of non-alcohol beverages containing THC and CBD that will guide future decisions about potential commercial opportunities," said Kyle Norrington, president, Labatt Breweries of Canada. "We look forward to learning more about these beverages and this category in the months ahead."



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"We are delighted to be joining forces with a world-leading beverage company, AB InBev, to research how to create

enjoyable cannabis beverage products. Tilray and AB InBev share a commitment to responsible product development and marketing, and we look forward to beginning our work on this important partnership as Tilray continues to pioneer the development of a professional, transparent, and well-regulated cannabis industry,” said Brendan Kennedy, CEO of Tilray.

AB InBev and Tilray believe that the legal market for THC and CBD beverages will only thrive if the industry embraces appropriate regulation of adult-use cannabis, including responsible production, marketing, sale and consumption.

For more, visit: <https://www.bizcommunity.com>