An IBFAN-ICDC report on baby food marketing practices

This page forms part of the global monitoring report – Breaking the Rules, Stretching the Rules 2010. Companies' marketing behaviour is measured against the *International Code of Marketing of Breastmilk Substitutes and WHA resolutions.*

Nestlé

Company profile & Code violations

The Executive Summary to Breaking the Rules, Stretching the Rules 2010 is available at www.ibfan.org

Nestlé was founded in 1905 from a merger between Anglo-Swiss Milk Company and Farine Lactée Henri Nestlé Company. Its reputation, suffers from a continuing consumer boycott linked to its aggressive promotion of baby foods.

'Good Food, Good Life' billboards allow Nestlé to greet visitors in countries they do business in.

The slogan reflects Nestlé's "Premiumisation" business strategy which aims to pamper consumers in the top income bracket. The positioning of the billboards in choice spots is representative of another Nestlé PPP (Popular Positioned Products) business strategy to reach lower income segments with products sold at prices which enable consumers to buy a little on a daily basis.

Nestlé is the world's largest food company, with products distributed in 140 countries. With sales of about CHF 110 billion (USD 103 billion Swiss francs) in 2009, its earnings far outstrip the GDP of many of those countries. Sales in 'emerging' countries accounted for about CHF 35 billion and Nestlé leads in 12 of 16 emerging markets with a total of 90 million births every year. Among them are countries where Nestlé sales range from CHF 1 to 5 billion like Brazil (CHF 5b +), Mexico (CHF 3b+), Russia (CHF 2b+), China (CHF 2b+), South Africa (CHF 1b+), India (CHF 1b +) and the Philippines (CHF 1b+).

On numbers alone, Nestlé Nutrition - the subsidiary for manufacturing and marketing of infant formula and complementary foods - beat other players in the baby food market. The reason, in Nestlé words, is because - *"we are where the births are"*[1]. According to the Code, companies should not be in contact with pregnant women and mothers but that fact is probably lost on investors. Ironically, the slogan for the infant nutrition sector within Nestlé is *"Start healthy, stay healthy"*. By *'starting healthy'*, Nestlé obviously does not mean breastfeeding, despite its avowed support for the practice which gives babies the best start in life. For the company, *'Staying healthy'* means a robust performance in its infant nutrition business which chalked up sales of CHF7.4b, with sales of infant formula alone amounting to CHF3.1b.

Nestlé's healthy performance in 2009 is attributed to *"product innovations"* which the company relentlessly promotes, often skirting on the wrong side of the Code. Such innovations are touted with claims about the virtues of added substances in the products, claims which are not allowed in many countries.

1 *"Driving value at Nestlé Nutrition"*, Nestlé Investor Seminar, 22 June 2010

Paul Bulcke
CEO
Nestlé S.A.
Avenue Nestlé 55
CH-1800 Vevey
Switzerland
Tel.: +41 (0)21 924 21 11
Fax: + 41 (0) 21 924 4800

Brands

AL110
Alete
Alfaré
Alprem
Alsoy
Beba
FM85
Gerber Good Start
Guigoz
Lactogen
Nan
Nativa
Nestargel
Nestogen
Nidal
Nidina
Pelargon
Sinlac

Complementary Foods
Alete
Cerelac
Gerber
Mio
NaturNes
Nestum

Logos

The latest of these claims concerns the ostensible improvement of the overall well-being of babies by enhancing gut comfort (for colicky babies) and the strengthening of babies' natural defences for infant cereals. The roll-outs and promotion of these *"added value"* designer products are likely to lead to faster incremental sales. For example, Nestlé **Nan** with probiotics launched in 2005 and distributed in over 70 countries, had a growth rate of 24.5% in 2008.

Nestlé's acquisition of **Gerber** in 2007 also helped to drive growth in the nutrition division. The acquisition made Nestlé the leader in the infant meals and drinks sector and allowed the company in the USA to move **Good Start** formula to **Gerber**, using the leverage of the latter's iconic baby face brand. Nestlé takes advantage of the ambivalent US position on the Code and gets away with using the **Gerber** baby face on formula labels, a practice the Code prohibits.

Both **Nan** and **Gerber** are *"billionaire brands"* each with sales of over CHF 1b in 2009.

Nestlé spent USD100 million doubling the capacity of a milk processing plant in East Java, Indonesia, making it one of the 10 biggest Nestlé milk processing facilities worldwide. The factory which produces **Lactogen** infant formula will allow Nestlé to create demand in Indonesia. In Sept 2010, Nestlé Ghana announced plans to double production capacity of **Cerelac** to 18,000 tons per year. Nestlé also owns 20 factories in China in three districts to source the milk directly from farmers.

Nestlé claims to abide by national laws and that "everything we do is totally in line with our own company's values".

> *"Nestlé, as a food and beverage company whose products are consumed around the world, could be described as being in the business of trust. We know that trust needs to be earned with all stakeholders product by product, brand by brand, consumer by consumer, and we understand that trust is also about corporate behaviour"*
>
> - Nestlé 2009 report.

Recent incidents in the US and Canada cast doubt on the accuracy of such statements. Some examples:

A 2009 peer reviewed study[2] showed that breastfeeding could actually save the US health care system $13 billion dollars per year. When the study received positive media coverage in April 2010, one of its detractors was a Professor of Paediatrics, Dr. Lillian Beard. In an interview on ABC News, she demanded to know if the study takes into account the cost for breastfeeding mothers. With the help of the online lactation community, it was discovered that ABC had teamed up with Nestlé for several commercial promotions[3] and that Dr. Lillian Beard, sits on the Advisory Board of the Nestlé Nutrition Institute and is one of their paid speakers!!

Elsewhere in the world, the Gerber face on infant formula would be prohibited notwithstanding its status as a registered trademark.

NAN – billion dollar brand backed by aggressive promotion.

Photo: CBS News

Dr. Lillian Beard, a speaker for Nestlé, questions breastfeeding research

2 http://pediatrics.aappublications.org/cgi/content/abstract/peds.2009-1616v1
3 http://www.nestleusa.com/PubNews/PressReleaseLibraryDetails.aspx?id=AFCECEF9-CF70-4433-B9EC-2000301B620F, accessed 24 August 2010

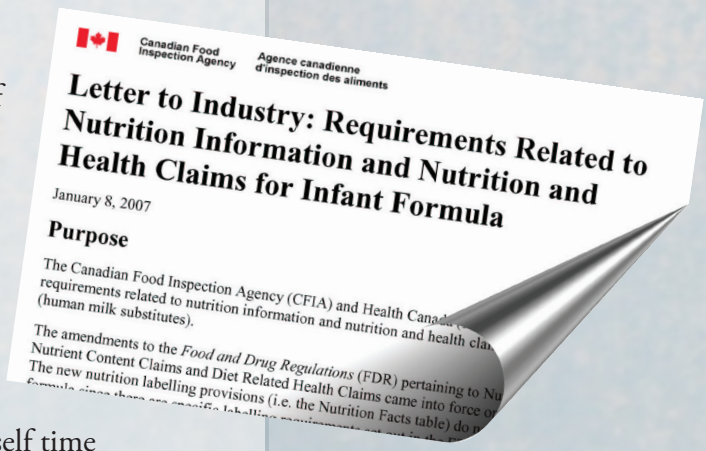
It is irresponsible but not surprising for ABC to keep a cover on its corporate relationship with Nestlé. Although Dr. Beard is entitled to her opinion, there is a clear conflict of interest when she uses her authority as a physician to publicly discredit a study without disclosing her ties to industry.

In a separate development, the US FDA issued a warning in December 2009 to Nestlé for misbranding the **Juicy Juice Brain Development Fruit Juice Beverage**. The product, marketed for children under two years of age, bears the claims *"Helps support brain development"* and *"no sugar added"* in contravention of FDA regulations. The FDA also reviewed Nestlé website, http://www.juicyjuice.com and found claims that **Juicy Juice Brain Development Fruit Juice Beverage** is *"naturally lower in sugar"*, a claim prohibited for such food. Nestlé was directed to take prompt action to correct the violations.

Marketed for children under 2 years. US FDA says there is misbranding but no obvious compliance from Nestlé. (Accessed from website on Sept 2010)

A similar warning letter was issued to Nestlé for misbranding its **Gerber Graduates Fruit Puffs** and **Gerber 2nd Food Carrots** because of use of nutrient content claim which may not be made for foods for infants and children below two.

Over the border in Canada, a joint initiative of Health Canada and the Canadian Food Inspection Agency (CFIA) in 2007 failed to stop Nestlé from using unproven or misleading nutrition and health claims on labels of its formula products, **Good Start** and **Follow-up Transition** formulas. Noting how there is a huge potential for misrepresentation and consumer deception, CFIA itemised eight items for the company to change on labels to comply with Canada's food and drug regulations on nutrient content claims or diet-related health claims. Facing imminent prosecution, Nestle made the required changes to three statements buying itself time for negotiation on the other items. A Nestlé Canada spokeswoman commented in a January 2010 press report that *"Nestle is fully committed to complying with Health Canada's Food and Drug Act and Regulations for all of our products including infant formula and that we take this matter very seriously."* The fact that Nestlé waited three years and the threat of prosecution before partially complying puts that commitment into question. Incidentally, **Good Start** in Canada is still marketed under the Nestlé name so no **Gerber** baby face, unlike in the US.


Canadian Food Inspection Agency
Agence canadienne d'inspection des aliments

Letter to Industry: Requirements Related to Nutrition Information and Nutrition and Health Claims for Infant Formula

January 8, 2007

Purpose

The Canadian Food Inspection Agency (CFIA) and Health Canada
requirements related to nutrition information and nutrition and health cla
(human milk substitutes).

The amendments to the *Food and Drug Regulations* (FDR) pertaining to Nu
Nutrient Content Claims and Diet Related Health Claims came into force o
The new nutrition labelling provisions (i.e. the Nutrition Facts table) do

The ban on health and nutrition claims as imposed by this letter to industry was ignored for 3 years

The look may be new, but Nestlé still violates CFIA's instructions. See main story.

This report is compiled either according to themes or geographical location. As the way Nestlé interprets the Code is very different from the actual text of the Code and its subsequent resolutions, the table on the following page will help readers understand where and how they differ.

An IBFAN-ICDC report on baby food marketing practices

This page forms part of the global monitoring report – Breaking the Rules, Stretching the Rules 2010. Companies' marketing behaviour is measured against the *International Code of Marketing of Breastmilk Substitutes and WHA resolutions*.

ICDC has compared the Nestlé Instructions*(on implementing the Code) to the provisions of the International Code and has found a dozen ways in which the company misinterprets the Code and thus creates opportunities for continued promotion. Here's a summary:

International Code	Nestlé Instructions
1. Applies to all countries as a minimum standard.	Apply to a list of developing countries of Nestlé's own changing criteria.
2. Applies to all breastmilk substitutes, including other milk products, foods and beverages marketed to replace breastmilk. Marketing of complementary foods should not undermine exclusive and sustained breastfeeding.	Apply only to infant formula and to follow-up formula with the same brand name. Complementary foods should not be marketed for use before six months.
3. WHA resolutions require governments to avoid conflicts of interest in infant and young child health programmes, so infant and young child feeding materials sponsored by baby feeding companies should not be approved.	Allow for educational materials with corporate logos for use by health workers in teaching mothers about infant feeding. Allow for baby pictures "to enhance educational value of information."
4. No promotion to the public including no direct or indirect contact with pregnant women and mothers of infants and young children.	Only solicitation of direct contact with pregnant women and mothers of infants below six months is prohibited.
5. No promotion in the health care system.	Allow for company "Mother Books" and "Posters" with corporate logo to be distributed to mothers by health workers or displayed in health facilities.
6. No donation of free formula or other breastmilk substitutes to any part of health care system. (read with WHA 47.5 [1994])	Prohibition limited only to infant formula and follow up formula and where national ruling allows, may respond to written requests.
7. There should be no promotion of products or company materials in the health care system.	Low cost items such as wristbands, feeding bottles, health cards etc with corporate logo allowed.
8. Promotion of breastfeeding is the responsibility of health workers who may not accept financial or material inducements.	Allow cooperation in these efforts by providing videos, brochures, posters, breastfeeding booklets, growth charts, etc. Token gifts where value would not "constitute an inducement" permissible.
9. Samples only allowed if necessary for professional evaluation and research.	Allow samples to introduce new formulas, new formulations and for newly qualified doctors.
10. Sponsorship contributions to health workers must be disclosed and not give rise to conflicts of interest. (read with WHA 49.15 [1996] & 58.32[2005]	On a case by case basis, financial support is allowed (does not mention disclosure).
11. Labels must follow preset standards and not discourage breastfeeding.	Company labelling guidelines allow for promotional devices on labels.
12. Governments to implement national measures as appropriate to social and legislative framework, including legislation and regulation.	Nestlé Market Managers should "encourage" introduction of national codes [voluntary, unenforceable codes rather than laws].

* based on Nestlé's Instructions for Implementation of the WHO International Code of Marketing of Breastmilk Substitutes (updated 2004). In February 2010, Nestlé said that the Instructions are being updated and would be available on the company website. As of October 2010, neither the new nor the old Instructions are accessible.

SNEAKING AROUND THE CODE: NESTLÉ STYLE

Nestlé tries valiantly to portray the image that it respects the Code, but the situation on the ground shows otherwise. Just when you thought that companies have tried every trick in the trade, along comes another outrageous gimmick. The following accounts of Nestlé violations first appeared in ICDC's newsletter, Legal Update of September 2008.

Vietnam: Rent-a-dazzle

Take the example of this announcement circulated to shops in Vietnam. It is a scheme whereby Nestlé rents prime display space in shops and dictates the placement (at eye level) and the minimum quantity of formula products to be displayed. The products involved are **AL 110**, **Pre NAN**, **NAN 1**, **NAN 2**, **Lactogen 1** and **Lactogen 2**, all of which come under the scope of the Vietnamese Decree, which gives effect to the International Code. Shopkeepers are given four display options:

- diamond (124 tins; rental value 700,000 VND or US43)
- platinum (64 tins; rental value 300,000 VND or US$19)
- gold (34 tins; rental value 150,000 VND or US$9)
- silver (24 tins; rental value 100,000 VND or USD$6)

Nestlé determines the quantity of each brand to be displayed under each of the four categories. For the diamond and platinum displays, Nestlé gets to issue instructions on the decor of the displays and will support the shops with an unspecified nutrition programme. Payment for rental space is a convoluted arrangement whereby a 'coupon-receipt' will be issued to shops each month for exchange with Nestlé products. In other words, although the space is valued in Dong (local currency) the payment is made in products.

VIOLATION

Display options: Diamond, Platinum, Gold or Silver. Take your pick.

Hướng Dẫn TB	Số mặt trưng bày tối thiểu																	Giá trị thuê /tháng VND
	AL 110	Pre Nan	Nan1 400g	Nan1 900g	Nan2 400g	Nan2 900g	Nan1 HA	Nan2 HA	Nan3 400g	Nan3 900g	Lac1 400g TIN	Lac1 350g BIB	Lac2 350g BIB	Lac1 700g	Lac2 700g	Lac2 900g	Tổng số	
Kim Cương	04	04	18	08	16	08	04	04	08	08	08	08	08	06	06	04	124	700.000
Bạch Kim	02	02	08	04	08	04	04	04	05	05	04	04	04	02	02	02	64	300.000
Vàng	01		02	01	02	01	01	01	02	01	04	04	04	02	04	02	34	150.000
Bạc			01	01	01	01			01	01	04	04	04	02	02	02	24	100.000

Standard agreement sets out quantity of tins for each display and rental payment which is offset by 'coupons' offering products in lieu. This convoluted arrangement is apparently necessary for shelf hygiene.

This scheme allows Nestlé to secure special displays in shops and to outwit the competition at the same time. The ultimate target is of course unsuspecting mothers. Special displays are a promotional device prohibited by Article 5.3 of the Code. Although the Vietnamese decree is silent on promotion in shops, the health authorities in Vietnam have confirmed with ICDC that this practice is a form of advertising in violation of their national decree.

Nestlé denies that the display scheme is promotional. According to the company, *"the Dazzling display is a contractual arrangement of Nestlé in Vietnam with selected shops to improve the cleanliness and shelf hygiene for infant nutrition products on their shelf (not a promotional display)."* Trust Nestlé to come up with an ingenuous response!

Shelf hygiene?

An IBFAN-ICDC spotlight on corporate marketing behaviour

This page focuses on specific responses to issues and discernible trends in the marketing of baby foods by the company under scrutiny. It forms part of the Breaking the Rules, Stretching the Rules *report.*

USA: 'Babymoon' package promotes formula

When expecting couples check in under *The Baby's on the Way* 4 Days/3 Nights Babymoon package advertised in the South Carolina Planter's Inn website, they will receive gifts including a stylish insulated backpack from Nestlé complete with baby formula, a baby bottle and information on infant care.

Nestlé claimed that it was not responsible as it was a promotion arranged by the hotel and a public relations agency in New York. This was contradicted by the hotel, which claimed that 'a formula company' had contacted the hotel's PR firm to offer the *"backpack with its goodies"* free of charge. Whatever the truth may be, Nestlé went on to say that the formula had expired and that it had been removed from the bags.

The explanation was disturbing as –

- giving out samples of formula is a Code violation;
- giving expired formula is worse;
- giving a backpack constitutes a gift to mothers, which is also prohibited by the Code.

After protests from several quarters, the hotel realised it was being used as a marketing agent and stopped the free formula. The revised promotional page still welcomes parents-to-be but the paragraph on Nestlé has been expunged.

Australia: My mummy got the right formula

If you cannot advertise blatantly, the next best thing is to be calculatedly ambivalent about the product you are pushing.

This Nestlé advertisement from Australia is an excellent example of how sellers can bypass advertising restrictions. Zoom in on the ad. The *double entente* becomes quickly apparent with the slogan emblazoned on the bib *"My mummy got the right formula"*. As breastmilk is never referred to as a 'formula', it becomes quite obvious it is a Nestlé infant formula, even if no mention is made of the brand.

Nestlé denied that the ad is a violation as it *"clearly highlighted the benefits and superiority of breastfeeding"*. What the ad (since stopped) actually did, was to compare Nestlé infant formula favourably with breastmilk claiming that it has all the essential vitamins and minerals, naturally boosts the immune system, helps protect from diarrhoea, etc.

The juxtaposition of the phrases *"the best start"* and *"the right formula"* are deliberately confusing. Who can blame mothers for thinking that the best start is in fact a Nestlé formula, even if no brand name is indicated.

Editors' note: Much to the consternation of breastfeeding groups, the Advisory Panel on the Marketing in Australia of Infant Formula which is partly funded by industry, has ruled that this ad was compliant with the weak Australian Code. Working on the premise that companies should ensure that their conduct at every level complies with the minimum standard set by the International Code independent of national measures, IBFAN prepared a flyer showing this ad as a Code violation for circulation at the annual UN Department of Public Information NGO conference in Melbourne in September 2010.

The Australian Breastfeeding Association, the national breastfeeding group which was distributing the flyer, was served with a 'cease and desist' letter preventing them from doing so. The flyer must have struck a raw nerve in Nestlé Australia. It's relying on a national decision (when it suits) to hit back at breastfeeding advocates even though the ad had run its course.

SIEGE OF AFRICA

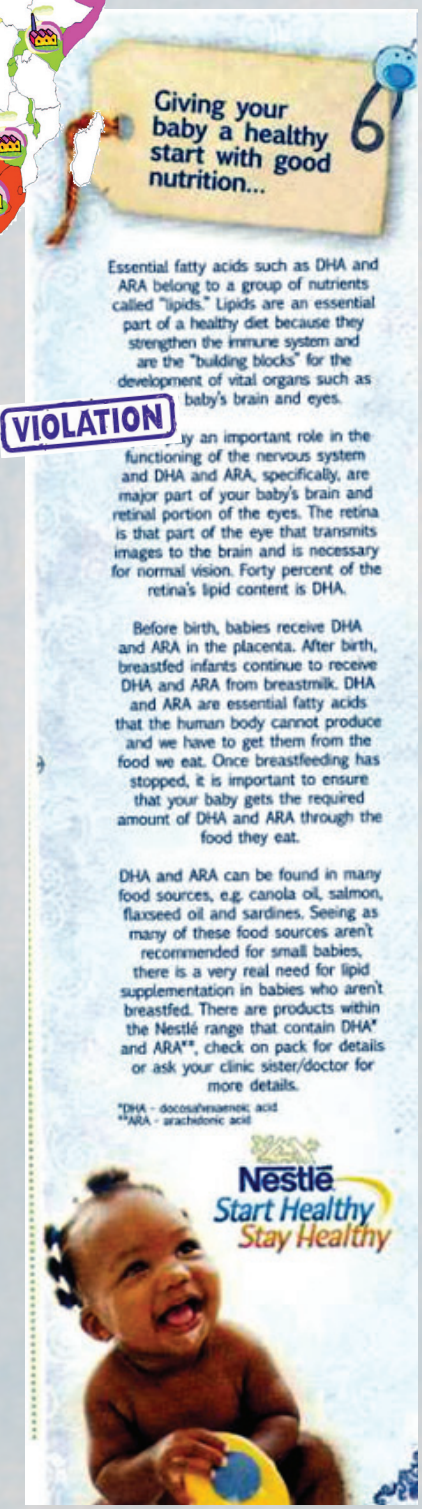
Africa is the largest market for Nestlé in terms of sales per capita in the group of regions it categorises as *"Asia, Oceania and Africa"*. With a rising middle class of about 400 million people with increasing purchasing power, Africa is identified by Nestlé as a *"growth driver"*. In July 2010, Nestlé announced plans to invest CHF 150 million in the Equatorial African Region over the next three years. Plans are underfoot to build new factories in Angola, Democratic Republic of Congo and Mozambique. Distribution capacity in the region will increase with the opening 13 new distribution facilities.

Nestlé is reported to be expanding its *"Healthy Children"* programme, currently developed in parts of Asia, to 20 markets in Africa, as part of its strategy to work closely with health authorities around the world. Breastfeeding advocates are concerned that the programme for school-aged children will create the dependency on institutional Nestlé sponsorship and that this dependency may spill downwards into programmes for infants and young children. WHA resolution 58.32[2005] warns against conflicts of interest in programmes concerning infant and young child feeding. Countries will need to adopt this resolution into their national laws and policies to prevent Nestlé sponsored programmes in schools from spreading down to toddlers and infants.

"Start healthy, stay healthy"

To further expand in Africa, Nestlé is stepping up marketing campaigns focussed on African feeding habits and African media.It does so in clever ways. For instance, the ad on the right, in the South African magazine *Living & Loving* of June 2010 is insidious for what it does *not* say. The slogan *"Start Healthy, Stay Healthy"* refers to Nestlé's range of formula products though no brand is mentioned (see write up in Nestlé Profile).

The accompanying text idealises the DHA and ARA content in Nestlé formula products. Even though DHA and ARA are ingredients without proven benefits, Nestlé says they are essential to strengthen the immune system and are the building blocks for the development of vital organs such as *"your baby's brains and eyes."* The magazine is widely distributed in Southern Africa and is an obvious push to get middle class African parents to buy into Nestlé premium priced formula – **Nan** – one of the company's billionaire brands. As information on infant feeding, the ad violates both the International Code and the South African Code.



The tag advising parents on "Giving your baby a healthy start with good nutrition" (at the top of the ad) does not refer to breastfeeding.

An IBFAN-ICDC report on baby food marketing practices

This page forms part of the global monitoring report – Breaking the Rules, Stretching the Rules 2010. Companies' marketing behaviour is measured against the *International Code of Marketing of Breastmilk Substitutes and WHA resolutions.*

Operation Cleanup

In early 2010, Nestlé put out a concept paper outlining an *"Operation Cleanup"* in South African hospitals.

Under this programme, purportedly aimed at preventing malnutrition due to improper feeding practices, training will be offered to primary healthcare staff in disadvantaged communities on proper formula mixing and hygiene methods.

Sounds like a lofty idea but nowhere in the plan is there mention about training staff about the risk of formula feeding nor the importance of breastfeeding. Powdered formula is not sterile and may contain harmful bacteria such as *Enterobacter sakazakii* and salmonella.

The other disturbing feature of *"Operation Cleanup"* is that there are plans to give away Appreciation Awards with prizes ranging from 1500 to 5000 Rand for clinics that score well in follow-up assessments. The site that scores the highest marks will even get a corner make-over from Nestlé!

Needless to say, there were alarm bells all round when this plan came to light, including at the Ministry of Health level. IBFAN wrote to Nestlé to complain (see the company's response in the right column).

A project which pushes health workers towards *"excellence"* in proper mixing and hygiene methods and tied to an incentive package will surely sideline breastfeeding in the so-called *"disadvantaged communities"*.

At the time of writing, Nestlé has yet to go ahead with its campaign but has not publicly stated that it will scrap "Operation cleanup".

Nestlé's response

Nestlé explains that the concept paper was nothing more than a *"first draft for discussion"*. It concedes that notification about the importance of breastfeeding is extremely important and needs to be included.

Exonerating itself from blame, Nestlé claims that the project is initiated as a result of *"expressed verbal and written requests for assistance towards training health care professionals on hygiene around infant formula feeding"* by provincial Departments of Health.

Concerning the achievement awards for the clinics, Nestlé declares that they are not, and are not intended to be, an incentive to promote infant formula *"but an incentive for a collectivity to develop competence in the appropriate and hygienic preparation and storage of the product." "Incentives"* according to Nestlé, *"are useful means to get people working toward goals, they also provide a little competition toward achieving excellence."* Nestlé maintains that training health care professionals about the safe and appropriate use of infant formula is not a contravention to the Code and is in line with the Code's objective of *"ensuring the proper use of breastmilk substitutes, when these are necessary, on the basis of adequate information"*.

As usual, Nestlé excels in selective reading of the Code.

COULD IT BE? – QUESTION TO NESTLÉ

During the World Cup frenzy in July 2010, a short 34 second TV ad for Telkom, a telecommunications company, features **Nan** products placed discreetly in the background of a scene wherein a crowd was watching a football match. BTR could not establish if the products are there by coincidence or if it is a cleverly planned product placement to make advertising less obvious but just as effective. Over to Nestlé for a response.

BUNGLING IT IN BOTSWANA

The Marketing of Foods for Infants and Young Children Regulations was adopted in 2006. In 2009, it came to light that Nestlé South Africa, which is responsible for Nestlé operations in Botswana, had immediately drawn up a Standard Operating Procedure manual (SOP) to guide its staff and distributors on how to comply with the law in Botswana. The document entitled *"Procedure Manual on the Marketing of Breastmilk Substitutes"* dated 17 June 2006 is 271 pages long and covers 20 different topics. They include areas such as donations to health workers, low cost supplies and exhibitions and displays at medical and scientific meetings, to name but a few.

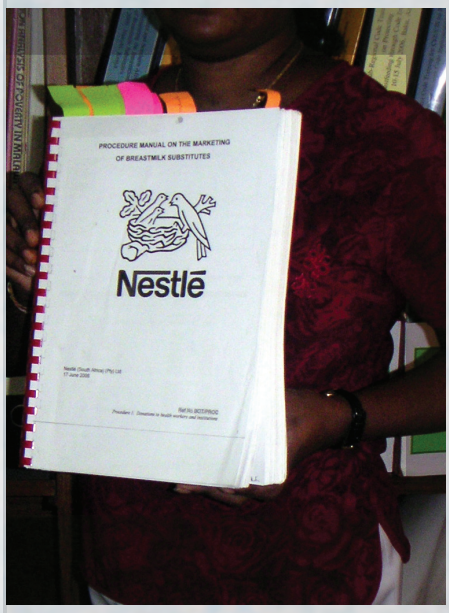
The SOP is still in effect in 2010.

On the face of it Nestlé seems to be keeping its word to comply with national laws. The effort it makes to train its staff on Code compliance seems commendable enough. However, it became quickly obvious from a close scrutiny of the SOP why there are still violations by Nestlé in Botswana. Simply put, Nestlé staff and agents in Botswana are being assisted to breach the law through deliberate misinterpretation and non-disclosure of salient features of the law. By doing so, Nestlé abets its people to break the law, on its own a serious offence.

Here's how.

1. The recurring problem

- **Wrong status** - Every section of the SOP steadfastly refers to the Botswana Regulations as the *"Bot Code"*. This is significant because compliance with a law like the Botswana Regulations is mandatory while a "Code" is voluntary by nature and unenforceable by law. How Nestlé plans to train its staff to comply with the *"Bot Code"* without getting its legal status right defies comprehension.
- **Wrong document** - Although many parts of the SOP state that compliance with the *"Bot Code"* is necessary, no effort is made to explain the relevant provisions in the Botswana Law. Instead, the SOP bases its instructions on the South African Code and a narrow interpretation of the International Code of Marketing of Breastmilk Substitutes. The Botswana Regulations are stronger than either Code in many respects but this important fact is never brought to light.
- **Wrong scope** – The SOP focuses only on infant formula, ignoring the definition of *"designated products"* in the Botswana Law which covers also special formulas, follow up formulas, complementary foods and the catchall clause, *"any product marketed or otherwise represented as suitable for feeding infants and young children."*



In for a hard time - Nestlé staff will find the SOP says one thing and the law says another. (IBFAN staff shows a photocopy of the 271 page procedure manual. The original was found in a library in Botswana)

Editors note: This SOP was found in Botswana but such standard operating procedures are most likely in effect in many other countries.

2. Specific misinterpretation

There are many aspects of the Standard Operating Procedures (SOP) where the instructions are clearly wrong. Either the authors are deliberately obtuse or are under pressure to interpret the Botswana Law in a skewed manner. Their handiwork enables Nestlé to carry on with business as usual.

Examples of where Nestlé got the Law wrong –

- Specification of the type of donations that Nestlé staff can offer and the procedure and forms (24 pages in all) for procuring such donations. (Violates Reg. 8(3) (b) of the Botswana Law)
- Donations of *"low cost items of professional utility"* and samples of complementary foods if written requests are made. (Violates Reg. 8(3) (f))
- Despite a general ban on free supplies and a 20% discount rule for low cost sales, the SOP instead emphasises the exceptions to the rule and sets down procedures for how requests for free or low cost supplies can be given.
- **Promotion in professional conferences.** (Regulation 8(1) of the Botswana Regulations read together with 8(2) prohibits all kinds of promotion and does not differentiate between events which are open to the public and those which are not. Although Reg. 8(4) allows scientific and factual information about designated products to be given health professionals, this does NOT extend to display and promotion of products at professional conferences.
- **Product labelling** – No consideration is given to Regulation 10(3) which prohibits pictures of animals (**Nan** and **Lactogen** show a stylised family of birds) or toys (blue bear in **Cerelac** is one) or to Reg. 10 (4) which prohibits claims.
- **Production and review of informational, educational and display materials** – only Nestlé's internal procedure is explained but the legal requirement under Regulations 15 and 16 are sidestepped.

Pharmaceutical Meeting in Gaborone in May 2010. Nestlé headquarters maintains such displays are allowed at professional conferences. Which part of the Botswana law is the company relying on? For that matter, which part of the Code? In the SOP, Nestlé actually directs that there should be no product displays of routine infant formula in infant nutrition related conferences. Even that bare minimum is not complied with here.

For a full analysis of where the SOP has gone wrong, contact IBFAN-ICDC at ibfanpg@tm.net.my.

Shown on the next page are Nestlé materials found in health care facilities after the Botswana law was adopted in 2006. They were distributed without approval from the National Food Control Board which is contrary to the law.

An IBFAN-ICDC spotlight on corporate marketing behaviour

This page focuses on specific responses to issues and discernible trends in the marketing of baby foods by the company under scrutiny. It forms part of the Breaking the Rules, Stretching the Rules *report.*

BOTSWANA

Materials submitted to ICDC in 2009 reveal at least three years of deliberate and systematic disregard of the law of a sovereign country.

Editors' note: Materials marked ● are also found in healthcare facilities in Zambia where the law prohibits the distribution of materials that bear the name and logo of the company or the trademark of any product.

PUSHING THE LIMITS IN CANADA & THE USA

According to Nestlé, some countries, including the United States and Canada, have decided that it is not appropriate to implement the International Code in national measures. In such countries, Nestlé says it follows national decisions and has used other means to fulfill the aim of the Code. The company claims to meet obligations in implementing the Code and monitoring its own practices in keeping with those governments' decisions. It ignores the Code's provision 11.3.

This, according to Nestlé, is the only way to *"respect"* countries' prerogative to *"take action appropriate to their social and legislative framework and their overall development objectives to give effect to the principles and aim of this Code"*.

Nestlé states that it will not go counter to national decisions in some industrialised countries. The Nestlé company profile shows how regulations on claims in Canada and USA have been ignored. It calls into question the company's commitment to respect national laws and decisions. And the facts below speak for themselves.

In Canada:

- a Nestlé ad in *Today's Parent* magazine and in the *Chatelaine* magazine promotes **Good Start** by illustrating how bottle feeding is equivalent to breastfeeding. The ad bearing the slogan "*we learned from the best ... so we could give you and baby our best"* dismayed Facebook members who criticised the ad on the on-line social network. One complainant who wrote directly to Nestlé, received the assurance that the ad's intention is to communicate the benefits of **Good Start** for mothers who cannot or choose not to breastfeed, while clearly conveying that breastmilk provides the optimal nutrition for baby. Nestlé claimed their consumer research even showed that intent to breastfeed increased slightly after mothers viewed the ad and that these mothers were impressed to see Nestlé clearly communicating that breastfeeding is best. Nestlé stated that the Canada Advertising Standards Board (an industry body) had adjudicated on a complaint over the ad and given the company the all-clear. Nevertheless, the company must have been so alarmed by the outpouring of anger over the ad that they decided to stop using it. Anti-Nestlé public sentiments is bad for public relations.

Nestlé said it will withdraw this ad following protests by Facebook bloggers. However, a similar ad is still found on the Nestlebaby website in Canada. (http://www.nestle-baby.ca/en/products/formula/starter/goodstart_naturalcultures.htm, accessed on 17 Sept 2010)

An IBFAN-ICDC report on baby food marketing practices

This page forms part of the global monitoring report – Breaking the Rules, Stretching the Rules 2010. Companies' marketing behaviour is measured against the *International Code of Marketing of Breastmilk Substitutes and WHA resolutions.*

In the US:

- One of the ways the re-branded **Gerber Good Start Formula** (formerly Nestlé **Good Start**) is promoted under the ominous *Start Healthy, Stay Healthy* campaign is by partnering with House.Party.com. Visitors can sign up on the website to seek out brands they would like to evaluate. House Party then selects hosts to hold parties and sends boxes of goodies for the host, their friends, family and neighbours to try out. Gerber boxes include gifts like backpacks, changing mats and coupons for free formula. **(see 1)**

Deluged by Gerber!

1


1 VIOLATION

These sales driven events are powerful branding exercises.

- A **Gerber Good Start** TV ad celebrates its name change with the slogan *"Welcome to the Gerber Generation"*. The ad shows a baby looking in wonder at scientific formulations. With a wave of his hand, the text 'probiotics' flows into a tin of Good Start. The voice-over makes a hard sell about how Gerber is supposed to have made a scientific breakthrough and how *"the immune supporting probiotics like those found in breastmilk can now be found in* **Gerber Good Start Protect Plus"**. **(see 2)**

2 VIOLATION

... the science has not been proven but probiotics goes into **Good Start** anyway.

- The name **Nestlé Good Start** can still be found on some promotional materials from 2009. In the internet ad (see right), every single major provision of the Code is being broken. Firstly, the product is being promoted as a *"A 'great' START for your infant"*. Second, it is being idealised by the image of a happy, healthy baby and the text which describes the formula as containing "nutrients naturally found in breastmilk". Third, mothers can receive the formula for free. **(see 3)**

3 VIOLATION

- The WebMD magazine published hard copies targeting new parents. Obstetricians and pediatricians received hundreds of unsolicited copies in the mail to place in their waiting rooms. The 10-page magazine is actually one long commercial for Gerber infant formula. A short sidebar describes breastfeeding as problematic. Readers are referred to WebMD's online baby center which is completely funded by Nestlé and inundated with ads for Gerber formula. **(see 4)**

4 VIOLATION

Editors' note: While the Code has not been implemented in USA and Canada, companies are required to ensure that their conduct at every level conforms to the principles and aim of the Code independently of any other measures taken for implementation of the Code (Article 11.3). Lack of implementation at the national level does not absolve Nestlé from ignoring minimum standards set by the Code and related WHA resolutions.

An IBFAN-ICDC report on baby food marketing practices

This page forms part of the global monitoring report – Breaking the Rules, Stretching the Rules 2010. Companies' marketing behaviour is measured against the *International Code of Marketing of Breastmilk Substitutes and WHA resolutions.*

LOOK WHAT THEY'RE DOING IN FRANCE !

In 2009, Nestlé Nutrition had global sales of CHF 110 billion. The Infant Nutrition division had a good year generally, achieving double digit growth in many emerging markets. However, its performance in France was weaker due to tough competition from French Danone which acquired many new brands.

The evidence below shows how Nestlé stepped up promotion to maintain its market share in France.

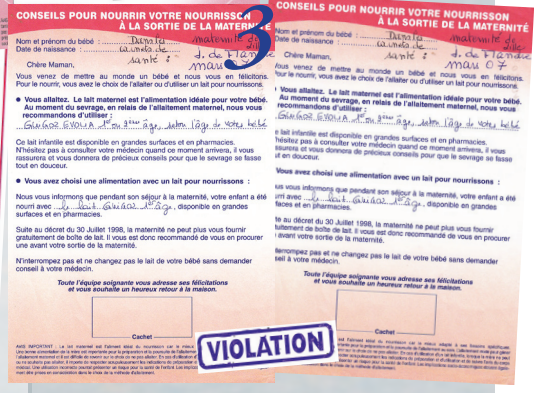
Guigoz in France

- Nestlé devised a clever way to build a direct marketing mailing list by pledging a tree for every new baby born. Nestlé pledges to plant a tree *"for a greener France"* when the details of mother and baby are submitted to Guigoz **(see 1)**. The small print admits that the database will be used to send out product information. Seeking direct or indirect with mothers is prohibited by the Code.
- Handy blocks of ready made sheets with infant feeding advice and medical certificates for vaccinations, crèche admission, etc. allow Nestlé to promote **Guigoz** products through doctors. A full range of **Guigoz** infant and follow-up formulas is seen on the inside cover. **(see 2)**
- The official baby record book *('Carnet de bebé')* given upon discharge, contains an insert by Guigoz, saying: *"In the maternity your baby was fed on: Guigoz 1 or on Guigoz Confort 1, or Guigoz Hypoallergénique 1 or Pré Guigoz + AGPI-CL. (tick a box). Because of the law, we can "no longer give you free tins. So make sure you buy one before going home"* **(see 3).** The Important Notice at the bottom, in very small print, has correct information about the value of breastfeeding and the risks of bottle feeding but it is so small as to go unnoticed. Such inserts were also found in record books of breastfed babies.
- As part of its 100 year anniversary, **Guigoz** offers to reproduce winning pictures of mothers and baby pairs in a celebration album under the theme "100 years of well-being with Guigoz." Entry may win selection for Guigoz's publicity campaign. **(see 4)**

Give your address and Guigoz will plant a tree for your baby

Blocks of certificates and advice slips.

Leaflet given in a handy plastic pouch for the baby's health record book invites photos to be submitted in Guigoz anniversary campaign.



"Improved formula" endorsement and baby faces idealising Guigoz.

An IBFAN-ICDC report on baby food marketing practices

This page forms part of the global monitoring report – Breaking the Rules, Stretching the Rules 2010. Companies' marketing behaviour is measured against the *International Code of Marketing of Breastmilk Substitutes and WHA resolutions.*

... *Nestlé in France cont'd*

- A baby care booklet *Retour à la maison* (Return Home), distributed by **Guigoz** to maternities, provides advice on infant feeding. While much of its information is accurate, the way in which it is presented subtly undermines breastfeeding. The emphasis on breastfeeding problems such as engorgement, cracked nipples, infection, lack of vitamins, makes **Guigoz** formulas out to be a wise option. It presents follow-up formulas as the appropriate next step in infant feeding with text suggesting that after 4-6 months mothers should use the products. The booklet shows packshots of **Guigoz Evolia 2** *"for all babies"* and **Guigoz Confort 2** and **Guigoz Transit 2** *"for babies with minor digestive problems"*. **(see 5)**

Guigoz 2 is also advertised in *"Happy Baby"* with the heading *"Mother + Guigoz + 100% well being"*.

- A leaflet, *Sur les petits troubles digestifs* advising mothers on problems with reflux and constipation assumes babies are bottle fed and promotes **Guigoz 2** on the back page. **(see 6)**

- Doctors are provided with a *'Kit de Suivi de la Croissance'* which contains a French government growth chart stuck inside a folder promoting **Guigoz Comfort 1** & **2** and **Guigoz Evolia 1** and **2**. These folders are supposed to be utility gifts which Nestlé allows under its own guidelines but it tries to pass off product promotion as scientific and factual information. **(see 7)**

- The parenting magazine *Infocrèche* carries three pages of ads on **Guigoz 2** featuring baby talk and explaining how baby cries often, his stomach hurts and why **Guigoz** concentrates its research on digestive well-being of babies. **(see 8)**

Good or bad?

Why would Nestlé want to give pregnant women a booklet on 'preparing for birth' if it does not promote any of its products?

Guigoz in France just does that. It's a service to start positive anchoring of the company's name and logo in the mother's mind. The booklet promotes breastfeeding but warns about allergy risks and says breastfeeding does not prevent new pregnancies, both subtly undermining the practice.

An IBFAN-ICDC report on baby food marketing practices

This page forms part of the global monitoring report – Breaking the Rules, Stretching the Rules 2010. Companies' marketing behaviour is measured against the *International Code of Marketing of Breastmilk Substitutes and WHA resolutions.*

... *Nestlé in France cont'd*

- The parenting magazine *Infocrèche* contains ads on **Nidal 2** which show how there are **Nidal** products for breastfed and bottle fed babies because each has different needs. **(see 1)**

- Nestlé distributes leaflets about its new website on paediatrics (www.pediatrie.nestle.fr) where doctors can zoom in on the full range of **Nidal** or print out information sheets for *"mothers who cannot or do not want to breastfeed"*. The leaflet shows advertisements for the **Nidal** infant formula range: **Nidal Natea 2**, **Nidal Novaïa 2**, **Nidal Confort 2**, **Nidal Pelargon 2**. Although the ads say *"breastfeeding is best"*, they are not factual and scientific and are a form of promotion not allowed under the Code. **(see 2)**

- The *Guide de l'allaitement et du sevrage* (Guide to breastfeeding and weaning), by Nestlé Nidal, distributed in mother and child health care units in France promotes hotlines (free daily advice by qualified nutritionist) and Nestlé website (www.bebe.nestle.fr – one click and advertisements for all Nestle products appear). The Guide contains ads for the Nidal range of follow-up milks also in liquid form – *"so practical for travel"*.

  This Guide instructs to use water at 40°C or less which is contrary to WHO guidelines recommending to mix formula into water at 70°C. **(see 3)**

- Another Nestlé publication, *Les laits infantiles expliqués aux parents* (Infant milks explained to parents) has packshots and ads for **Nidal** milks on every page. **(see 4)**

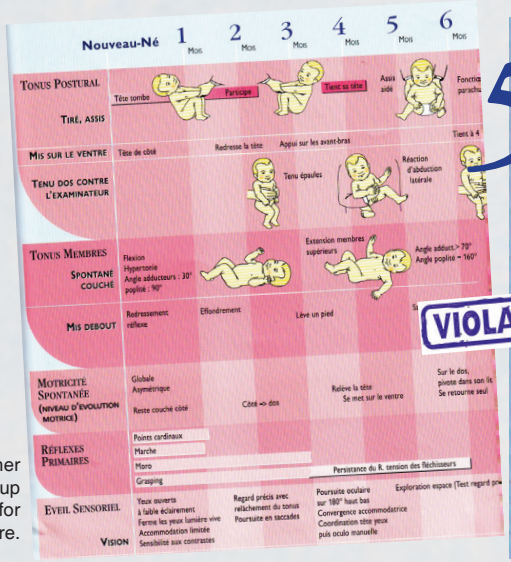
An IBFAN-ICDC report on baby food marketing practices

This page forms part of the global monitoring report – Breaking the Rules, Stretching the Rules 2010. Companies' marketing behaviour is measured against the *International Code of Marketing of Breastmilk Substitutes and WHA resolutions.*

... *Nestlé in France cont'd*

- Although this wall poster has nothing to do with infant feeding, it has a logo **(see 5)** which promotes **Nidal 2** and earns the gratitude of doctors looking for handy posters to adorn the walls of their clinic.

This chart opens up to show further developmental milestones of children up to 7 years with the Nidal logo thrown in for good measure.



Is there any difference between Guigoz and Nidal?

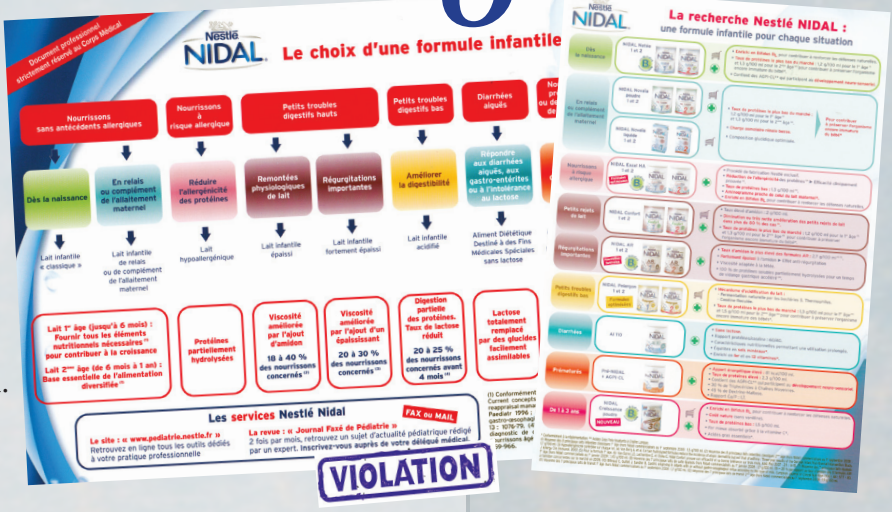
"une solution à chaque situation" vs *"une formule infantile pour chaque situation"*

Is Nestlé running out of ideas to promote its many brands? A comparison of Guigoz and Nidal promotional materials suggests so. In the catalogue *"Une gamme ajustée à chaque besoin"* – a range for every need, Guigoz offers a solution for every need – *"une solution à chaque situation"*. Even for babies without problems. Only the back cover contains the small print reminder that breastfeeding is the best.

6

Nidal in its own catalogue *"La recherche infantile pour chaque situation"* – research for every case, suggests the same thing – "*une formule infantile pour chaque situation*" – infant formula for all situations.

This is like covering all bases: if French parents don't like Nestlé Nidal they have the Guigoz option. The baby food market would have been cornered if not for French competitor Danone. **(see 6)**



... *Nestlé in France cont'd*

Gifts galore

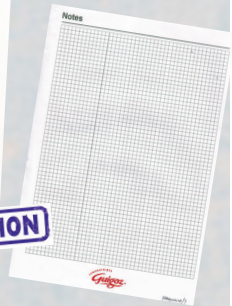
Another area where Guigoz and Nidal show their Nestlé lineage is in the gifts department. Gifts to mothers are not permissible under any circumstances so Nestlé uses health facilities to pass them on. These gifts, although small in value, generate goodwill and confer medical endorsement to their products, a valuable marketing asset.

Although Code Article 6.8 allows company names and logos to appear on donated equipment or materials, brand names are not allowed. Article 6.2 and 6.3 prohibit health care facilities from being used for promotional ends. Article 7.3 prohibits financial and material inducements which can take many forms even small items. Gifts found in health care facilities include:

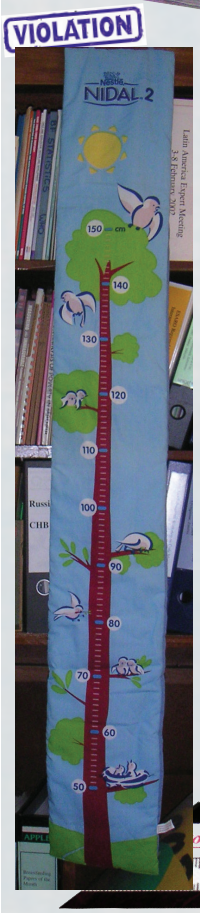
A complex gadget working like an hour glass demonstrates the viscosity of **Guigoz Confort** and **Confort Plus** thickened formulas versus **Guigoz** regular formula. The thickened formula takes longer to empty into the stomach and avoid regurgitation.

A Baby on Board sticker for cars serves as an effective mobile advertisement for Guigoz as parents drive around and park (left). A teething ring for baby's first bites courtesy of Nidal (right).

Clinics receive these small plasters for use on babies after vaccination. The rabbit logo reminds the mother (and doctor) of Guigoz.



And for doctors in France, blank writing blocks – of nominal value in terms of cost, priceless in terms of promotional impact.



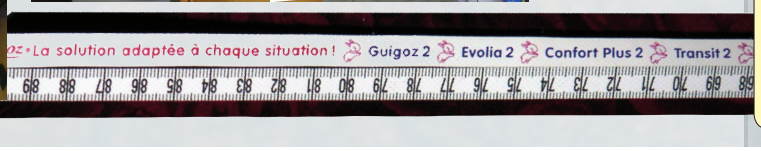
Nidal height chart for a height range is 50 to 150cm. It is made of cushy fabric so height can be taken with child standing up or placed on the table for babies who cannot yet stand up. The chart shows the stylised birds and the Nidal name, entrenching the brand name and logo.

Nidal Natéa free samples are distributed to mothers through doctors. The packet contains just enough powder for one feed. Instructions for preparation are so small they are hard to read but the Nestlé hotline number stands out clear and bold to enable mothers to contact the company.

Adhesive stickers in four colours each 'representing' a type of Nidal 2. The dispenser shows pack shots of the entire range of the latest Nidal 2 products and the slogan "renove l'ensemble de sa gamme" (a whole new range).

Guigoz and Nidal bags to carry all the paraphernalia that a bottle fed baby requires (left).

A measuring tape with the Guigoz brand names and slogan *"La solution adaptée à chaque situation !"* (bottom)



Editors' Note: France, like other EU countries, implements the weak 2006 EU Directive on Infant Formulae and Follow-on Formulae. The directive gives Nestlé leeway to crack the Code. Nestlé avers that its actions are consistent with EU decisions. It forgets that companies are required to ensure that their conduct at every level conforms to the principles and aim of the Code independently of any other measures taken for implementation (Article 11.3).

Insufficient Code implementation at the national level does not absolve any company from ignoring minimum standards set by the Code and related resolutions. The Code is universal. Babies everywhere benefit from breastfeeding and are similarly exposed to risks when they are artificially fed.

An IBFAN-ICDC report on baby food marketing practices

This page forms part of the global monitoring report – Breaking the Rules, Stretching the Rules 2010. Companies' marketing behaviour is measured against the *International Code of Marketing of Breastmilk Substitutes and WHA resolutions.*

❖ In Germany:

- Nestlé advertises extensively for all its products on its own website (www.nestle.de) and on a website dedicated to baby foods (www.babyservice.de). The websites promote formula products (**Beba**) and complementary foods (**Alete** and **NaturNes**). Nestlé **Beba**, **Beba AR** and **Beba Pro** are promoted with slogans such as *"Beba for all ages, for all needs ... a healthy milk-based food from the start"*. Although infant formula is not specifically mentioned, the slogans leave no doubt that the product is encompassed in the text **(see 1)**.

- At one point, on the website http://ernaehrungsstudio.nestle.de, a company counsellor explains how breastfeeding builds up the immune system. Immediately after, the site promotes Nestlé **Beba Start H.A. PRE** and Nestlé **ALETE H.A.** saying that even mothers who do not breastfeed do not need to worry because the company's hypoallergenic products sharply reduce the danger of cows' milk protein exposure. What's more, mothers can go on to probiotic Bifidus contained in Nestlé products. All in all, a mother may conclude that breastfeeding or H.A. formula feeding is practically the same. (Links to expert advice and literature are given.)

- The Nestlé Baby Service website **(see 2)** gives the usual pack shots and promotes follow-up milk even though the pictures are of very young babies. One such baby is shown in a TV spot inserted on the web **(see 3)**. Products that are claimed to reduce allergy risks and regurgitation are specially promoted. There is also a Q&A section with a worrisome question: *"What if I do not have enough milk anymore?"* Ultimately of course, the solution is a range of Nestlé products. Mothers are enticed by free gifts, discount coupons, subscriptions, etc.

  Nestlé also contacts mothers directly through its Nestlé Baby Service which they can sign up for even before their babies are born. When the baby is 4 months old, they receive a packet of gifts which includes two **Beba Pro 1** samples and coupons for purchase of **Beba Pro** at a reduced price. Mothers also receive **Beba Pro** promotion via Nestlé infomail.

Products , pregnant mums and babies abound in the Nestlé webpages in Germany.

An IBFAN-ICDC report on baby food marketing practices

This page forms part of the global monitoring report – Breaking the Rules, Stretching the Rules 2010. Companies' marketing behaviour is measured against the *International Code of Marketing of Breastmilk Substitutes and WHA resolutions.*

... *Nestlé in Germany cont'd*

- Nestle **Beba HA Start Pre** (hypoallergenic starter formula) is advertised in *Jung & Gesund* magazine (Young & Healthy) published by the German Paediatrics Association. The ad entitled *"Play it safe in allergy prevention"* shows a pack shot of **Beba HA Start Pre** with a logo headed *"For Today and Tomorrow"*. It ends with the slogan *"The feeling of doing the right thing"*. The same ad also appears in the parenting magazine, *Schlecker Baby Club*. **(see 4)**

4

- Following the implementation of the revised EU Directive in Germany, **Beba** exploits the occasion with a leaflet giving *"important information for parents"* telling parents *"everything about Nestle Beba infant formula and the new EU Directive"*. There is a full page ad for four **Beba** starter formulas and four follow-up formulas, explaining the *"three building blocks of life"* which consist of a combination of additives found in their products and their functions; claims which are prohibited. **(see 5)**

5

- A similar leaflet for parents was given out by **Nestlé Alete**: *Everything around the* **Nestlé Alete** *infant formula and the new EU Directive*. The leaflet promotes **Alete Pre** + Starter + HA formulas from birth (as well as follow-up formula) **(see 6)**. It explains how there will be minor changes in labelling in order to follow EU directive: **Alete Step 2** follow-up formula will be recommended to start after 6 months.
The leaflet is an excuse to also announce energy levels are now closer to mothers milk; vitamins are adapted; protein is down and there is new packaging. Surprisingly, it also says: *"Your Advantage": now you need less powder meaning you can make two more bottles out of 600gm package since we adjusted our dosage instructions.* (Does it mean that **Alete** formula was under-diluted before the adjustment?)

6

Promotion at the retail level

Shops and pharmacies, both online and conventional ones offer huge discounts on a full range of **Beba** products.

Special offer at a supermarket–buy 2 and get a CD with songs for children free.

An IBFAN-ICDC report on baby food marketing practices

This page forms part of the global monitoring report – Breaking the Rules, Stretching the Rules 2010. Companies' marketing behaviour is measured against the *International Code of Marketing of Breastmilk Substitutes and WHA resolutions.*

Elsewhere in Europe …

- In Armenia where the Law of Advertising prohibits free distribution for the purpose of promotion, free supplies of **Nan** are still found in health facilities. **(see 1)**

1

- In Croatia, where there is no law, the entire **Beba** range was found to be promoted as special sales with price discounts in a mall in Zagreb. Discounts apply to **Beba Sensitive**, **Beba Start PRE**, **Beba Pro 1**, **Beba HA 1**, **Beba HA Start PRE** (all infant formulas from birth) and **Beba Pro 2** & **3** follow-up formulas. Curiously, all these products are labeled in German, not the national language. The Code should, according to Nestlé's own reckoning be applicable in Croatia and no promotion should be allowed at the retail level. **(see 2)**

2

- In Italy:
- **Nidina 1** infant formula was offered for sale at a discounted prices in a chain of supermarkets in the Venice and Emilia Romagna Region. **(see 3)**

3

LOOK AT THIS !

In the Ukraine, Nestlé advertises **Nan 2** on TV. The ad idealises the product by depicting a baby and mother and made claim about the product's 'protective components'.

Nestlé defends the ad by relying on the 2006 EU Directive on infant formula and follow–on formula which prohibits advertising of starter formula but allows advertising of follow-on formula. Nestlé says it adopted this policy in Ukraine because its development indices resemble those of neighbouring EU Member States. By doing so, Nestlé is shifting its goal posts and imposing yet another exclusion criterion to the application of its own instructions – apply the weak EU Directive outside the EU and where there is no law.

Hiding behind others

Nestlé also states that its policy is in keeping with the current norms in Ukraine, where advertising of follow-on formula by all companies is common practice. Nestlé, which prides itself on being the leader and standard bearer in infant nutrition, is saying that since other companies are advertising follow-on formula in the Ukraine, it should also be allowed to do so.

Editors' Note: **Shifting the goal posts**

Nestlé Instructions (Updated 2004) on Code implementation state *"In eastern Europe, the Nestle Instructions apply in those countries that are not members of the European Union."* This means the minimum standards set by the International Code apply in the Ukraine in the absence of a law.

Also, going on Nestlé's own interpretation, follow-on formulas such as Nan 2 and Nan 3 are covered by its Instructions and may not be advertised since they have the same brand name as infant formula Nan 1.

When IBFAN asked why its own Instructions are not complied with, Nestlé responded that the Nestlé Instructions are being updated! That was in February 2010. As of September 2010, ICDC has not been able to procure a copy of the revised Instructions to determine how far the goal posts have shifted. Meanwhile, the ad which began in late 2009 has probably run its course and done a lot to undermine breastfeeding in the Ukraine.

An IBFAN-ICDC spotlight on corporate marketing behaviour

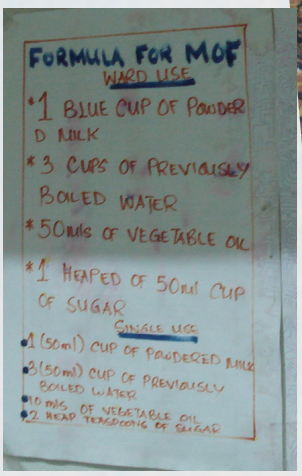
This page focuses on specific responses to issues and discernible trends in the marketing of baby foods by the company under scrutiny. It forms part of the Breaking the Rules, Stretching the Rules *report.*

LOOK WHAT THEY'RE DOING IN PAPUA NEW GUINEA

In Papua New Guinea, public health facilities do not have the resources to rehabilitate malnourished babies with standard formula. Health workers modify powdered whole milk (normally Nestlé Sunshine) for infant feeding following a set recipe. Babies are often successfully rehabilitated using this feeding method.

Preparing a future market

Despite the high poverty levels in PNG, Nestlé attempts to persuade health workers to switch to the more expensive **Sunshine Junior** with **Protection Bifidus**, a product few in PNG can afford.



Babies survive on this recipe when they are not breastfed and infant formula is not an option.

Malnourished babies in a hospital in Port Moresby.

Nestlé provides store-sized samples of Sunshine Junior to a private hospital to replace ordinary Sunshine (left). Most parents opt to use Sunshine. Using its PPP (Popularly Positioned Products) strategy, Nestlé markets these affordable small sachets which low-income consumers can buy on a daily basis (right).

Nestle also undermines efforts of the Department of Health to promote breastfeeding by offering in-house training on infant feeding to health workers with free lunch provided. In January 2010, following a complaint, the Department of Health in PNG wrote to Nestlé calling on the company to stop the practice since its Departmental Circular 10/2009 prohibits health facilities from being used to promote commercial products.

Nestlé responded that it was unaware of the department circular but defended its action by saying that the meeting was of a scientific nature with no mention of products. Lunch, according to the company is a matter of courtesy, consisting of sandwiches and a chocolate drink which could not possibly represent an inducement!

Editors' note: For the vast majority of the population in PNG, the conditions for safe preparation of formula are not present. Cholera and unsafe water are persistent problems. So as not to confuse health workers, in-service training on infant feeding is best done by government trainers, available in every province. The law in PNG predates the Code and is currently being reviewed. Pending a new law, Departmental circular 10/2009 serves as a stop-gap measure against promotion in health facilities.

Nestlé materials are found in health facilities, marked as intended for health professionals but they contain forbidden claims about additives such as Prebio, optimal proteins, micronutrients and DHA. The packshots on the brochure show labels of products sold in Malaysia even though the brochure is produced in Papua New Guinea.

LABELLING

The saga of the fat birds continues

Nestlé's long-term trademark is a nest with skinny birds. Over the past decade, the company has started using a stylised logo of a family of fat birds which appears on nearly all Nestlé formula products. It is an idealising image. The fat birds are sitting tight as few countries have laws strong enough to make them go away. Two countries, Bangladesh and Tanzania, put their foot down and said: no such idealising images. While the situation in Tanzania is not clear (yes, pressure), in Bangladesh, formula labels do not have the logo of the fat birds. Great, Nestlé abides by the law. (Do note how **Lactogen**, the cheap cousin of **Nan**, has no Protect logo and therefore, no premium pricing).

No Fat Birds!

There should be more labels like these.

(on Bangladeshi formula tins)

"Represented as suitable"

The Code covers more than infant formula, however much Nestlé disagrees. The scope is written widely to cover all products *"marketed or represented"* to be suitable for use as a partial or total replacement of breastmilk, such as juices, water and teas. They may or may not be 'suitable'. Bear Brand coffee creamer is totally unsuitable for babies; it has no milk at all. However, research conducted in Laos revealed that Nestlé's Bear Brand coffee creamer is being used by parents to feed babies because of the mother and baby bear logo on the label.

The survey by doctors revealed that out of 1,098 Laotian adults, 96% wrongly believe the Bear Brand coffee creamer contains milk, 46% believe the Bear Brand logo indicates that the product is suitable as a replacement for breastmilk. Over 18% reported giving the product to their infant at a mean age of 4.7 months.

The research is published in the British Medical Journal can be downloaded from http://www.bmj.com/content/337/bmj.a1379.full?sid=5a1f9240-649b-4240-ad94-82e971b9da44

The reasons for this go back in history. Bear Brand has been used as a brand name for several kinds of preserved milk. Before formula came onto the market, the labels had a mother bear bottle feeding a baby bear. The bottle was eliminated after protest but the mother-baby image remained. For years this brand was used as a breastmilk substitute in several Southeast Asian countries. Old habits die hard. Nestlé knew and could have changed the image of the mother bear cradling the baby bear completely to avoid confusion.

Nestlé states, instead, that it *"has gone further than the requirements of the Code with printed warnings in different languages"* and taken *"extraordinary labelling measures"* to prevent misinterpretation of the Bear Brand label. Following the death of a Laotian child being fed Bear Brand coffee creamer, the company said the baby bear would be replaced by a glass! There is a glass now but also a poster with baby bear being fed.

Labeling poses a risk to consumers who rely on visual cues: a baby bear in the breast-feeding position may mislead people who believe that the product is for infant feeding. Results can be tragic.

60 years ago?

40 years ago?

20 years ago

Billboard in rural Laos 2010 – there is a glass but still feeding a bear!

New logo on Bear Brand in Laos

DOES NESTLÉ "PROTECT" CHILDREN?

After the *Breaking the Rules, Stretching the Rules 2007* report, Nestlé conceded that the logo of the stylised fat birds found on formula labels should not appear on materials distributed to hospitals or the public. Nestlé has now come up with yet another promotional device – the Protect logo. This logo now appears next to the fat birds in some formula brand labels, in particular **Nan**, in 120 countries.

The International Code forbids the idealisation of breastmilk substitutes. Resolutions WHA 58.32[2005] and WHA 63.23[2010] forbid claims unless national law allows. Most national laws **are silent** on the sort of claims which baby food companies make. Some **disallow** claims on baby foods. Through the Protect logo, Nestlé puts the health of babies at risk by making the unsubstantiated claim that its formula milk 'protects' babies. It is dishonest and harmful to say that a product is going to protect babies from infection when formula-fed babies are far more likely to become sick than breastfed babies and, in conditions of poverty, are more likely to die.

Nestlé should remove its "Protect" logo for the simple reason that it is misleading and unsubstantiated.

Nestlé states that the functional benefits encapsulated in the "Protect" logo are scientifically substantiated; it helps to distinguish Nestlé formulas from *"less advanced products"* and where the "Protect" logo is used, it is consistent with the local legislative and regulatory framework.

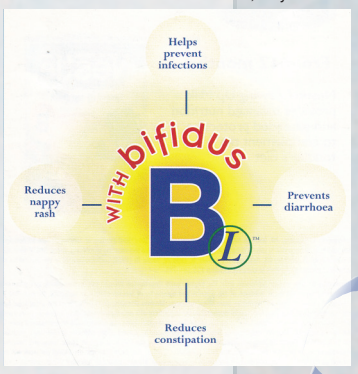
Editors note: Food authorities are generally cautious about claims in baby foods and many countries still do not have strong food legislation or enforcement mechanisms. The Protect logo is unjustified in the light of two clear World Health Assembly resolutions which prohibit claims. As a multinational company, Nestlé should apply the minimum standard set by the Code and subsequent WHA resolutions as required Article 11.3 of the Code.

How does the "Protect" logo manifest itself in Nestlé promotion?

- In Armenia, information materials for health professionals explain how the Protect combination of "nutrients" in **Nan 1**, **Nan 2** and **Nan HA** improves immunity during the first and most important year of life. **(see 1)**

Full circle – the evolving Bifidus logo

Nestlé News, July 2002



As seen in Thailand, 2007

As seen in Papua New Guinea, 2008

Back to the beginning, Canada, 2010

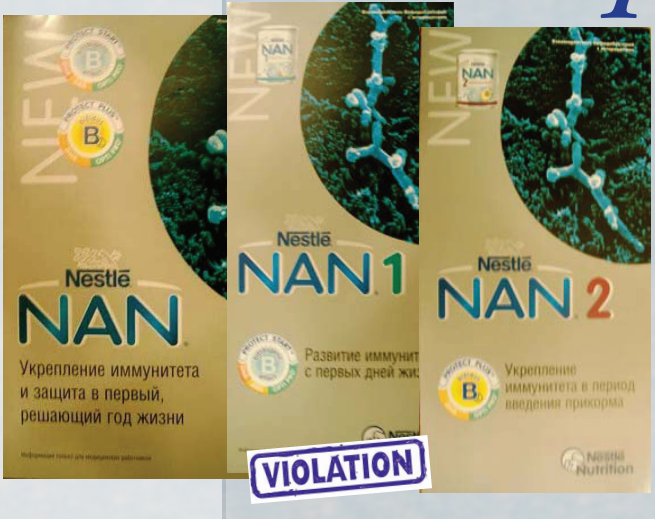
In its current form in 120 countries

Africa, 2009

The "Protect" logo evolved from a simple Bifidus circle to its present colourful form.

According to Nestlé, it represents 'the new "Gold Standard" in infant nutrition'.

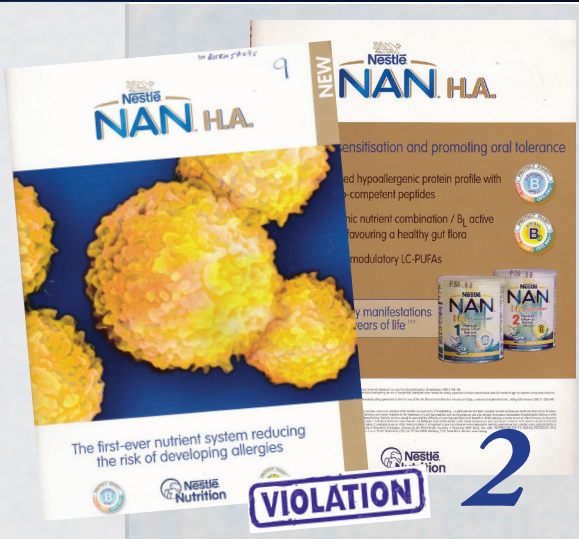
1



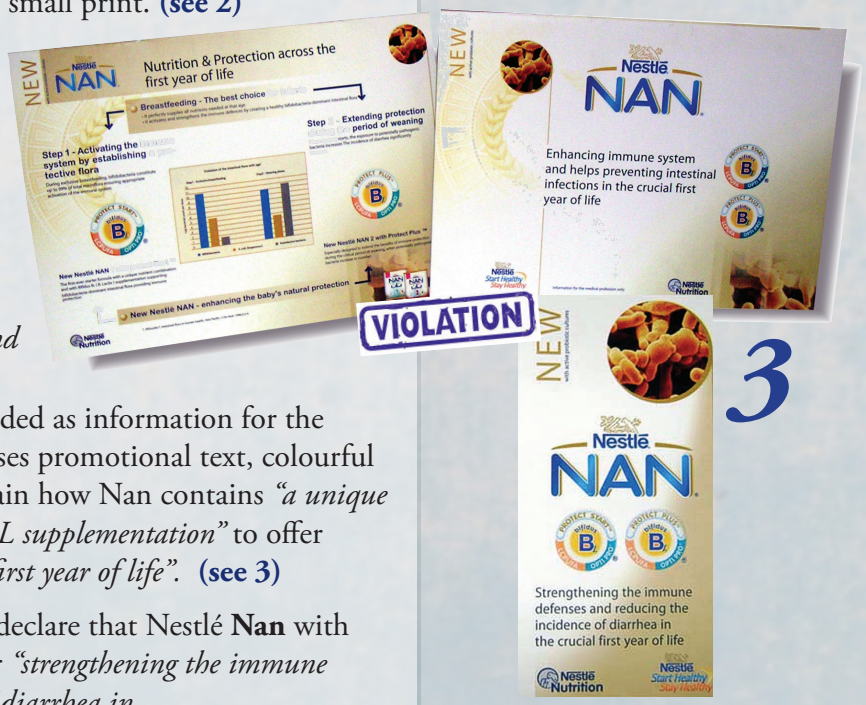
An IBFAN-ICDC spotlight on corporate marketing behaviour

This page focuses on specific responses to issues and discernible trends in the marketing of baby foods by the company under scrutiny. It forms part of the Breaking the Rules, Stretching the Rules *report.*

- In Botswana, a glossy folder entitled *"the first ever nutrient system reducing the risk of developing allergies"* is distributed to health professionals without the approval of the National Food Control Board, as is required by national law. The folder contains loose leaf practical recommendations for preventing allergies in newborns which health workers may find helpful but the folder itself is promotional. The inside cover contains large packshots of **Nan HA 1** and **Nan HA 2** and promotional statements in big font about Protect Start and Protect Plus. Product packshots are reproduced on the back cover next to a statement - *"50% less allergy manifestations during the first year of life."* It is not clear what the product is compared with. The fact that breastfeeding is the best allergy prevention is lost in small print. **(see 2)**



- In Egypt, the WHO growth charts for boys and girls became a vehicle for promotion for Nestle **Nan 1** with Protect Start and Nestlé **Nan 2** with Protect Plus. The growth charts are enclosed within a brochure entitled *"**Nestlé Nan** - Enhancing immune system and helps preventing intestinal infections in the crucial first year of life"*. Intended as information for the medical profession, the brochure uses promotional text, colourful charts and the Protect logo to explain how Nan contains *"a unique nutrient combination with Bificus BL supplementation"* to offer *"nutrition and protection across the first year of life"*. **(see 3)**



Another brochure goes as far as to declare that Nestlé **Nan** with Protect Start and Protect Plus is for *"strengthening the immune system and reducing the incidence of diarrhea in the crucial first year of life."*

- In Greece, mothers receive information through the mail on **Nan 2** that idealises the probiotics content which activates the natural defence of the body and contributes to the prevention of diarrhoea. Further claims were made about how essential fatty acids such as DHA are a component of breastmilk, and how they help to regulate the immune system and the development of the brain. **(see 4)**

Leaflet contains translation inserted by monitor

An IBFAN-ICDC spotlight on corporate marketing behaviour

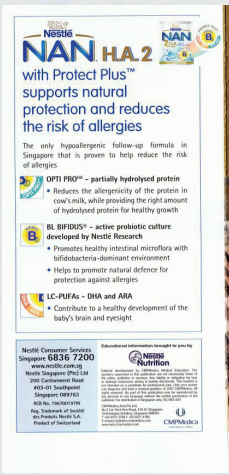
This page focuses on specific responses to issues and discernible trends in the marketing of baby foods by the company under scrutiny. It forms part of the Breaking the Rules, Stretching the Rules *report.*

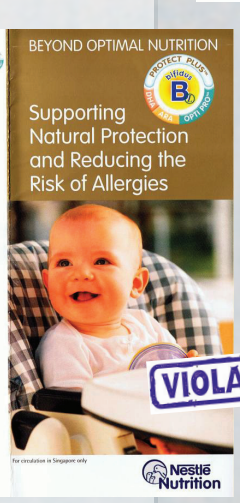
- In a medical journal in Latvia, an ad on **Nan 1** with the Protect Start logo claims how the product develops the enteral microflora and strengthens the immune system. **(see 5)**

6

5

- In Papua New Guinea, the Protect logo on promotional materials seen in late 2008 has not quite evolved to the logo found elsewhere. The only additive to Nan is Optipro described as *"optimised quantity of protein with improved amino acid profile to reduce solute loads to kidney so there is less stress to the kidney and other immature organs"*. **(see 6)**





7

- In Singapore:

- A leaflet with the idealising title *"Beyond Optimal Nutrition"* distributed at a parenting fair promotes Nestlé **Nan H.A. 2** as *"the only hypoallergenic follow-up formula in Singapore that is proven to help reduce the risk of allergies."* Bearing the sub-heading *"Supporting Natural Protection and Reducing the Risk of Allergies"*, the leaflet make claims about its Protect Plus additives which are prohibited by resolutions WHA 58.32[2005] and 63.23[2010]. **(see 7)**

8

- An ad entitled *"It is every mother's natural instinct to protect her children"* cleverly juxtaposes a child in protective gear with cans of **Nan 2** and Nan 3. The ad contains idealising claims such as *"helping to maintain a healthy digestive system"* and *"protection against harmful bacteria in the digestive system"*. It's no surprise if mom chooses Nan. **(see 8)**

9

- In South Africa, the launch of new labelling featuring Protect Start and Protect Plus logo on Nestlé **Nan** was announced through promotional shelf talkers in shops. Nestlé's competitors in the Infant Feeding Association tried unsuccessfully to stop Nestlé advertising in supermarkets. **(see 9)**

Editors' note: The South African Advertising Standards Agency, an industry body has ruled that this shelf talker does not violate its guidelines even though the Code prohibits point of sale advertising or any other promotional device.

An IBFAN-ICDC spotlight on corporate marketing behaviour

This page focuses on specific responses to issues and discernible trends in the marketing of baby foods by the company under scrutiny. It forms part of the Breaking the Rules, Stretching the Rules *report.*

- In Spain, the weekly *El País* carried a full-page advertisement for **Nidina 2 Premium** and Nidina 3 Premium **(see 10)** with the heading *"Mother instinct, protection instinct"* to complement the picture of baby asleep in mother's loving embrace. The ad vaunts the qualities of pre-biotics, of DHA (omega-3 fatty acids) and 'optimised protein profile.' It projects follow-up formula as necessary: *"From birth, the best protection for your baby is mother's milk, to reinforce baby's immune system. When your paediatrician advises you to start follow-on, it is important that you continue giving your baby the best one."* Another statement declares *"Because we, just like you, are concerned about his feeding to protect him from the first day."*

The slogan below the Nestlé logo says" *"in order to start life in a good way"* indirectly referring to Nidina Premium Infant Formula.

- In Switzerland, a detachable coupon for deduction of CHF 4 off **Beba** products when purchased at pharmacies or drugstores, promotes the **Beba** products which contain the Protect Plus combination of additives. **(see 11)**

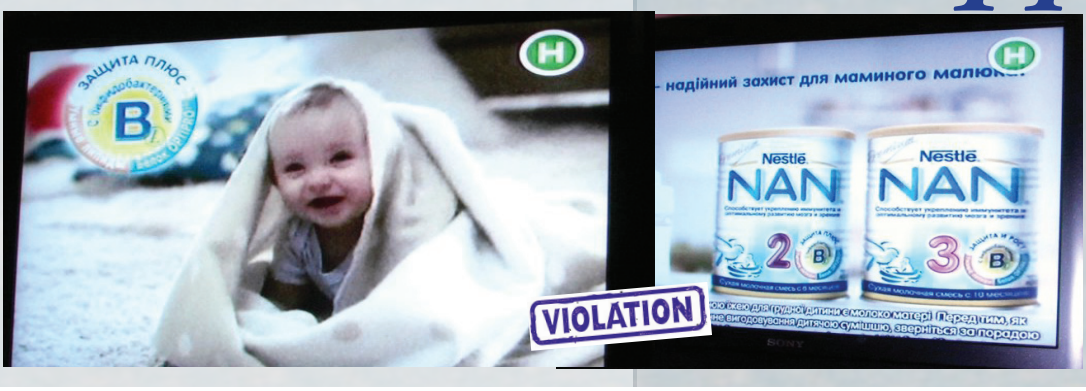
- In the UAE:

- **Nan HA 1** and **Nan HA 2** is idealised as *"the new Gold Standard in infant nutrition"* and said to be *"clinically proven to reduce the risk of developing allergies and to protect from intestinal infections"*. **Nan HA** is also promoted as offering *"protection through innovation"* and *"closer to the digestive pattern of breastmilk."* Two cupped hands add weight to the protection theme. **(see 12)**

- a prescription pad cum instruction sheet allows doctors to recommend **Nan** products with the Protect logo. **(see 13)**

Observed in the Middle East,

- In the Ukraine, a TV ad on **Nan 2** idealises the product with claims about the product's *'protective components'*. **(see 14)**



NESTLE COMPLEMENTARY FOODS – MONITORING IS NECESSARY !

Nestle has asked IBFAN to teach monitors the difference between complementary foods and breastmilk substitutes, claiming that in BTR 2007, *"A very large part of the allegations have to do with cereals and other baby foods which, unless specifically marketed as a breastmilk substitute, do not fall within the scope of the WHO Code"*.

Our answer to that is that IBFAN monitors know what undermines breastfeeding and what does not. When complementary foods are promoted before six months, they are breastmilk substitutes, because they replace breastmilk. If such foods are *"marketed or otherwise represented to be suitable for use as a partial or total replacement for breastmilk"*, they definitely fall within the scope of the Code. Foods such as infant cereals are being promoted for the wrong reasons, at the wrong places or the wrong times and thereby violate both the letter and the spirit of the Code as well as subsequent WHA resolutions. (see box)

For example, leaflets or samples in maternities where all babies are way under 6 months; or other types of promotion addressed to pregnant mothers or to parents right after the birth of their child. These are vulnerable moments and the marketing experts know this and exploit them. Confidence in exclusive breastfeeding before and right after birth is a major factor in its success. It must not be undermined, directly or indirectly.

Blue Bear, the icon for Nestlé's complementary foods, is depicted as bottle feeding thereby bringing the products he represents squarely under the scope of the Code.

Simply judging by the persistence of baby food companies to have their name, their logo, their mascot right there as the mother is struggling to make up her mind on how to feed her newborn, underscores how effective such marketing tactics are. Some are rough and direct, like samples (If a mother gets a sample at birth – is she really going to wait for 6 months to try her present?). Other tactics are more subtle, like making sure the company name or logo is on the cover of medical records or that the mom is enlisted in the Nestle Baby Club, drawn to websites and newsletters and bombarded with direct mailings to her home.

Even if such foods are promoted for after 6 months, if bottle fed they are covered by the Code.

While complementary foods promoted for 'after 6 months' do not fall under the scope of the Code, this must not become a 'free for all and free for anything' excuse to get the parents' attention long before the time solid foods must be added to the breastfed child's diet. A mention on the label *"this is not a breastmilk substitute"* does not automatically exclude it from the scope of the Code.

The following resolutions clarify the scope (Article 2) of the Code:

WHA resolution 39.28 [1986]

• Any food or drink given before complementary feeding is nutritionally required may interfere with the initiation or maintenance of breastfeeding and therefore should neither be promoted nor encouraged for use by infants during this period.

WHA resolution 49.15 [1996]

Member States are urged to ensure that complementary foods are not marketed for or used in ways that undermine exclusive and sustained breastfeeding.

Quote from Nestlé on BTR 2007 and BTR's response

Nestlé: *"Many allegations have to do with infant cereals marketed for use above the age of 6 months. The WHO Code itself (Appendix 1) explicitly indicates that complementary foods are not covered under the Code, unless specifically marketed as breastmilk substitutes - which cereals are not. Nestlé is the only major manufacturer not to market infant cereals below 6 months of age, in those countries where the WHO Code is voluntarily applied."*

BTR responds: Nestlé points to Appendix 1 in error, the company means Annex 3 which is a speech given when the Code was first presented for adoption. Annex 3 is not part of the Code and is usually quoted only selectively by industry. The actual quote says: products that are *"marketed or otherwise represented to be suitable for use as a partial or total replacement of breastmilk"*. Mailings and samples to pregnant women and new mothers *"represent"* many complementary foods as breastmilk substitutes. Promotion in maternities does the same.

STAGES and AGES – It's a mixed bag!

Back in 2003, after much pressure, Nestlé announced it was going to take the lead in changing labels to comply with WHA recommendations for 6 months exclusive breastfeeding. It must be hard to change labels and proven marketing practices because that noble announcement only became reality in selected developing countries, not in all and none in Europe. Now, in 2010, we find that in some places Nestlé is rolling back on its promises.

Clearly there are double standards. Like in Nestlé's Instructions, age indicators on complementary foods are purely according to Nestlé's own criteria and national Codes or laws. How else to explain that babies in Hong Kong can have cereals at 4 months while Singaporean infants need to wait until 6 months?

- In Hong Kong, **Nestlé Infant Cereals** (Stage 1) are promoted *"From 4 months onwards or whenever baby is ready."* – leaflet given to a health worker in a public hospital. **(see 1)**
- In Malaysia, Stage 1 begins after 6 months: *"give your baby a head start"*. Full page newspaper ad for **Cerelac**. **(see 2)**
- Just a few miles south, in Singapore, both Stage 1 and Stage 2 start at 6 months! Confusing. A leaflet: *"Nestlé Infant Cereals are your perfect choice"*. They are made with formula, contain DHA, Prebio and CHE and go *"beyond the visual and brain development"*. **(see 3)**
- In the Philippines, as required by law, **Cerelac** rice porridge is at stage 1 for 6 month old infants while **Cerelac** vegetables are in Stage 2 but also for 6 month old infants. **(see 4)**

No wonder mothers are confused, especially when they are given these materials right after birth, as seems to happen more and more often. The stages, also called *"growth milestones"* are increasingly identified by simple indicators such as: when baby starts to sit up, turn its head, crawl, etc. This is often well before the 6th month and leads mothers to start complementary feeding too early.

- In Thailand, samples of **Cerelac**-Wheat and Milk are given away in clinics. They come in attractive packages advertising Prebio and DHA. There is a bold Stage 1 and in small print: 6 months. An enclosed leaflet encourages "*Dear Mom*" to join the club by giving her own and her baby's name, birth date and contact details. **(see 5)**

Stages and Ages - How Nestlé backtracked

❖ In Armenia

- Stage 1 used to start at 4 months. Then Nestlé proudly announced it would switch to 6 months as the only company to comply with WHA resolutions. In April 2005, Nestlé wrote a formal letter to the Minister of Health saying: *"Since 2003, all infant cereals and other complementary foods imported into Armenia by our distributor are labelled from 6 months."* Not true anymore. Nestlé went back on its word ! *'4 months'* shows on leaflets, labels, TV and in shops.
- A leaflet on Nestlé cereals found in 2009 as well as a recent label and even a TV spot, clearly shows the recommended age starting from 4 months.
- When browsing in a supermarket some people might not see the huge shelf talker right at the top of the baby food shelf with Nestlé's Blue Bear calling their attention to complementary foods; just to catch those Armenian shoppers who don't look up, there is also a Blue Bear flat on the floor showing off new cereal products: *"Buy two, get a free plate".*

Promotion for cereals: low on the floor and high up on the shelves

Catching them early, very early, often at birth

Nestlé promotes complementary food all over the world using the concept of *"stages"* (rather than ages). There are Nestlé products for each and every 'Stage'.

Here are some examples from European Union countries where the company takes advantage of weak laws that do not apply to complementary foods. They are promoted from 4 months and many flyers and booklets are given to mothers shortly after delivery.

Europe

❖ In France for example:

- A fancy ring binder called *"For a good start in life"* describes the stages. Page one sets out to congratulate the new parents on the birth of their baby. Mothers are asked to fill in their name, address and infant particulars (esp. if twins). Every month Nestlé will send a newsletter with nutrition advice, recipes, coupons for discounts and possibilities to win prizes. A page on breastfeeding ends with: *"If a doctor recommends a substitute… do make sure to stick with that brand."* The whole fancy binder assumes that breastfeeding will not last very long if tried at all. Turn the page and the title says: *"The bottle is also a moment of love"*. If you choose not to, or if you cannot breastfeed…not to worry. **(see 1)**

Blue Bear proudly clutches a feeding bottle on the pages indicating "how many bottles a day" are given starting with the first month, practically from birth.

An IBFAN-ICDC report on baby food marketing practices

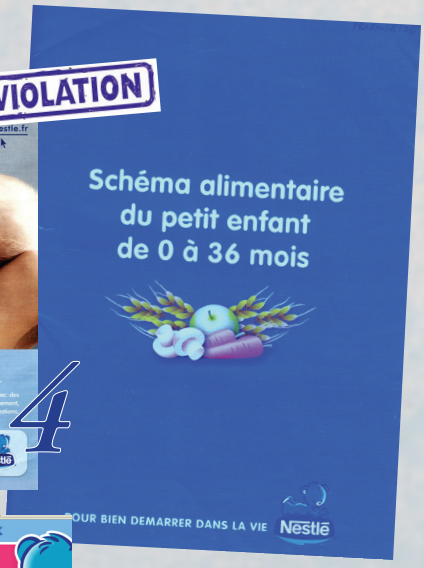
This page forms part of the global monitoring report – Breaking the Rules, Stretching the Rules 2010. Companies' marketing behaviour is measured against the *International Code of Marketing of Breastmilk Substitutes and WHA resolutions.*

- A fold-out on the 4 stages illustrates Nestlé products on every page, except for infant formula and follow-up formula which are never shown by brand, only mentioned generically. Another fold-out (in a handy credit card size) reminds French parents about Nestlé's concept of 4 stages in infant growth and how Nestlé provides a good start. Stage 1 = after 4 months. Cleverly it shows no brands. **(see 2)**

Nestlé Alete:
"Mommy knows why"

- A very similar leaflet in Germany, however, is less cautious. It shows packshots of Nestlé **Alete** follow-up milk, juices, teas *"as of the first week"* and lists **Alete** products by name for each *"stage"*. Stage 1(after the 4th month) includes surprises like Spaghetti Bolognese. The leaflet also highlights a free hotline and website. **(see 3)**

- A large format folder on the same four stages (showing months and weights) is addressed to doctors in France: *"As a doctor, you have a most important role in guiding parents to diversify feeding"*. This chart is to help you decide when to introduce new foods. No brand names but a reminder: *A Good Start in Life: Nestlé.* Other flyers and ads repeat and reinforce this slogan. **(see 4)**



"Pour bien demarrer dans la vie" (Good start in life) – a slogan appearing on the doctors folder, on the ad & everywhere.

❖ A Nestlé Baby Club website in Portugal starts from birth: *"Chegou o bebé!" (Baby has arrived)* and starts with the first months before promoting jars with fruit mixtures as of 4 months. A happy mother and sound sleeping baby make it look as if the very young baby loved its first alternative to milk. **(see 5)**

❖ The *Mamá & Bebé* magazine in Spain carries several full-page advertisements for Nestlé purées (*"new liquid cereals, more advanced"*) and Nestlé starter cereals with bifidus, 'from 4 months', as well as promotion of Nestlé **Peque Cena**, a purée of milk, vegetables and rice to be bottle fed, 'from 4 months'. The ads say nothing about breastfeeding. **(see 6)**

An IBFAN-ICDC report on baby food marketing practices

This page forms part of the global monitoring report – Breaking the Rules, Stretching the Rules 2010. Companies' marketing behaviour is measured against the *International Code of Marketing of Breastmilk Substitutes and WHA resolutions.*

❖ In Greece

- Booklet sent to mothers of young babies advises weaning at 4 months. It recommends **NAN 2**, cereals and jarred foods, and includes coupons for discounts from €0.30 to €0.60 on Nestle products, some for 4 months. **(see 7)**

7

Note: Translations inserted by our monitor

- Nestlé complementary food in jars are labeled for 4 months, **Nestlé Infant Cereal** after 4 months – a flyer says this *"transition from liquid to solids is called weaning – the most important stage for your baby".* **(see 8)**

8

- A website ad tells mothers: "*Your mothering instinct develops with time. Ours has developed over the last 140 years. Come and see what we have learnt till now."* The monitor who sent in the ad commented: *"this ad made me so angry, clearly its intention is to undermine a mother's confidence in her ability to breastfeed her child".*

❖ In Italy

- **Mio** apple and pear purée is labeled 'from 4 months' and promoted with discounts for fidelity card holders. **(see 9)**
- **Mio** has a special display for all its products in supermarkets. It includes products for under 6 months and has discounts. **(see 10)**

10

9

❖ In the Netherlands

- Free bottle-fed porridge: get 5, pay 3. Members of the Nestlé Baby club are told they can get 5 packets of **PyjamaPapje** (late night porridge) and pay only for 3.
"In 2008, babies (and their parents) have spent 12 million restful nights thanks to Nestlé Pyjama porridge ! so try it also."
Even though this porridge is recommended from 6 to 36 months, it promotes bottle feeding and thus comes under the scope of the Code. **(see 11)**

11

An IBFAN-ICDC report on baby food marketing practices

This page forms part of the global monitoring report – Breaking the Rules, Stretching the Rules 2010. Companies' marketing behaviour is measured against the *International Code of Marketing of Breastmilk Substitutes and WHA resolutions.*

- Nestlé offers *"The complete feeding program"* via 'step-by-step' booklets, starting from 4 months *"NaturNes, the latest generation of small jars"*. A free sample is available in supermarkets. *"You want the very best for your baby, every day. That's why there is now: Nestle NaturNes; naturally delicious."*

❖ In Germany **NaturNes** is also advertised (full page) in *Eltern*, a parents' magazine; for after 4 months, with a happy baby welcoming *"the more natural taste"* of steamed chicken and veggies. The ad ends with the slogan "*Inspired by Nature, developed by Nestlé*". **(see 12)**

- On a website and in junk mail are advertisements for **Alete** fruit purées, all for 4 months. The ad shows an offer to purchase 4 jars and get 2 more free. The website also presents other promotional offers, prizes, coupons and discounts. **(see 13)**

❖ Free samples of Nestle **Baby Menu** cereals (after 4 months) are available in Swiss pharmacies. The label says that the cereals are mixed with **BEBA** follow-up formula. **(see 14)**

❖ A soft toy Blue Bear, clearly visible in a transparent package, is an attractive gift to mothers in France. The same package contains leaflets with a beautiful and happy baby in skin-to-skin contact with his mother. There is a nice write-up on breastfeeding (its wonders during the first two weeks!) and right next to it: *"How many bottles per day?"* Another leaflet urges mothers to register with Club Nestlé Bébé and get samples, coupons, advice and more presents. **(see 15)**

The International Code forbids gifts to mothers or for companies to seek contact with mothers.

And in Africa

In a Kenya supermarket, these Cerelac shelf stickers line at least 5 long shelves, most of them stacked with Nan formulas and other products. Do all of them *"provide care and affection"*? Does Cerelac?

Mothers in many countries promptly put these stickers on their car.

Do they really think other drivers will knock into them if they have no such sticker?
Or are they totally unaware their car has just become an ad on wheels?

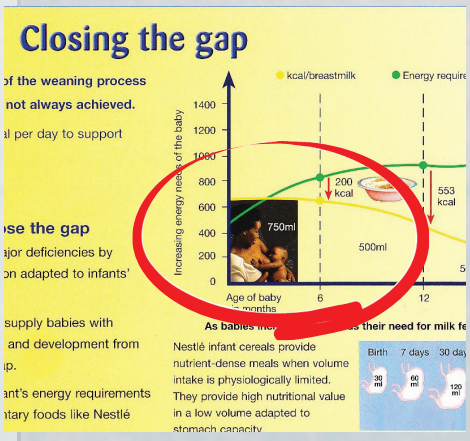
Breaking the law

Nestlé chooses to ignore the law in several countries where promotion for complementary foods is forbidden. Here are some examples:

- In Botswana, a flyer which starts with Blue Bear saying: *"Well, Nestlé has heard your call for help and created the Nestlé Developmental Nutrition Plan"* and Nestlé's 4 stages of infant nutrition are explained; there are packshots of the products for every stage: 6 months, 7 months, 9 months and Junior. And of course a free customer care line to ask more about Nestlé baby food.

According to the Botswana law, no one is allowed to promote foods for infants and young children and no manufacturer shall distribute any information or educational materials relating to the nutrition of infants or young children unless it is for health professionals and restricted to scientific and factual matters.

- In Zambia a brochure on the Developmental Nutrition Plan was found starting with: *"Next time tell Mom to feed me Nestle Infant Cereal"*. Although it mentions WHO's recommendation of exclusive breastfeeding for 6 months, it also shows a gap well before the 6th month where it suggests breastmilk no longer provides enough calories and complementary foods like the company's infant cereals can fill 25% of the nutritional requirements. They are called *"ideal solid foods"* and packshots of Nestum and Cerelac illustrate the stage 1 weaning cereals.



A gap of 4 months?

The law in Zambia prohibits complementary foods from being promoted. Information and education materials must comply with specific requirements including the importance of breastfeeding and the fact that complementary foods can easily be prepared using available local ingredients.

Undermining breastfeeding in the Philippines & China

- A private hospital in Metro Manila distributes Nestlé **Cerelac** *My Baby's Record Books*. A page inside shows Blue Bear telling moms *"Let's talk more about your baby's nutritional needs"* and gives a phone number and websites. These nice presents are given to mothers at birth, a full six months before the baby might possibly need Nestlé cereals.

Promoting cereals with gifts at births

An IBFAN-ICDC report on baby food marketing practices

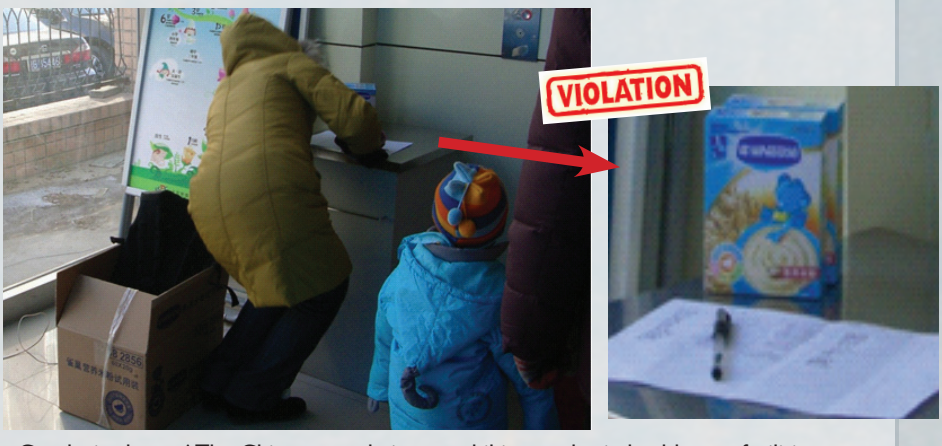
This page forms part of the global monitoring report – Breaking the Rules, Stretching the Rules 2010. Companies' marketing behaviour is measured against the *International Code of Marketing of Breastmilk Substitutes and WHA resolutions*.

- Nestlé is experimenting with a new mascot on a **Cerelac** leaflet: a cartoon baby who asks readers: *"What is in a bowl of Cerelac?"* and then smartly 'educates' about the effects of various minerals, protein and vitamins; *"Every serving . . . go, go, go!"* There is no age indication.

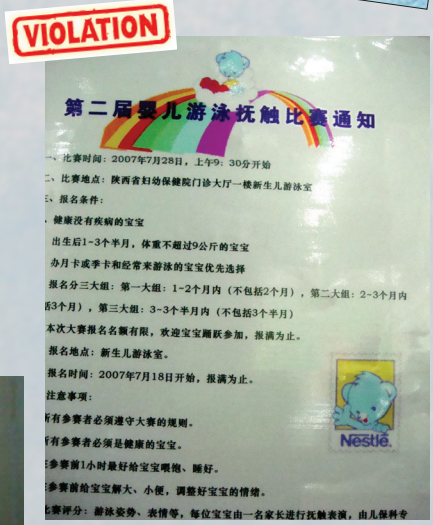
- Another ad for Cerelac both in print and on TV shows the same cartoon baby walking along in search for the right food (iron, protein,calories, vitamins). How can the combination of all those fit in his tiny little stomach? Ah, here comes the answer: the Cerelac truck with Blue Bear showing how all the right foods fit in a bowl: *"big nutrition for small tummies"*.
(whatever happened to local indigenous foods?)

In the Philippines, Nestlé abides by the letter of the law that requires the following statement on milk products: *"Infants six months onwards should be given fresh, indigenous and natural foods in combination with continued breastfeeding"*. The company, however, goes against the spirit of the law by promoting **Cerelac**, which is neither fresh nor indigenous nor natural, via idealising baby images.

- In China, Stage 1 Blue Bear (for babies from 4 months) sits on the label of samples of cereal boxes, conveniently left at the entrance of a community health centre. Unfortunately for her, the Nestlé sales lady was spotted by a Code monitor who photographed her as she dragged a box of samples into the health center and put some right at the entrance with a form for mothers to write down their home addresses and contact number.



Caught in the act! The Chinese regulations prohibit samples in health care facilities.



A poster in a maternal and child health hospital announces the *"2nd Race for Baby Swimming and Baby Touch"* for babies under three and half months. It was organised by the hospital and funded by Nestlé. The Blue Bear mascot promotes Nestlé cereal products. The partnership also confers medical endorsement of Nestlé complementary foods for babies under 6 months.

An IBFAN-ICDC report on baby food marketing practices

This page forms part of the global monitoring report – Breaking the Rules, Stretching the Rules 2010. Companies' marketing behaviour is measured against the *International Code of Marketing of Breastmilk Substitutes and WHA resolutions.*

Central Asia

Among the "emerging markets", Nestlé presence has expanded enormously in all of the "stans" (Uzbekistan, Tajikistan, Kyrgyzstan, Turkmenistan and Kazakhstan).

The shelves are full with "modern" colourful packages at outrageous prices tempting local consumers to catch up with the West. Doctors, whose salaries are low, are easily impressed with freebies like calendars, diaries, note books and seminars. A marketer's dream.

Nestle information on infant feeding for doctors in Uzbekistan to pass on to mothers. The sheets do not contain information required by Article 4.2 of the Code.

Colourful height measuring tapes found in paediatric offices respectively in Uzbekistan, and Egypt. Both promote Nestlé cereals.

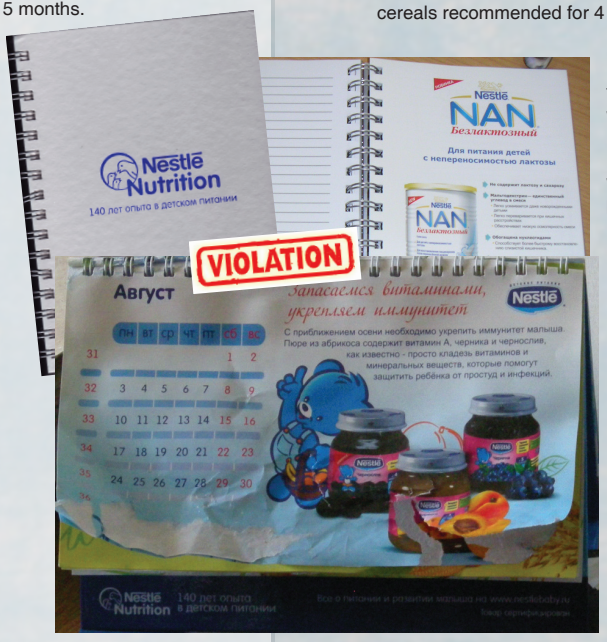
Again, Nestlé rides roughshod over its own Instructions in these countries. In principle, Nestlé's 6 month rule should apply here but the examples in the shops show many complementary foods and drinks labelled for 4 and 5 months.

Despite many promises Nestle made around the world to change all its complementary food labels to 6 months, these Nestle cereals in Kyrgyzstan are still labelled for 4 and 5 months.

When Kyrgyzstan adopted a strong law based on the International Code, the Nestlé marketing people were the first to exert pressure.

Retail outlets in Uzbekistan sell Nestlé cereals recommended for 4 and 5 months

Nestle calendar found in a paediatrician's office in a policlinic in Uzbekistan. Note some of foods recommended from 4 months.



Note book for health workers in Kyrgyzstan interspersed with promotion.

Nestle desk calendar in pediatrician's office showing jarred food as of 4 months with the blue bear mascot. (Uzbekistan)

An IBFAN-ICDC spotlight on corporate marketing behaviour

This page focuses on specific responses to issues and discernible trends in the marketing of baby foods by the company under scrutiny. It forms part of the Breaking the Rules, Stretching the Rules *report.*

And what about Gerber?

After Nestlé bought Gerber, there were changes in marketing; some good, some bad. The good side is reflected by Gerber products now showing ages instead of only Gerber's confusing 1st Foods and 2nd Foods. The bad side is how Nestlé now uses Gerber's angelic baby face on **Good Start** infant formula in the US. (see company profile)

- Nestlé advertises Gerber products directly to parents in the Latvian magazine *"my Baby"*. Juices and jarred foods: tasty, natural, healthy, from 4 months; the start of a healthy life… Even if the EU directive does not prohibit this type of promotion, the International Code definitely does.

- In Trinidad and Tobago: Gerber ran full page ads and distributed leaflets in drugstores to promote its products and *"Healthy Sweepstakes"* – collect labels and win cash prizes or Gerber hampers. No ages, only 1st Foods, 2nd Foods and the promotional Gerber baby face *"Shouldn't Your Baby be a Gerber Baby?"* Gerber also advertised on radio.

After Nestle bought Gerber, it remains to be seen whether Nestlé will change things for the better or worse in the Caribbean.

- In Armenia, an attractive Gerber booklet promotes complementary foods at 4 months. Fruit and vegetable juices in supermarkets are recommended from 4 months and apple juice even from 3 months.

- Gerber's fruit juices (mixed, apple, pear, etc) sold in Singapore (2008) have no age recommendation at all. Neither do the Graduates (finger foods) They did all have the promotional Gerber baby face.

2008 – Gerber's 1st Foods

By 2010, after take-over by Nestlé and as required by the Singapore Code, the fruit juices are clearly marked 6 months. However the baby face seems to have increased in size.

An IBFAN-ICDC spotlight on corporate marketing behaviour

This page focuses on specific responses to issues and discernible trends in the marketing of baby foods by the company under scrutiny. It forms part of the Breaking the Rules, Stretching the Rules *report.*

SPONSORSHIP

Whenever it objected to sponsorship, IBFAN-ICDC has received justifications from Nestlé. The company has repeatedly said that *"Sponsorship of health seminars for the continuing education of doctors and midwives is allowed by the WHO Code"* and that "*Nestlé commonly sponsors Paediatric and General Medicine congresses, by taking specialist speakers to support continuous medical education. Nestlé only covers all travelling expenses. This is not a WHO Code violation."*

"Does one have to be in a luxurious seaside resort to learn about neonatology?

While it is true that Article 7.5 allows for sponsorship subject to disclosure, subsequent World Health Assembly resolutions, in particular WHA 58.32 [2005] and WHA 61.20 [2008], clearly warn against conflicts of interest regarding financial support for programmes and health professionals in infant and young child health. Nestlé ignores these resolutions and continues to foster cosy relations with health professionals in disturbing ways.

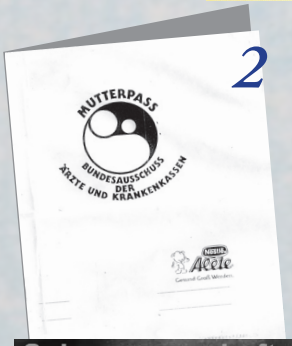
The company targets the scientific community through publications, continuing nutrition education and workshops in exotic locations, often all expenses paid. Time and again it is found that Nestlé does not limit information provided to health workers to scientific and factual information at these events; it promotes its products. They provide cover for Nestlé to offer gifts and 'prizes' to health workers. By financing small items, the company reaches pregnant women.

Here are just a dozen or so of the many complaints received:

1. The 13th Congress of the Deutsche Gesellschaft für Pränatal- und Geburtsmedizin (German Association for neonatal health) was co-sponsored by Nestlé, Humana and Hipp. **(see 1)**
2. Also in Germany, the "Bundesausschuss der Ärzte und Krankenkassen" (a health insurance), accepted Alete's funding of the cover for the "Mutterpass", a document that pregnant women need to bring for all doctor visits and delivery. **(see 2)**
3. The Midwifery School of St Gallen's hospital in Switzerland launched a colourful illustrated Pregnancy Calendar intended for *"all pregnant women, couples and others"*. **(see 3)**
4. In India, the Nestle Nutrition Institute breaks the Indian law (section 9, which bans *"any contribution or pecuniary benefit to a health worker or any association of health workers, including funding of seminar, meeting, etc. etc"*) by hosting conferences in Chennai, Kolkutta and other cities. **(see 4)**

The Nestlé BEBA logo shows prominently on the website acknowledgment for sponsorship

1

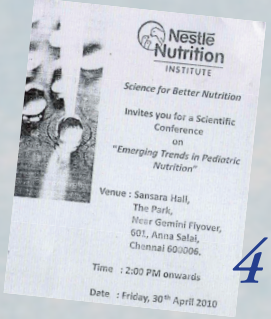


2

The back cover of the 'pass' promotes Nestlé's Baby Service with tollfree numbers for product information etc.

3

A pregnancy calendar with sponsorship from Nestlé, Milupa and others.



Nestlé invitation to a conference on *"Emerging Trends in Paediatric Nutrition"* in Chennai, India, April 2010.

4

An IBFAN-ICDC spotlight on corporate marketing behaviour

This page focuses on specific responses to issues and discernible trends in the marketing of baby foods by the company under scrutiny. It forms part of the Breaking the Rules, Stretching the Rules *report.*

5. The official online publication of the American Academy of Pediatrics surprised many supporters by carrying a Nestlé advert for probiotics (**Good Start** formula) on the table of the contents page of its May 2008 volume. The ad also encourages professionals to register on the company's website (and win a free wireless computer mouse). The website allows registered doctors to order free *"product samples, printouts for parents and nutrition tools for your practice"*. Even though the ad is only valid in the USA, the AAP journal reaches professionals on all continents. **(see 5)**

Print copies of the 2010 journal contain no similar ads. Good for AAP. Not so good is a press release just in (5 October 2010) saying AAP is teaming up with Nestlé on "obesity". Nestlé is part of that problem, not part of the solution!

A large number of national paediatric associations have come to depend on sponsorship for their meetings, their magazines and their travel. Is it a question of demand and supply? Or the other way around? Pushing the supply to create dependence? Companies do go hunting around to find professionals who can render them goodwill services, sometimes directly product promotional services. Scrutiny over who funds who and why, however, is increasing as studies point out the influence such funding has on prescribing habits.

6. Companies extend various types of funding to associations in all parts of the world, and here are some examples: the 20th anniversary of the Madagascar Pediatrics Association with the Minister in attendance over a two day affair was funded by Nestlé and a few other companies. Most recently we obtained a notice from Bangladesh, showing how despite protest, Nestlé succeeded in holding a high-level regional symposium at a 5-star hotel on *"Breastfeeding, the Gold Standard"*. The country's president and one Minister refused to attend realizing the conflict of interest. After all, **Nan** is promoted as the new Gold Standard. **(see 6)**

Riding on the "gold standard" of breastfeeding

Nestlé's Gary Tickle (right) and Dr Sanjeev Ganguly at *Breastfeeding: the Gold Standard* symposium

7. The 12th São Paulo Congress of Paediatrics 2010 in Brazil was described by a visiting doctor: *"rather than a scientific congress, this was a fair by manufacturers of baby foods and bottles and teats"*. See **Mucilon** banner. **(see 7)**

Brazil: At the paediatric congress, there is a huge banner on Mucilon: "ready to drink, a mixture of cereal and milk for babies as of the sixth month" i.e. when the baby is 5 months old.

8. CMEs are given at a short lunch talk at Mt Alvernia's hospital in Singapore on 'the Short Gut Syndrome'. Clearly the solution was either Alfaré or NAN HA. The solution was NOT breastfeeding – that was being discussed in the small adjoining room (without lunch). **(see 8)**

An IBFAN-ICDC spotlight on corporate marketing behaviour

This page focuses on specific responses to issues and discernible trends in the marketing of baby foods by the company under scrutiny. It forms part of the Breaking the Rules, Stretching the Rules *report.*

9. The Nestlé Nutrition Institute invited guests to its 65th Nestlé Nutrition Workshop (April 2009): cocktails, a 45 minute talk and then dinner at a 5 star hotel in Penang, Malaysia (and that counts for Continuing Medical Education). **(see 9)**
10. A joint venture is set up between the Nestlé Nutrition Institute with FIMP, the Italian Federation of Pediatricians. Starting in 2009, there will be a prize for the family paediatrician who wins an article writing competition. **(see 10)**
11. In the UAE, a meeting for health professionals at the Radisson Hotel SAS Hotel in Sharjah was followed by dinner and covered *"information"* on feeding infants (Nestlé nutrition) in the first year of life as well as Nestlé and the Code. Posters were seen at the meeting–one was of **NAN 1** with the caption *"activating immune defenses in the crucial first year of life"* and *"unique nutrient composition priority"*.

If there is no free lunch, is there a Free Logo?

- In Egypt, NIDO, a Nestlé milk for children 12 to 36 months old, is endorsed by the Egyptian Pediatric Association who agreed to have their logo printed on the NIDO label. WHO recommends that breastfeeding continue up to 24 months or beyond; thus NIDO is a breastmilk substitute, even though the child shown on the label is a toddler.

  The endorsement may influence mothers of younger babies. Pediatricians owe it to their conscience to promote and protect breastfeeding and not endorse any product by association. Like lunches, logos do not come free.

- *"See your paediatrician and go home reassured"*. Nestlé and the Chilean Pediatric Society have begun a joint initiative to stress the pediatrician's role in proper feeding and care of infants (Nestlé's logo for this is *"healthy start, healthy life"*).

  These new joint ventures are a worrisome trend.

- *"The way forward to Bright Health Future"* is on leaflets for a World Health Survey in collaboration with WHO, MoH (UAE), sponsored by Nestlé.

  For the company it must seem like a small price to pay for association with a prestigious survey and get into the good books of the government.

These leaflets are found in most Mother and Child Health Centres controlled by the UAE Ministry of Health.

Stretching the Rules

This page highlights marketing practices which undermine or discourage breastfeeding especially those relating to products which may not come under the scope of the Code. Sponsorship activities which may give rise to conflicts of interest are also reported here. These activities are intended to promote breastmilk substitutes even though they are not Code violations.

Nestlé's Instructions are expandable

For years, Nestlé prided itself for not promoting products which have the same brand/label design as their infant formula.

For example, in their *"Nestlé Instructions for Implementing the WHO International Code of Marketing of Breastmilk Substitutes"* (page 5, July 2004 version), it is stated clearly that **Nan 2** and Nan 3 are covered by Nestlé Instructions as they have the same brand name as the infant formula **Nan 1**. Unlike its competitors, Nestlé's growing-up milks for children one and above are known by different brand names like Neslac and Nido.

Nan 3, marketed for babies from 1 to 3 years is covered by the Botswana law

When it became clear that growing up milks are set to become the best performing category within the overall global baby food market, accounting for more than 26% of the total milk formula value sales in 2008 (up from 17% in 2001) Nestlé quickly changed its mind about not using the **Nan** infant formula brand name to promote its growing up milk. Nan 3 is being introduced as *"Following the Natural Order"* and a natural progression from **Nan 1** and **Nan 2** in Botswana. In Malaysia, Nan 3 is being promoted with the slogan, *"Kids outgrow toys ... but Nan 3 protection stays with them."* In Singapore, a Nan 3 leaflet distributed at a parenting fair explains how long chain fatty acids like DHA and ARA are the structural and functional components of immune cells and how the immune system may be benefited by DHA and ARA in early nutrition.

Continuing what they started, Nan 3 now has a Protect Grow logo, (see write up on Protect)

At the company's 2010 AGM in Switzerland, the company proudly displayed new Lactogen labels. Disturbingly, **Lactogen 2** is indicated as suitable from the 6th month, effectively when the baby is five months old.

Promoting breastfeeding or selling products which replace it?

Poster on the right says *"Strengthen the immunity with Bifidus BL"* referrring specifically to Nan without mentioning names.

In Indonesia, a nursery room at the airport in Jakarta is sponsored by Nestlé to *"establish a healthier Indonesian society"*. The room is filled with posters of healthy happy babies above the Nestlé Nutrition logo.

Stretching the Rules

This page highlights marketing practices which undermine or discourage breastfeeding especially those relating to products which may not come under the scope of the Code. Sponsorship activities which may give rise to conflicts of interest are also reported here. These activities are intended to promote breastmilk substitutes even though they are not Code violations.

- In Costa Rica, in India (and probably many places in between) Nestlé paid for full page ads in national newspapers, ostensibly to celebrate World Breastfeeding Week (1–7 August).

Conflict of interest: using breastfeeding to improve manufacturer's corporate image

Beautiful images of babies at the breast, linked, not to the mother, but to the Nestlé logo and slogan: *Healthy Start, Healthy Life.* The text of one of them says *"there is a bond that unites us beyond words".* A bond between whom, one wonders? Shocked, the Costa Rica national breastfeeding committee wrote to the company to complain. Baby food companies who thrive on breastfeeding failure, have a conflict of interest when pretending to promote breastfeeding.

- In the Netherlands, Nestle gives free samples of complementary foods to mothers who agree to post positive messages about a particular product on their Facebook or Twitter page. It would appear that this type of "social marketing" , also known as "buzzing" is becoming another tool in companies' arsenal to win consumers.

- In Thailand, 2009 saw a competition for the best "Mommy Bear Blogger", a whole new website to connect mothers to a "more modern lifestyle". *"Bear Brand Protextion (a formula starting at 12 months) will focus on educating and strengthening relationships with the target mothers...to reinforce their recognition of the brand as a premium-quality product, which helps to enhance children's immunity..."* says Roland Stieger, Executive Business Director of Nestle, Thailand. Over 40 million Baht (US$1.3 million) was allocated to marketing in 2009.

"Bear Brand Protextion has appointed Saraichat ("Ning", a national celebrity) as its latest brand ambassador, to project an image of a well-educated and competent mother who devotes her full attention and time to raising and nurturing her beloved daughter," said Stieger. Such powerful role models are extremely attractive for mothers to emulate, even though 90% of Thai mums can never hope to get near any such affluence. But they can afford to buy a pack of the magic *"Bear Brand Protextion"*. And that, multiplied by millions, is the company's bottom line.

The Mommy Bear Network: connecting mothers or profit-making tool?

JUST IN

An IBFAN-ICDC report on baby food marketing practices

This page contains information received after the company report has been finalised.

DROPPINGS FROM DETAILING*

How sweet, babies go home with a bib and formula. How unsustainable and dangerous !

- In Laos, Nestlé reps often visit paediatric and ICU wards in hospitals. Occasionally they drop samples like this one of **Lactogen 1** and presents which inevitably get passed on to mothers. The items in the picture were unsolicited and found in a doctor's office.

*Companies employ sales representatives to build relationships with doctors. This is termed 'medical detailing' whereby the sales reps contact health workers and hospitals directly, providing them with free or discounted formula and encouraging them to recommend a particular brand. 'Medical detailing' also includes the practice of providing hospitals with company promotional materials. Such activities aim to get an implicit endorsement of a particular brand by the hospital which is extremely important to companies as it builds brand loyalty.

Nestlé's Popular Position Products (PPP) see Company Profile

The PPP marketing technique is manifested in Laos where smaller 135g packs of **Lactogen 1** are sold. The small packs are more accessible to the poor and that is exactly the intent. Usually, products are cheaper when bought in large quantities but here it is the opposite: at 10,000 kip each (about US$1.24) the smaller packs are cheaper to buy – for 60,000 kip one can purchase 810g, as opposed to only 750g in its standard packaging.

A clear strategy to reach the poor.

While the Code does not restrict the establishment of long-term pricing policies, the marketing of infant formula in small starter packages will have a negative impact on breastfeeding. The same marketing is applied in Papua New Guinea, also a country with very poor people. In conditions of poverty, breastfeeding not only reduces sickness, it prevents unnecessary deaths.

Small packs of Lactogen 1 are found in remote ethnic communities in Laos where poverty and illiteracy prevail.