

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.

## Heinz

### Company profile & Code violations

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

The H.J. Heinz Company, famous for ketchup, was established in 1896. Headquartered in Pittsburgh, Pennsylvania, the company also markets a selection of other foods including sauces, meals, snacks, and baby foods. According to data from Euromonitor, Heinz globally ranks fifth in sales of baby food which the company classifies as "Infant/Nutrition". From a base of jarred foods and cereals, the company's Infant/Nutrition business has been expanded through "up-aging" into toddler foods and "down-aging" into formula. Infant/Nutrition raked in USD281 million in Q1 of 2010.

The greatest long term opportunity for Heinz, according to a 2010 statement by Chairman William Johnson, lies "at the intersection of their highest growth category, Infant/Nutrition, and fast-growing emerging markets." Based on this assessment, Heinz has announced plans to launch its infant formula in India and China, the two countries with the highest birth rates in the world. In China alone, Heinz will spend USD30 million to develop its infant formula business for the 2010 fiscal year, targeting 450 cities.

This news takes away attention from problems the company faced in the UK.

In January 2010, a TV ad for Heinz Nurture follow-on formula was banned by the UK Advertising Standards Authority (ASA) because it made misleading claims about the health benefits of the product. The ad claimed that Heinz had developed its **Nurture** formula to "provide for those three essential aspects of growth" to help "nourish, protect and develop your baby." The ASA ruled that the ad's strategy implied a specific health benefit and that the evidence submitted was not sufficiently robust to support the product's claims.

Heinz announced in February 2010 that it will discontinue its entire range of Nurture baby milks in the UK which include Heinz Nurture Newborn Milk, Nurture Hungry Milk, Nurture Growing Baby Follow-on Milk, Nurture Gentle Infant Milk, Nurture Gentle Follow-on Milk and Nurture Soya Formula. Since Heinz Nurture only has a share of about two per cent of the UK market, the announcement went largely unnoticed.

Consumers elsewhere: Beware!

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#### **Brands**

Farley
Farex
Nurture baby
Baby's own
Dieterba
Plasmon
Nipiol
Wattie's

Logos





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In Canada, Heinz runs a Heinz Purity Assurance Programme to convey to mothers that their products are pure, safe and wholesome. Despite the programme, in December 2009, the company had to voluntarily recall some **Heinz Mixed Cereal** found to have ochratoxin, a metabolite of mould associated with grains. Although no illness was reported, the company decided to recall the affected products because "it was the right thing to do".

In New Zealand, there was a bigger scare. In the midst of the melamine debacle in China, dozens of babies in New Zealand fell sick in the last quarter of 2008. The problem was traced to a Heinz decision to change, without proper notification, the supplier and some ingredient of its **Nurture baby** infant formula. Parents were rattled and Heinz was obliged to swing into damage control mode. It posted an unreserved apology on the Nurture Baby website explaining that "human error" had let 400 cans of changed formula slip onto shelves without warning.

Also in New Zealand, Plunket, the largest provider of support services for the development, health and wellbeing of children under five, has a joint venture with Heinz for the development of Wattie's-Plunket baby foods. The annual royalty Plunket receives from Wattie's Baby Food contributes towards its services giving rise to conflicts of interest.





### Changing the way children eat

The company has a long-standing Global Code of Conduct which requires all its businesses perform and behave in a consistently legal and ethical manner. As the ensuing report reveal, this is not borne out by its practices. Since 2001, the company has initiated the Heinz Micronutrient Campaign (HMC). It whitewashes the company's poor record in Code Compliance. HMC seeks to overcome problems of iron deficiency anaemia and malnutrition among infants and children. HMC distributes single-serve sachets containing microencapsulated

nutrients, vitamins and minerals that can be mixed into food staples such as rice, maize, pulses or pureed fruits and vegetables. The programme has earned the company recognition but citizen groups fear that young child feeding patterns will dramatically change. They contend that 'artificial fortification' rather than 'natural fortification' of fresh indigenous foods will become the norm. HMC's potential to



Actress Lucy Liu is spokesperson for the Heinz Micronutrient Campaign

change the very way that poor children eat makes it an undesirable option. It raises the suspicion that "huge" benefits to the public hid an element of private gain when such fortification finds a market among well-intentioned agencies. IBFAN advocates instead for a holistic approach: this involves support for optimal breastfeeding and timely introduction of appropriate and adequate complementary foods through sound education.



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### Promotion to the public and in shops

- Article 5.1 of the Code prohibits advertising and all other forms of promotion of products under the scope of the Code.
- WHA resolution 54.2 (2001) advises exclusive breastfeeding for six months which means that the recommended age for use of complementary foods cannot be under six months.
- An ad in Azerbaijan promotes Heinz Hypoallergenic Cereals from 4 months with the statement that "at this age, pediatricians recommend introducing supplementary foods".

  Warning mothers to better play safe than be sorry, the ad continues that "it is better to start with hypoallergenic cereals, which lower the risk of development of allergies." As that statement is not convincing enough, Heinz goes further by saying "If your child already suffers from allergies, the new Heinz cereals will help to solve this problem". (see 1)
- In Canada, the Heinz website at http://www.heinzbaby.com/en\_ca/triple\_tested\_products/infant\_formula\_toddler\_nutrition/ promotes **Heinz Nurture** Infant formula as "our Best for your Baby". The relevant web-page draws similarity between its products and breastmilk. It says: "Breastfeeding is the optimal method of feeding your infant. However, if you cannot or choose not to breastfeed your baby, an iron fortified infant formula is an acceptable alternative because it provides similar amounts of energy (calories), protein, vitamins and minerals to those normally found in breast milk." (see 2)
- \* A Chinese ad from a parenting magazine shows a baby wearing an exceedingly tall mortar board to accentuate the claim of "More intelligence contained in Heinz Gold ... More intelligence found in infant". The ad also contains other claims which boast of the "Alga DHA & AA" content of the product. This Heinz cereal product is recommended for babies from 4 months. The ad is also imprinted with the "Brand of First Choice" logo of the Chinese Nutrition and Health Research Centre. (The label of the product advertised is analysed under the section on labels.) (see 3)

Article 10 of the Chinese Regulation forbids the 'propaganda' of breastmilk substitutes through the mass media. WHA resolution 58.32[2005] prohibits claims unless allowed by national or regional legislation.

❖ In Malaysia, a Heinz goodie bag containing recipe cards and information on solid foods are distributed in a child care centre at a local university. One booklet, *Starting Right*, recommends transition to solids at 4 months and shows pack shots of a product labelled as suitable from 4 months. (see 4)
In Malaysia, materials on complementary foods including ads and labels must have a statement that the product is not suitable for children under six months.





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#### In Singapore:

- A Heinz advertisement in *Motherhood* magazine offers mothers free consultation on weaning foods, a photo opportunity and 'fabulous lucky dips' with purchases at a parenting fair in Singapore. A cut-out coupon offers a Heinz Melamine spoon in exchange. The products promoted are indicated as "suitable for all ages". (see 5)
   The Code of Ethics on the Sale of Infant Foods prohibits company personnel from giving advice on infant feeding to parents.
- The same Motherhood magazine contains an advertorial entitled Fabulous Baby Food Finds. It represents Heinz cereal and Heinz pureed apple as best weaning items for "trouble free transition to solids". The advertorial plays on mothers fears by stating that baby's iron supply declines at 4 months and offers Heinz cereal as the solution. (see 6)
- Shops regularly offer tie-in sales (buy one Heinz Baby's
   Own fruit juice, get two) or gifts with purchases (one free
   Heinz fruit purees 4-6 months for every purchase of four
   Heinz Baby's Own fruit juice). (see 7)

#### ❖ In Vietnam:

- A free bowl is offered as a gift for every purchase of Heinz First Rice Cereal. (see 8)
- An illuminated signboard outside a grocer displays the Farley's logo in huge letters and a Heinz logo with the text "leading the way in baby nutrition for 75 years". Farley's is the name of a range of Heinz formula products sold in Vietnam. (see 9)

The Vietnamese Decree prohibits advertising of breastmilk substitutes for babies 0-6 months.

#### ❖ In the UAE:

- An ad in a catalogue distributed at the Mother Baby & Child Show terms Heinz as "the Nutrition Experts" and calls on mothers to "celebrate the joy of motherhood by giving your child best in class products with right nutrition values" and for the "happiest babies". Products promoted include Farley's; Food & Juices, Farley's Rusks and Heinz Cereals. (see 10)
- Another ad, found in the Arabic magazine, Majed, promotes Farley's Rusks and biscuits for babies above 6 months but undermines breastfeeding by showing a picture of bottle feeding baby and the slogans "Happy children grow up with Farley's" and "trusted by mothers for more than 100 years". (see 11)





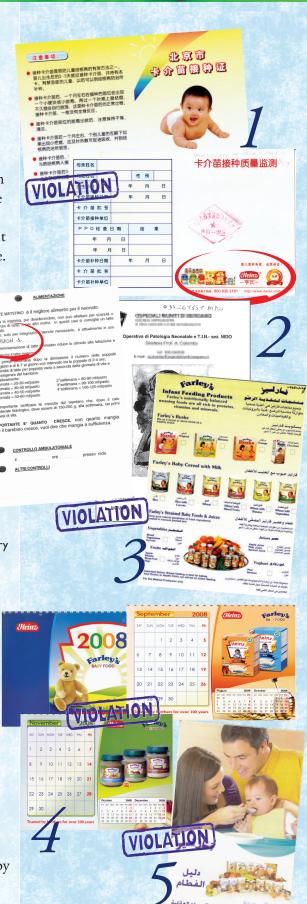
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#### Promotion in health facilities

- Article 6.2 bans the promotion of products within the health care system.
- Article 6.3 prohibits the display of products, placards and posters or the distribution of company materials unless requested or approved by the government.
- ❖ Immunisation cards promoting Heinz products are given to every baby at birth in Beijing, China. The front of the card has baby picture while the back shows the Heinz logo together with the "Brand of first choice" endorsement from the Chinese Nutrition and Health Research Centre. (see 1)
- ❖ In Italy, the distribution of formula samples to hospitals is widespread. Hospitals receive samples from different companies on a rotational basis. To comply with the Italian law which restricts the promotion of formula in hospitals, discharge letters (such as the one shown in 2) issued to new mothers state misleadingly that sometimes the mother, even if she likes to, cannot produce enough milk. In this case, Plasmon 1 is identified as the formula currently in use in the hospital followed by advice on the amount of formula to provide and frequency of the feed. This amounts to an implicit endorsement of the product in question.

The Italian law states that discharge letters issued to moms after delivery must not contain a prescription or advise the use of formula.

- In a mother and child health centre in the UAE:
- Prescription pads with tick boxes for Farley's Rusks and Cereals make it easy for doctors to recommend Heinz products in both English and Arabic. (see 3)
- Calendars bearing the slogan "Trusted by Mothers for over 100 years" promote different Heinz/Farley's
   Cereals, Rusks, Biscuits and Baby Yoghurts every month making the entire Heinz range desirable to mother. The products promoted include those indicated as suitable for babies from 4 months. (see 4)
- A bilingual booklet, "Farley's Guide to Weaning From baby's first solid food to solid meals" tells mothers about the complete range of foods designed to provide "all the nourishment and variety to keep your baby fit, healthy and happy." They include Farley's rusks, cereals, strained baby foods and baby biscuits. (see 5)





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#### **Labels**

- Article 9 of the Code requires labels to NOT discourage breastfeeding and inform about the correct use of the product, the risk of misuse and abide by a number of other points.
- WHA resolution 54.2 (2001) advises exclusive breastfeeding for six months which means that the recommended age for use of complementary foods cannot be under six months.
  - Ignoring WHA 54.2, Heinz continues to label its products as suitable for babies from 4 months in many countries. Heinz also uses pictures of cute young babies and animal images to idealise its products.
- In Armenia, Heinz biscuits are promoted for babies from 5 months. (see 1)
- ❖ In Australia, Heinz goes so far as to suggest for some of its product ranges that they are suitable "for all ages". It does so even as it concedes on its website that there is no advantage in giving babies solids early. Heinz products exported to Papua New Guinea via Australia also have the same age indication. (see 2)
- ❖ In Azerbaijan, **Heinz Hypoallergenic Cereals** are recommended for 4 and 5 months and the labels show idealising babies in cute animal costumes. (see 3)
- ❖ In China, the labels of **Heinz Cereal** recommend the product as suitable from 4 months, show smiling babies which idealise the products and contain claims about its AA and DHA content. (see 4)
- In Singapore, the full range of Heinz products is recommended as suitable from 4 months. (see 5)
- In Vietnam:
- Heinz Farley's labels for First Milk and Second Milk feature the idealising text "Closer than ever to breast milk". The text is in English, not Vietnamese. (see 6)

  The Vietnamese Decree #21/2006 prohibits the use of text which describes the product as equivalent or superior to mother's milk.
- Labels for **Heinz Pureed Pear & Banana** and **Baby's**Own fruit juice recommend the products as suitable for babies from 4 months. Apart from the nutritional facts, the labels are in English and not in full compliance of the Vietnamese Decree on the Marketing and Usage of Nutrition Products for Young Children. (see 7)

