

IBFAN PRESS RELEASE

“Breaking the Rules, *Stretching the Rules* 2010”.

This 208-page report details the latest marketing strategies used by baby food manufacturers and exposes violations of the *International Code of Marketing of Breastmilk Substitutes* and subsequent World Health Assembly resolutions over the three years from Oct 2007 to Oct 2010. In May 2010, the Assembly called on companies to meet their obligations and on governments to act to protect their citizens from practices that undermine breastfeeding and put babies fed on formula at risk. *Breaking the Rules, Stretching the Rules 2010* provides up-to-date evidence that action is urgently needed.

Independent monitors from over 46 countries contributed evidence showing that breastfeeding still faces multi-million dollar competition from baby feeding companies using new ways to promote their products, such as basing marketing campaigns on added ingredients, even when these have no proven benefit.

Nestlé, the market leader, has rolled out a new global ‘premiumisation’ strategy documented in the report. Nestle has long been the target of an international boycott which campaigners say has forced that company to drop some aggressive marketing strategies. Danone executives promised a ‘root and branch review’ of the practices of new acquisitions following the previous report in 2007, but BTR 2010 suggests practices have worsened, not improved and it now rivals Nestlé in terms of numbers of violations.

Danone's immediate response has been that 50% of violations in BTR 2010 are addressed by changes it has put in place and it has undertaken to stop some of the other practices highlighted. While this is welcome, as the second largest player and significant violator of the Code, Danone is likely to find itself the target of consumer action unless it commits to bringing policies and practices fully into line with the Code and Resolutions.

In another major acquisition, the pharmaceutical company Pfizer appears to be pushing the ever aggressive Wyeth to become even more vociferous. There is documented evidence of the company challenging a national law and providing forbidden incentive packages to staff to hit sales targets on its formula products.

The evidence was compiled, checked and legally analysed by the International Code Documentation Centre (ICDC) based in Penang, Malaysia. ICDC is part of the International Baby Food Action Network (IBFAN). Each company’s violations are presented along with an updated profile. IBFAN-ICDC produces global monitoring reports about every three years. It also publishes country and regional reports.

Mike Brady, Campaigns and Networking Coordinator, at the UK IBFAN group, Baby Milk Action, said:

“This report is different from previous reports in that it analyses trends in marketing. While our work on regulations and grassroots campaigns has stopped some practices,

the report shows that health and nutrition claims are now the key marketing strategy that needs to be tackled. Companies are using the most extraordinary and bizarre claims to suggest that their new ingredients provide functional benefits that are essential to child health. As markets become saturated this is a cynical attempt to 'add value' and increase profits."

For example, Nestlé has rolled out a strategy claiming its 'premium' formula 'protects' babies, while Danone's recently acquired subsidiaries Nutricia, Milupa and Dumex are trying to compete with claims that its trademarked ingredient, **Immunofortis**, stimulates the growth of good bacteria in baby's gut and strengthens its immune system. These claims have been shown to be scientifically unsubstantiated by advertising and regulatory authorities, but are nonetheless used as the basis for global marketing campaigns. While Nestlé is defending its **Protect** logos, Danone has already agreed to remove its **Immunofortis** claims, which will be prohibited anyway in the European Union. Danone has promised to remove the claims from products in all countries and IBFAN is in discussion with it about stopping all health claims.

Nestlé's **Protect** logo has been launched on products in 120 countries in a campaign coordinated from its Swiss headquarters. **Protect Start** and **Protect Plus** are unsubstantiated claims that formula milk with a "unique nutrient combination with *Bifidus BL* supplementation" 'protects' babies. Nestlé has also increased its reach by purchasing the Gerber company and moving its "**Good Start**" formula brand in the US to Gerber.

Mead Johnson, Abbott, Wyeth and others claim their formulas improve eyesight and make babies more intelligent – implying that synthesised ingredients in the totally different environment of formula provide benefits similar to breastfeeding. IBFAN takes the view that if an ingredient is proven to be necessary, it should be in all products and not used as a marketing tool.

Health claims are in direct conflict with the Code, with Codex Alimentarius guidelines and with two clear World Health Assembly resolutions which prohibit claims unless they are specifically permitted. ICDC's legal experts say it is dishonest and misleading to claim that a product will 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.

The annual total baby food market exceeds US\$31 billion according to global marketing reports. Double-digit growth is forecast for several regions and global sales are expected to reach up to US\$42.7 billion by 2013 (*Global Packaged Food: Market Opportunities for Baby Food to 2013, Euromonitor International*). Hence the pressure to increase market share is intense.

Annelies Allain, Director of the International Code Documentation Centre, said:

"It is ironic. None of these claims reveal that all of these advantages and more are in breastmilk. Despite the universal understanding of the crucial role of breastfeeding in the survival of children and the now well established risks of artificial feeding - companies continue to seek bigger and bigger markets using social marketing and other tricks of the trade. These tactics create an uphill battle for health workers and all those trying to protect child health and ensure that all parents are provided with sound objective and independent information they need."

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