

Breaking the Rules, Stretching the Rules 2004

Evidence of Violations of the International Code of Marketing of Breastmilk Substitutes and subsequent Resolutions

This Overview sums up the main points of the Report: Breaking the Rules, Stretching the Rules 2004, which analyses the promotional practices of 16 transnational baby food companies and 14 bottle and teat companies between January 2002 and April 2004. It is based on reports by IBFAN groups working independently or with governments in 69 countries.

The benchmark standards used for measuring marketing practices are the International Code of Marketing of Breastmilk Substitutes and relevant World Health Assembly (WHA) resolutions. More than 3,000 complaints were received from around the world and after legal checking, some 2,000 Code violations were analysed and reported on, company by company. The report also holds a selection of 712 pictures as illustrations of Code violations.

- Swiss-based **Nestlé** controls 40% of the global baby food market and that dominant position is unfortunately matched with its record as the worst Code offender. Nestlé markets from Taiwan to Trinidad and from China to Costa Rica. It was the company with the greatest number of reported violations of nearly all key provisions of the International Code. Nestlé maintains it abides by the Code but that means it abides by its own in-house 'Instructions', which fall short of the International Code. Even within its own narrow interpretation of the Code, Nestlé violates several provisions by promoting infant formula and follow-up formula and by disseminating information materials which are more promotional than 'scientific and factual' as required by the Code. In countries where the Code is not enforced like Thailand and Armenia, Nestlé and other companies shower gifts on health workers and mothers.
- Dutch **NUMICO** which owns **Nutricia, Cow & Gate, Milupa, Sari Husada** and a string of smaller baby food companies worldwide comes in as a close second worst violator. Like Nestlé, its internal 'Guidelines' restrict the scope of the Code to 'starter formula' to suit the company's own ends. Numico companies are pervasive in health facilities in Indonesia, Curacao and the Middle-East. Some maternities in Indonesia seem commercially bonded to Nutricia which provides them with supplies, samples, calendars, neonatal wristbands, cribcards and brochure
- Of the three American companies, **Mead Johnson's** violations are worse than those of **Abbott-Ross** and **Wyeth**. All three, however, infringe the Code in a blatant manner. Wyeth, in particular, has had a few brushes with national authorities on Code matters. Both Mead Johnson and Abbott-Ross have committed much of their marketing budgets to substantiate claims that their DHA enriched formulas make babies smarter.
- **Dumex** (Danish) seems bent on infiltrating the health facilities in South East Asian countries and in China. In terms of violations, Dumex runs neck to neck with **Hipp** (Germany), another mid-sized company, which is the most aggressive marketer in Eastern Europe. **Friesland** (Dutch) **Meiji** (Japan), **Humana** (Germany) and **Heinz** (USA) were all caught advertising to the public and to health workers.
- **Danone** (France), **Gerber** (USA/Switzerland) and **Snow** (Japan) show up less bad than the others, probably because very little monitoring was carried out in the countries where Danone and Gerber do most of their marketing. Snow seems to perform well because its violations were only recorded in Thailand and Hong Kong and because the company withdrew from the baby food market in many countries including Japan, where it was involved in several product liability scandals.
- Finally, **Morinaga** (Japan) grades better than others but violations still occur especially in health care facilities.

No company was found to fully comply with all the requirements of the Code and WHA resolutions. All claim their products to be more or less similar to breastmilk, if not better.

Bottles and Teats

Bottle and teat companies continue to violate the Code through unrestrained advertising and misleading labelling which often equates bottle feeding with breastfeeding.

A Japanese company, **Pigeon**, appears the most aggressive in its marketing practices and outstripped other companies by far. It is followed by the UK-based **Avent/Cannon**, while Italian **Chicco** has the doubtful honour to be third. **Camera** (Taiwan), **Gerber** (USA), **Nuk** (Germany), **Huki** (Indonesia) and **Evenflo** (USA) also frequently violate the Code.

Overall trends

The latest phenomenon in baby food marketing seems to be in *'functional' claims*. Companies try to differentiate their formulas by adding a string of additives and then claiming performance benefits for these. 11 out of the 16 companies jumped on the fatty acids (DHA etc.) bandwagon and are competing using misleading claims, esp. with regard to improved intelligence and the similarity to mother's milk. Regulatory agencies have been slow to challenge these claims, although in Canada, Mead Johnson was told to stop such claims in April 2004.

Many companies still close their eyes to the fact that the **Code covers all breastmilk substitutes**, not just infant formula. This deliberate misinterpretation contributes significantly to their poor rating. Donations of **free and low-cost supplies** continue despite the many resolutions which ban this practice. Monitoring reveals that promotion is most rampant in affluent societies. Even within developing countries, companies focus on the richer parts, disproving the claim that free formula is charity. Public hospitals hardly receive free donations; private hospitals have to fight to keep them out. The free formula is often passed on as samples to mothers which undermines breastfeeding.

Exclusive breastfeeding for six months. Only Nestlé has changed the labels of its complementary foods to six months in partial compliance with WHA 54.2 (2001). Partial, because it has done so only in developing countries. Other companies producing complementary foods continue to label and promote their products as suitable from a much earlier age, sometimes as early as the first week, generally from 'the fourth month' (end of three months) or from four months.

All selected companies abuse the Code provision allowing scientific and factual **information to health professionals**. They include text and images that are promotional and misleading. Often, these materials fail to contain warnings specified by the Code and are given in bulk to health facilities for distribution to mothers.

Health facilities and health workers continue to be targeted for company promotion especially in countries where the Code has not been implemented or is not properly enforced. Health workers receive lots of gifts and display items sporting the company and/or brand names. Such gestures are effective to indirectly influence mothers in making infant feeding decisions. When company materials are displayed in health facilities, they implicitly gain the added value of medical endorsement and companies capitalise on this useful avenue of promotion.

Sponsorship of medical seminars, conferences and associations of medical professionals is becoming more widespread, creating dependency and giving rise to conflicts of interests.

With companies competing to get their share of an estimated USD20 billion market, breaking the rules becomes a common occurrence. One thing, however, is clear: where a country has a strong national law, properly implemented and enforced, Code compliance improves. This should spur governments to implement the Code at the national level. Mothers can then make informed choices on infant and young child feeding free from commercial pressures and breastfeeding will receive the protection, promotion and support it deserves.

This Overview is based on “Breaking the Rules, Stretching the Rules 2004”, a 94-page report on how and where companies break the Code. The evidence is illustrated by over 700 photos of Code violations.

“Breaking the Rules, Stretching the Rules 2004” is available from:

IBFAN–ICDC
P.O. Box 19, 10700 Penang, Malaysia
Fax: + 60-4-8907291
Email: ibfanpg@tm.net.my
Web: www.ibfan.org