

STATE OF THE CODE BY COMPANY

SUMMARY

Infant Food Companies

This chart summarises the marketing performance of 10 transnational baby food companies. It acts as a score chart for the practices of the selected companies. 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*.

Since the last *State of the Code by Company* report in 2004, there were significant mergers and acquisitions between companies (and former rivals) resulting in the formation of fewer but larger, more formidable entities. Nestlé and Danone are now the two main corporate giants in the field of infant nutrition. Both companies have a shameful record of Code violating activities.

The sequence of listing on this chart is based on *Breaking the Rules, Stretching the Rules 2007*. Most acquisitions took place during and after the survey period (2004 to 2007) but since the acquired subsidiaries still market their own brands and under their own policies, they have been listed by their own name but are under the company that now owns them.

- Baby food giant **Nestlé** (now incorporating **Gerber**) remains the largest producer of baby food with an estimated 40 % of the total world market. In this report it still ranks as the worst Code violator, but Danone may soon overtake. Nestlé's promotional activities are mostly centred in health facilities. In 2007, Nestlé took over Gerber for \$5.5 billion in a bid to boost Nestlé's presence in the US market. The Swiss company's net profit increased from US\$9.8b in 2007 to US\$16.6b in 2008.
- French company **Danone** started with only one firm producing baby foods under its wing, Blédina. Once Danone acquired all of NUMICO in 2007, however, its new cluster of baby milk companies would have moved it to the top spot as worst Code violator. NUMICO is now known as Danone Baby & Medical Nutrition B.V. However, since the major NUMICO brands were not owned by Danone

during the period of the monitoring and since Danone did subsequently give an undertaking to conduct a 'root and branch' review of the marketing policies and practices of its newly acquired subsidiaries, it has been given the benefit of the doubt in this chart and is in second position. Promotion in hospitals and to the public are the worst offenses. Case in point: **Milupa** was reported to have outbid Abbott, Nestlé and Wyeth by offering 2.5 million Saudi Riyals (about US\$670,000) to hospitals to 'win' first place in positioning Aptamil as the primary sample to be handed out. Unless Danone brings practices and policies in line with the Code and resolutions, it will be debatable whether Nestlé or Danone is the 'worst' company for violations.

According to Danone's 2008 annual report, baby nutrition represented 18 percent, or €2.8b of the company's consolidated sales. Consolidated profits totalled US\$20.4b, an increase of US\$3.9b from the previous year.

- **Wyeth, Abbott Ross, Mead Johnson and Heinz** can be described as the quartet of US-based baby food companies. Their Code violations occur mostly via promotion in hospitals through gifts, samples and other aggressive marketing tactics. Heinz is particularly active in China, where happy Chinese babies beam from labels, ads and 'information' materials. Heinz baby foods in China bear the slogan "Brand of first choice".
- Germany's **Hipp** prides itself on organic produce but is known for its persistent marketing of teas and other drinks for babies from as early as one week after birth. Promotion in hospitals includes sample sachets offered in public areas (e.g. the reception) and cash grants for hospital purchases of Hipp 1 formula at retail price.
- **Friesland** focuses a large part of its promotional efforts on the South East Asian market with brands like Friso, Dutch Lady and Frisian Flag. The company did a brand makeover by shortening its product name to the easy-to-remember Friso. In the Netherlands, Friesland sent new mothers a letter asking "Is breastfeeding going well, or would you like to switch to formula?"
- Humana is smaller and may be near the bottom of this 'gallery of shame' but the company is not short on

controversy, after its subsidiary, Milte, was found guilty of price-fixing and fined €198,000 in Italy in 2005. Two years later, Milte landed itself in trouble again when it made spurious claims on two of its products. The 'Humana' name itself is a Code violation.

- **Bayer**, a newcomer on the market, promotes each of its six Novalac formulas as an answer to six infant 'ailments' through a gimmicky ad which has been seen in Australia, Croatia, Lebanon, Saudi Arabia and Slovenia. The ad appeared in pharmacies, magazines, websites and health care facilities.

Bottles and Teats

Monitoring has again revealed that manufacturers and distributors of these products persistently ignore the Code. Like formula, promotion of feeding bottles undermines efforts to protect, promote and support breastfeeding.

Violations continue unabated

Commercial promotion through the healthcare system is still rife. This includes the dissemination of product promotion masquerading as "information for health workers", direct commissions to doctors for each product they prescribe. Companies continue to shower gifts both cheap and lavish, small and large, on health professionals and health facilities. The gifts range from pens, diaries, calendars, thermometers, watches, baby blankets to clocks, sign boards, incubators, water coolers, baby scales and refrigerators. Most gifts carry the name of a manufacturer or a brand of infant food.

Product promotion to the public continues with advertisements designed to undermine a mother's confidence her ability to nurture her child. They play up the 'fear factor' by focusing on infant feeding problems. Company materials ignore the fact that exclusively breastfed babies are much less prone to such 'feeding problems'. Baby clubs, carelines, discounts and SMS are some of the methods companies also use to entice mothers.

Promotion of infant foods in violation of the Code							
Companies, Subsidiaries and main brands	CODE REQUIREMENTS						
	A	B	C	D	E	F	G
1. Nestlé/Carnation (Swiss) <i>Pre Nan, Nan 1, 2 & 3, Nan H.A. 1 & 2, NANAR, Lactogen 1 & 2, Beba 1 & 2, Nestogen 1 & 2, Guigoz 1 & 2, Good Start, Ninida 1 & 2, Alsoy 1 & 2, AL110, Pelargon.</i>	X	X	X	X	X	X	X
a. Gerber (USA) <i>Gerber 1st Foods, 2nd Foods, Gerber juices and cereals.</i>	—	—	X	?	~	—	X
2. Danone (French)							
a. Blédina <i>Nursie 1 & 2, Blédilait 1 & 2, Alma-Blédilait, Gallia 1 & 2.</i>	X	X	X	X	X	~	X
b. Dumex (Danish) <i>Dumex Infant Formula Step 1 & 2, Dulac Step 1, Dupro Step 2, Mamex Infant & Follow-up Formula, Mamex Gold Step 1 & 2.</i>	X	X	?	X	X	?	~
c. Nutricia/Cow & Gate (Dutch/UK) <i>Nutrilon 1 and 2, Nutrilon Soya, Nutrilon Hypoallergenic, Malish, Mildibe 1 & 2, Bebelac 1 & 2, Karicare Gold 1 & 2.</i>	X	X	X	X	X	X	X
d. Mellin (Italian) <i>Mellin 1 & 2, Mellin Progress 1 & 2, Mellin Pentolac 1 & 2.</i>	~	X	~	?	~	?	?
e. Milupa (German) <i>Aptamil 1 & 2, Aptamil Pre, Aptamil HA 1 & 2, Conformil, Babymil, Aptamil Comfort, Milumil 1 & 2, Milumil HA 1 & 2.</i>	X	X	X	X	X	X	X
f. Sari Husada (Indonesian) <i>SGM 1 & 2, SGM LLM.</i>	X	~	~	~	X	?	X
3. Wyeth (USA) <i>Bonna, S-26 Gold, S-26 Promil, S-26 Promil Gold 1 & 2, S-26 HA, SMA, SMA Gold, SMA Wysoy, Infasoy, Promil, Progress.</i>	X	X	—	X	X	~	X
4. Abbott Ross (USA) <i>Similac Advance, Similac Advance Excel, Similac Lactose Free, Similac Gain, Similac Gain Advance, Isomil EyeQ, Isomil 1.</i>	X	X	—	X	X	X	X
5. Hipp (German) ■ <i>Hipp pre, Hipp 1 & 2, Hipp H.A., Hipp NE, Hipp Milchnahrung, Hipp Bio-Anfangsmilch 1 & 2.</i>	X	X	X	X	X	X	X
6. Mead Johnson/Bristol Myers Squibb (USA) <i>Enfamil Premature LIPIL, Enfamil AR LIPIL, Enfamil LIPIL Low Iron, Enfamil LIPIL with Iron, Enfacare LIPIL, Enfamil Gentlease.</i>	X	X	—	X	X	?	X
7. Friesland/Coberco (Dutch) ■ <i>Friso 1 & 2, Friso 1 Comfort, Friso 1 & 2 Extra, Frisian Flag 1 & 2, Friso Gold, Frisogrow.</i>	X	X	—	X	X	~	~
8. Heinz (USA) <i>Nurture Starter, Nurture Plus, Nurture Gold Starter & Follow-on, Plasmon 1 & 2, Nurture 2 Follow-on, Farley's Follow-on.</i>	X	X	X	X	X	?	?
9. Humana (German) ■ <i>Humana Anfangsmilch Pre, Humana 1, Humana HA.</i>	X	~	~	X	X	~	X
10. Bayer/United Pharmaceuticals (French) ■ <i>Novalac range for Colic, Diarrhoea, Reflux, Constipation; Sweet Dreams, Hypoallergenic, Novalac Stage 1 & 2.</i>	X	X	—	X	~	?	?

KEY

X Many violations reported

~ Few violations reported

? Compliance unknown

— Not applicable

Notes

The selected companies in this chart are listed according to estimated market share. Each baby food company's name is followed by some of its best-known brands.

Twelve of the baby food companies listed are members of the International Association of Infant Food Manufacturers (IFM), an industry association which claims that its members comply with the Code. The symbol ■ marks the four that do not belong to IFM.

The columns on the chart reflect the key provisions of the International Code and related WHA resolutions. In rating the companies for each category, activities related to products within the scope of the Code were measured according to all relevant Code provisions and subsequent resolutions. The following explanations illustrate some of those criteria. The text of the most relevant Code provisions and related WHA resolutions is reproduced overleaf.

Requirements

A. **No advertising or other direct promotion of infant formula to the public:** Companies may not advertise or use any other method of promotion to induce sales to consumers. [Article 5]

B. **No advertising or other direct promotion of follow-up milks to the public:** Follow-up milks replace breastmilk and thus constitute breastmilk substitutes within the scope of the Code. Their promotion therefore is a violation of the Code. [Article 2, WHA 39.28 (1986)]

C. **No advertising or other direct promotion of other breastmilk substitutes to the public:** The term "other foods marketed as breastmilk substitutes" used in this chart includes cereals, infant teas, juices, strained foods and other foods and drinks marketed for infants. These products should not be promoted for babies younger than six months of age, should not suggest that they be used in a feeding bottle, or promoted within the healthcare system. This column evaluates company compliance with relevant Code provisions and with resolutions WHA 39.28 (1986), WHA 47.5 (1994) and WHA 49.15 (1996).

D. **No promotion to health workers:** Companies may not offer gifts to health workers as inducements to promote their products. Information materials must be restricted to factual and scientific matters and must include all information specified in Article 4.2 of the Code. Samples may be given only for research or professional evaluation. [Article 7]

E. **No promotion in health care facilities:** Companies may not promote products via posters, samples, gifts and the like. Pamphlets and other materials written for mothers must comply with Article 4.2 [Art. 4, 5 & 6]

F. **No free or subsidised supplies:** Donations or low-price sales of breastmilk substitutes, feeding bottles and teats may not be made to any part of the health care system. [WHA 39.28 (1986); WHA 47.5 (1994)]

G. **Adequate labels:** Infant formula labels must not bear pictures of babies or idealise bottle feeding. Labels must be written in the local language, must include all specified information in a clear, conspicuous and easily understandable manner and must not discourage breastfeeding. [Art. 9]

Feeding Bottles and Teats												
CODE REQUIREMENTS	COMPANIES											
	Adiri (USA)	Avent (UK)	Camera (Taiwan)	Chicco (Italy)	Dr. Brown's (USA)	MAM (Austria)	Nuby (USA)	Nuk (Germany)	Pigeon (Japan)	Playtex (USA)	Second Nature (USA)	Tommee Tippee (UK)
No promotion to the public	~	X	?	X	X	~	~	X	X	X	~	~
No promotion in health care facilities	?	X	?	~	?	~	?	X	X	?	?	~
Appropriate labels	~	~	~	X	~	X	X	?	~	?	?	?

Sources: This document does not claim to provide full information on any one company, but paints a general picture of their compliance to the International Code as measured through evidence reported in the 2007 *Breaking the Rules, Stretching the Rules* (BTR). The BTR is based on facts collected from June 2004 to October 2007, in more than 3,000 reports of violations from 67 countries, for which all evidence was reviewed and verified. It is important to note that for each violation reported, there are thousands of others as companies mass-produce their materials.

Additionally, if a company has no violations reported in a certain category, this does not necessarily mean that these violations do not exists, they simply may not have been found. The tool that is most commonly used to record incidents of Code violations is SIM, or Standard IBFAN Monitoring. ICDC also receives evidence in the form of actual samples and notifications via post, email and phone. SIM collection centres in Europe, Latin America and Asia check and translate the information before it is sent on to ICDC for thorough legal and factual verification. The data are then sorted by company and by type of violation.

“As long as companies are allowed to spend millions to promote their products, breastfeeding promotion will not have a chance. It is their corporate responsibility to stop the competition and abide by the rules.”

2009

INTERNATIONAL
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*Celebrating 30 years of
protecting infant health*



**A survey of marketing practices of infant food
and feeding bottle companies, compared to the
requirements of the International Code of Marketing
of Breastmilk Substitutes**

STATE OF THE CODE BY COMPANY

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This chart is based on a 2008-2009 survey and on the most
recent information available. While every effort has been taken
to obtain accurate data, some information may be incomplete.
ICDC welcomes additions or corrections and will incorporate
them in future editions.

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Sources:

1. Government replies to ICDC survey.
2. Government reports to UNICEF Nutrition Section.
3. Reports to the World Health Assembly.
4. Data obtained by IBFAN groups.

Previous IBFAN-ICDC State of the Code charts have
been published in 1986, 1988, 1989, 1991, 1994, 1998,
2001, 2004 and 2006.



The International Baby Food Action Network (IBFAN) is a coalition of more than
200 citizen groups in 95 developing and industrialised nations.

IBFAN works for better child health and nutrition through the promotion of
breastfeeding and the elimination of irresponsible marketing of baby foods, feeding
bottles and teats.

The Network helped to develop the International Code of Marketing of Breastmilk
Substitutes and is determined to see marketing practices everywhere change
accordingly.

INTERNATIONAL
CODE
DOCUMENTATION CENTRE

About ICDC

The International Code Documentation Centre (ICDC) was set up in 1985 to keep
track of Code implementation worldwide.

- Since 1991, ICDC has been giving training courses on Code implementation to
assist governments in drafting sound legislation to protect breastfeeding.
- ICDC collects, analyses and evaluates national laws and draft laws.
- ICDC also conducts Code monitoring courses and maintains a database on
Code violations worldwide.
- ICDC publishes Breaking the Rules and State of the Code by Country every two
to three years.

MANUFACTURERS' RESPONSIBILITIES

The following excerpts from the International Code and from Resolutions 39.28, 47.5, 49.15, 54.2, 55.25, 58.32 and 59.21 outline responsibilities of companies

Resolution WHA 34.22, May 1981

Article 2. Scope of the Code

2. The Code applies to the marketing, and practices related thereto,
of the following products: breastmilk substitutes, including infant
formula; other milk products, foods and beverages, including bottle-
fed complementary foods, when marketed or otherwise represented
to be suitable, with or without modification, for use as a partial or total
replacement of breastmilk; feeding bottles and teats. It also applies to
their quality and availability, and to information concerning their use.

Article 4. Information and education

- 4.2 Informational and educational materials, whether written, audio,
or visual, dealing with the feeding of infants and intended to reach
pregnant women and mothers of infants and young children, should
include clear information on all the following points: (a) the benefits and
superiority of breastfeeding; (b) maternal nutrition, and the preparation
for and maintenance of breastfeeding; (c) the negative effect on
breastfeeding of introducing partial bottle-feeding; (d) the difficulty
of reversing the decision not to breastfeed; and (e) where needed,
the proper use of infant formula, whether manufactured industrially
or home-prepared. When such materials contain information about
the use of infant formula, they should include the social and financial
implications of its use; the health hazards of inappropriate foods or
feeding methods; and, in particular, the health hazards of unnecessary
or improper use of infant formula and other breastmilk substitutes.
Such materials should not use any pictures or text which may idealize
the use of breastmilk substitutes.

Article 5. The general public and mothers

- 5.1 There should be no advertising or other form of promotion to the
general public of products within the scope of this Code.
- 5.2 Manufacturers and distributors should not provide, directly or indirectly,
to pregnant women, mothers or members of their families, samples of
products within the scope of this Code.
- 5.3 In conformity with paragraphs 1 and 2 of this Article, there should be
no point-of-sale advertising, giving of samples, or any other promotion
device to induce sales directly to the consumer.
- 5.4 Manufacturers and distributors should not distribute to pregnant
women or mothers of infants and young children any gifts of articles or
utensils which may promote the use of breastmilk substitutes or bottle-
feeding.
- 5.5 Marketing personnel, in their business capacity, should not seek direct
or indirect contact of any kind with pregnant women or with mothers of
infants and young children.

Article 6. Health care systems

- 6.2 No facility of a health care system should be used for the purpose
of promoting infant formula or other products within the scope of this
Code.
- 6.3 Facilities of health care systems should not be used for the display
of products within the scope of this Code, for placards or posters

concerning such products, or for the distribution of material provided
by a manufacturer or distributor other than that specified in Article
4.3.

Article 7. Health workers

- 7.2 Information provided by manufacturers and distributors to health
professionals regarding products within the scope of this Code should
be restricted to scientific and factual matters, and such information
should not imply or create a belief that bottle-feeding is equivalent
or superior to breastfeeding. It should also include the information
specified in Article 4.2.
- 7.3 No financial or material inducements to promote products within the
scope of this Code should be offered by manufacturers or distributors
to health workers or members of their families.
- 7.4 Samples of infant formula or other products within the scope of this
Code, or of equipment or utensils for their preparation or use, should
not be provided to health workers except when necessary for the
purpose of professional evaluation or research at the institutional
level.

Article 9. Labelling

- 9.1 Labels should be designed to provide the necessary information
about the appropriate use of the product, and so as not to discourage
breastfeeding.
- 9.2 Manufacturers and distributors of infant formula should ensure that
each container has a clear, conspicuous, and easily readable and
understandable message printed on it, or on a label which cannot
readily become separated from it, in an appropriate language, which
includes all the following points: (a) the words "Important Notice" or
their equivalent; (b) a statement of the superiority of breastfeeding;
(c) a statement that the product should be used only on the advice
of a health worker as to the need for its use and the proper method
of use; (d) instructions for appropriate preparation, and a warning
against the health hazards of inappropriate preparation. Neither the
container nor the label should have pictures of infants, nor should
they have other pictures or text which may idealize the use of infant
formula. They may, however, have graphics for easy identification of
the product as a breastmilk substitute and for illustrating methods of
preparation. The terms "humanized", "maternalized" or similar terms
should not be used.

Article 11. Implementation and monitoring

- 11.3 Independently of any other measures taken for implementation of this
Code, manufacturers and distributors of products within the scope of
this Code should regard themselves as responsible for monitoring
their marketing practices according to the principles and aim of this
Code, and for taking steps to ensure that their conduct at every level
conforms to them.
- 11.5 Manufacturers and primary distributors of products within the scope of
this Code should apprise each member of their marketing personnel
of the Code and of their responsibilities under it.

Resolution WHA 39.28, May 1986

REQUESTS the Director-General to specifically direct the attention of
Member States and other interested parties to the fact that:

- the practice being introduced in some countries of providing infants with
specially formulated milks (so-called "follow-up" milks) is not necessary.

Resolution WHA 47.5, May 1994

URGES Member States:

- to ensure that there are no donations of free or subsidized supplies of
breastmilk substitutes and other products covered by the International
Code of Marketing of Breast-milk Substitutes in any part of the health
care system.

Resolution WHA 49.15, May 1996

URGES Member States to ensure that:

- complementary foods are not marketed for or used in ways that
undermine exclusive and sustained breast-feeding;
- the financial support for professionals working in infant and young child
health does not create conflicts of interest, especially with regard to the
WHO/UNICEF BFHI;
- monitoring the application of the International Code and subsequent
relevant resolutions is carried out in a transparent independent manner,
free from commercial influence.

Resolution WHA 54.2, May 2001

URGES Member States:

- ...to protect, promote and support exclusive breastfeeding for six
months as a global public recommendation, taking into account the
findings of the WHO expert consultation on optimal duration of exclusive
breastfeeding and to provide safe and appropriate complementary
foods, with continued breastfeeding for up to two years and beyond..."

Resolution WHA 55.25, May 2002

- Requests the Codex Alimentarius Commission to continue to ...improve
the quality standards of processed foods for infants and young children
and to promote their safe and proper use at an appropriate age,
including through adequate labelling, consistent with the policy of WHO,
in particular the International Code .. resolution WHA 54.2, and other
relevant resolutions of the Health Assembly.

Resolution WHA 58.32, May 2005

- ... to ensure that nutrition and health claims are not permitted for
breastmilk substitutes, except where specifically provided for in national
legislation; continue to ensure that manufacturers adhere to Codex
Alimentarius or national food standards and regulations.

Resolution WHA 59.21, May 2006

- ... renew commitment to policies and programmes related to
implementation of the International Code of Marketing of Breastmilk
Substitutes and subsequent relevant Health Assembly resolutions and
to the revitalisation of the Baby-Friendly Hospital Initiative to protect,
promote and support breastfeeding.