

# Abbott - Ross

Miles D. White  
Chairman of the Board and CEO  
Abbott Laboratories  
100 Abbott Park Road,  
Abbott Park, Illinois 60064-3500, USA  
Tel: +1 847 937 6100  
Fax: +1 847 937 1511  
URL: www.abbott.com

## Products include:

### FORMULA:

*Similac, Similac Advance, Similac Advance Excel, Similac Advance Follow-On, Similac Excellence Follow-On, Similac Advance With Iron, Similac LF, Similac Gain, Gain, Gain Advance, Gain IQ, Gain Plus, Premilac 1, Premilac 2, Neosure, Isomil, Isomil Follow-Up.*

### COMPLEMENTARY FOODS:

*Abbott Extra Cereals, Similac Cereals.*

## Logos & Icons:

*The Rosco Bear and his comfort blanket promote most Abbott Ross infant and follow-up formula.*



Only in Brazil has the law forced Rosco Bear off labels.

Headquartered in suburban Chicago, Abbott Laboratories produces pharmaceuticals, nutritionals and medical products. Abbott Ross markets its products in 130 countries.

In 2002, Abbott achieved record sales of \$17.7 billion and net earnings of \$3.2 billion. The Medical Products Group, which includes diagnostics, hospital products and nutritionals, reached \$8 billion in sales. There has been speculation that Abbott Laboratories would spin-off its nutritional products business in favour of more concentration on hospital products. An analyst with J.P Morgan says *“But the hospital products business isn’t nearly as profitable as the nutritionals business”*. The high profitability of the infant food business and intense competition from Mead Johnson are the main reason for Abbott’s aggressive marketing campaigns.

Abbott successfully uses ‘image transfer’ by riding on another organisation’s good reputation. For example, in 2004, in the Gulf countries, Abbott bought UNICEF diaries and inserted its company name, mission statement and addresses on the inside front cover and the Abbott logo on the last page with the slogan *“Improving Lives”*. This same strategy was used for a well-known breastfeeding book published in 2002 by the American Academy of Pediatrics (AAP); Abbott bought 300,000 copies and added the Rosco bear to the cover. Mothers and doctors who receive a free copy, get a double message. Does it promote breastfeeding or Similac? The chairman of the AAP breastfeeding committee called it *“Thievery”*. But AAP makes a profit and agreed to sell Abbott another 300,000 copies in 2003. Abbott has continuously nurtured close ties with the AAP by giving grants for its awards and donating at least \$500,000 towards AAP’s operating budget. The company also contributes to the \$1 million renewable grant to the AAP by several formula manufacturers. Little wonder that AAP came to the companies’ aid when they felt a 2003 US government campaign to promote breastfeeding was too hard-hitting on the risks of formula feeding. The campaign has now been watered down.

In the US, where breastfeeding rates are increasing, Abbott and other formula manufacturers have launched their latest marketing tool to get a larger share of the \$3 billion market: the addition of fatty acids, DHA and AHA into formula products. Abbott’s claim, however, that its Isomil and Similac products bolster IQ and eyesight are based on short term clinical trials that merely show short term benefits and no benefits when compared to breastfed children. Abbott’s Isomil soy formula has been withdrawn from the market in New Zealand following widespread concern over long term risks to child health.

## Promotion to the public

- ▶ *Article 5.1 of the Code prohibits advertising and all other forms of promotion of products under the scope of the Code.*
- ▶ *Article 5.2 and 5.4 of the Code prohibit companies from giving samples and gifts to mothers.*

- In China, company representatives visit mothers and offer samples of infant formula, give infant feeding information by telephone and send promotional materials directly to mothers.

- In Thailand company representatives visit or call mothers at home, give samples and gifts and recommend **Similac** infant formula. Promotional materials are mailed directly to mothers.



Samples, CDs and pouches to promote brand recognition and ensure mother's loyalty.



- Abbott uses parents clubs and coupons to collect addresses and particulars of babies, to direct targeted promotional mailings.



- In Singapore, Rosco Bear invites pregnant women to sign up or recommend a friend to the company's "Join Our Club" programme using an entry form in a booklet about **Similac Advance Follow-On, Gain IQ Follow-Up and Isomil Soy Protein Follow-Up** formulas. ◀

- A sign-up coupon for Abbott's **IQ Club** is handed out at an International Baby/Children Products Expo in Hong Kong. **IQ Club** members receive a free gift, information on infant feeding, discounts on clothes and toys, and invitations to health talks. ▼



- Parents in Singapore can fill in coupons in **Similac** ads in a newspaper and **Motherhood** magazine to receive a free 400g tin. The ads compare the product with breastmilk and make claims about brain development. One ad has the heading "The smart formula for smart babies". ▶



# IQ is it Intelligence? Intestinal? or Eye?

Abbott's IQ stands for any of these depending on where you buy the product



- Babies wearing graduation caps, the mention of brain development and the big letters "IQ" suggest the product will increase "intelligence quotient". In Singapore, tiny words reveal this IQ refers to "Intestinal Quality".



Not so in Hong Kong and Malaysia where in **Gain Advance** materials the "I" in "IQ" contains the word "eye", suggesting the product will improve vision as well as intelligence. Also in Malaysia, Gain Plus, a growing up milk, has the same 'eye' in IQ.

- "IQ: most nutritious, baby totally brilliant." A leaflet in Hong Kong links **Gain Advance** with brain development and claims it will strengthen baby's immunological defence. The large letters IQ and the smart baby imply the baby will be more intelligent. There is no conclusive evidence to back this up but the promotion is very effective in terms of sales. ◀



- Coupons in ads for **Gain IQ** in Singapore's **Motherhood** magazine can be redeemed for a 450g tin. The ads promote **Gain IQ** as a growing-up milk but the packshot calls it a follow-on formula. ▶





- Abbot offers a free tin of **Similac Excellence Follow-on** to mothers in Singapore who are impressed with the product's claim to be "even closer to breastmilk".



▲ A graph in the centre of the ad shows equivalence with breastmilk – definitely not true and not allowed by the Code.

- An insert in a **Similac Advance** leaflet in Singapore offers samples and a toy – the "Similac sensory bear" – to enhance the development of baby's senses.

- An advertisement in Thailand for **Similac Advance** compares the product with breastmilk. Words like "good immunity", "clever", "good digestion" and "comfortable tummy" idealise its use. An advertorial with the same heading reinforces the ad's messages.



- Members in Abbott's *Parents Club* in Thailand receive a free parent-baby journal, samples, invitations to seminars, other activities and counseling on maternal and child nutrition.
- An advertisement in a Thai newspaper features healthy babies with packshots of **Similac Advance**, **Gain Advance**, **Similac LF** and **Isomil**.

### Promotion at point-of-sale

▶ *Article 5.3 of the Code bans promotional devices at the retail level.*

- Shelf-talkers, posters and leaflets promote **Premilac** infant and follow-up formulas in shops in China. Company representatives promote **Premilac** in some shops.

- Abbott gives discounts and gifts with purchases of **Gain** in Colombia, and discounts on **Similac Advance** in Peru.▶



- Special shop displays promote **Similac** in the Dominican Republic and **Gain** in Vietnam, where a large cardboard teddy bear wearing a graduation cap claims added DHA enhances brain development.

- In Curaçao, a display card in a pharmacy shows packshots of **Similac** and five other Abbott brands and describes the situations for which they are recommended, under the heading: "Formulas for all your patients' feeding needs."

### Promotion in health facilities

#### Samples and supplies

▶ *WHA Resolution 47.5 (1994) urges an to end to free or subsidised donations of products to all parts of the health care system.*

▶ *Article 7.4 allows samples to health workers only for research purposes. Health workers may not pass on samples.*

- Abbott gives unsolicited donations to health facilities, (**Similac** in Indonesia and Curaçao, **Similac**, **Similac Advance** and **Isomil** in the Dominican Republic, **Similac** and **Similac Advance** in Peru and the United Arab Emirates, **Similac Advance** and **Gain Advance** in Thailand). Health workers often pass on free supplies as samples to mothers.
- Health facility staff and company reps give mothers samples of **Similac**, **Similac Advance** or **Isomil** in China, Malaysia and the Dominican Republic. In the latter country, they visit health facilities sometimes twice weekly to give samples and flyers. After caesarean delivery, mothers receive samples of **Similac**.
- Mothers of low birthweight babies in Thailand are given **Neosure** samples upon discharge.
- Abbott distributes **Similac** disposable infant nipples to health facilities in the UAE.

#### Gifts to health workers

▶ *Article 7.3 provides that there should be no financial or material inducement to promote products.*

- Abbott wins favour with health workers through gifts like:
  - calendars in China;
  - clothing and bottles of whisky in the Dominican Republic;
  - jackets and prescription pads in Peru
  - notepads, pens and deodorant pads in Thailand.



◀ Telephone deodorant pads bearing brand names like **Similac Advance** and **Gain**.

### Other gifts and materials

- ▶ **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 government.

- Mothers in Thailand receive gift packs, pouches and promotional materials (**Similac Advance** and **Gain Advance**) in health facilities, sometimes while still in the labour room!
- Abbott products and promotional materials and posters are displayed in health facilities in China.
- **Similac** posters are displayed in health facilities in Indonesia.



- In Indonesia, Abbott supplies health facilities with cot cards bearing the company name and Rosco Bear.▶

- **Similac** leaflets with baby pictures and packshots are displayed in health facilities in Lithuania.

- In health facilities in many countries, **Similac Advance** is portrayed as the formula of the future with this beautiful starry-eyed baby looking into space. In Malaysia, the same “New Era” baby promotes **Isomil Plus**, a growing up milk. Rosco Bear and his comfort blanket promote all Abbott formulae.



- Tear-off prescription pads given to health workers in Yemen make it easy to undermine breastfeeding.



Health workers tick the picture of the formula and give the sheet to mothers, who purchase the recommended formula in pharmacies.◀

- Abbott gives health workers in the UAE notepads showing a **Gain** packshot and two babies.▶



- Nurses in Thailand are recruited to get mothers to complete sign-up sheets. Abbott uses the information to mail music CDs, cassette tapes and samples of **Similac Advance** to mothers.



- In paediatric clinics and maternity wards in Thailand, Abbott displays items featuring Rosco Bear to promote **Similac** and **Gain**.

### Labelling

- ▶ **Article 9** of the Code requires labels to **NOT** discourage breastfeeding and to inform about the correct use of the product, the risk of misuse and abide by a number of other points.

- **Similac** labels in Indonesia claim the formula is patterned after breastmilk, and **Isomil** labels fail to indicate that the product is for babies with specific dietary needs.
- In Zimbabwe, **Isomil** tins lack important statements required by the Code and the national law.
- Labels of **Similac** and **Isomil** in Indonesia, **Isomil** 125g samples in Malaysia (below) and **Similac** in Kenya and the Dominican Republic are in English only and not the local languages as required by the Code.



- A bottle and teat and the company's teddy bear mascot appear on **Similac** labels in Kenya.
- In New Zealand where **Isomil** is now withdrawn from the market, the label used to say “*First choice of Doctors*”. The New Zealand Commerce Commission found Abbott guilty of false claims over that statement.



Misleading text and pictures which violate the Code

- ▶ **Article 4.2** requires all information material to advocate for breastfeeding and not contain pictures or text which idealises the use of breastmilk substitutes.
- ▶ For health professionals, **Article 7.2** of the Code only allows product information which is factual and scientific.

- Leaflets in China, Hong Kong, Lithuania, Puerto Rico, Singapore, UAE and Uruguay compare **Similac**, **Similac Advance**, **Similac Advance Excel**, **Gain Advance** with breastmilk.
- Bottle feeding is idealised by attractive pictures of infants in a Lithuanian leaflet for **Similac Advance** and in Puerto Rico by a picture of a mother bottle feeding a baby in a **Similac** booklet.
- In this leaflet from the UAE titled “*Similac – clinical performance like a breastfed infant*”, **Similac Advance** and **Similac Advance Excel** come out on top when measured against two unnamed brands, with content and infant development comparable to breastmilk.



- An Abbott-Ross handbook on breastfeeding in Curaçao intended for health care workers clearly addresses mothers. The text refers to 3-4 weeks of breastfeeding and mentions **Similac** and **Isomil** twelve times. Four out of its 27 pages are devoted to breastfeeding problems, but not a word about problems caused by bottle feeding.



A leaflet in Lithuania advertises the Abbott formula line, as well as **Similac** cereals, using a happy baby's picture and packshots. The cereals are recommended for use from four and five months.

- A leaflet in Singapore designed as a baby's letter to Mummy draws comparisons between breastmilk and **Similac Advance** and recommends starting solid foods at four to six months of age.

"Mummy, my future is in your hands... so choose the right formula."



- A “*Child Care Handbook by American Abbott*” in China gives incorrect information about breastfeeding. Mothers are told to feed for 10 minutes on each breast and advised to wash their nipples with hot water. The information given on artificial feeding does not comply with Article 4.2 of the Code.



Abbott products ranging from Formance milk for mothers to **Similac**, **Gain**, **Pediasure** and **Grow**, encircle a happy baby on the back cover.

- A booklet in Singapore promoting **Similac Advance Follow-On**, **Gain IQ Follow-Up** and **Isomil Soy Protein Follow-Up** recommends solid foods from four months.
- In the UAE, an infant feeding booklet promotes **Similac Gain** and gives incorrect advice, such as to give the baby water between feeds, orange juice from three months and other fruit juices and solids from four months.

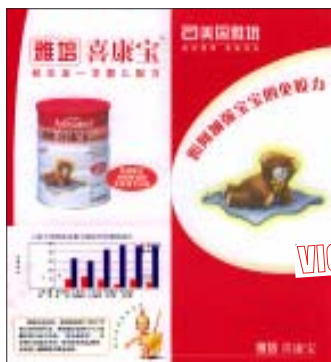


- Leaflets in China promoting **Similac Advance**, **Gain**, **Gain Advance** and **Premilac 1** and **2** make claims about the products such as “*strengthens baby's immunity*”, “*No indigestion with formula made by Abbott*”, “*optimum mental and psychomotor development, strong bones, enhanced immune function*” and “*well-tolerated formula*”.

- Chinese promotional materials use a gold shield to symbolise resistance to infections and immunity to disease, claimed by the T-PAN content in its products.



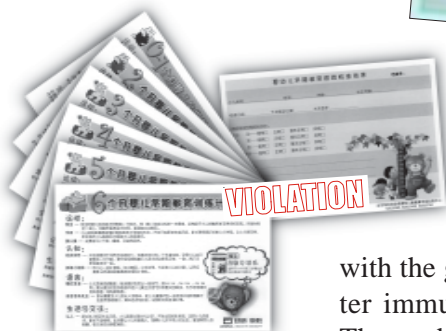
Gold shield T-PAN protection in Premilac 1 & 2.



A baby warrior holds a similar shield in this leaflet on Similac Advance.

- A leaflet in China proclaims: “Babies fed formula by Abbott grow as healthy as those fed by breastmilk.”
- A discount price list for a range of products including **Similac Advance** is clipped to a leaflet promoting the product in China.

- A leaflet in Uruguay idealises the use of Abbott breastmilk substitutes with phrases like “adequate cognitive and visual development”, “minimum colic”, and “best nutritional profile”.▶



- A series of cards distributed in a health facility in China shows Rosco Bear with the gold shield for a better immune defence system. The cards give child development information on one side and a baby data form on the other. The series starts from 0-1 month until the baby is 15 months old.

- A booklet in Puerto Rico titled “Infant formulas are not all the same” goes so far as to say **Similac** is equal to or slightly better than breastmilk.

- The cover of a VCD in Hong Kong called *Tender loving story of breastfeeding* says about Abbott products: “helps raise immunity”, “achieved by Abbott T-PAN” and “closest to the level of breastmilk”.



“T-PAN” is superimposed over a teddy bear head to associate it with Abbott’s Rosco Bear.

- Abbott’s Thai website contains product information and tips on infant feeding which feign to encourage breastfeeding but contain messages that undermine the practice. For example, a write-up on “Nucleotide (TPAN)”, shows a healthy baby encircled by a TPAN banner, and favourably compares babies fed formulas with added nucleotides to breastfed babies.



- The **Similac** Welcome Addition website displays the whole range of **Similac** products and promotional messages: “No matter the need, trust the makers of *Similac* to have the right formula product for baby” and “... *Similac* – the name doctors and mothers have trusted for generations”.

