

## HUF 100 million fine for an undertaking publishing misleading advertisements during the pandemic

16 June 2021, Budapest – The Hungarian Competition Authority (GVH) imposed a fine of HUF 100 million on a Slovenian undertaking for taking advantage of the fears surrounding the Covid-19 virus to promote their disinfectant product with false promises and without the appropriate licences.

The GVH <u>initiated a competition supervision proceeding</u> against the Slovenian undertaking operating the website www.shopolo.hu last year. The undertaking was promoting its disinfectant product on its Hungarian website and social media during the first wave of the COVID-19 pandemic in Hungary by promising protection against viruses, bacteria, and infections. As a result of the increased consumer interest, more than ten thousand of the products were sold within two weeks in March last year.

The proceeding established that the 'Antiseptic' or in other words 'Antiviral' hand sanitisers were not subject to any EU or Hungarian licences; therefore, they could not have been legally placed on the market at all. Furthermore, the advertisements were promising protection against bacteria and viruses without any proof. This is due to the fact that testing at the Food and Chemical Laboratory of the Ministry of Innovation and Technology established that the products did not have any antibacterial or antimicrobial effect; they simply contained water as pointed out by a large number of complaints.

The proceeding established that in addition to distributing its products without a licence, the undertaking also infringed the EU regulations on the sale of disinfectants (so-called biocide products). Pursuant to these, the undertaking would have been required to display the product category, the list of ingredients, the names of the active ingredients, the contact details of the manufacturer and the distributor, as well as all safety information and notices on the label. The labels of the products in question did not contain any of these.

In addition, the undertaking provided false information about the free and 'all expenses covered' nature of the product delivery as well.

The GVH imposed a competition supervision fine of HUF 100 million on Mi SPORT d.o.o., an undertaking headquartered in Slovenia. When determining the amount of the fine, the Authority took into account the facts that the affected group of consumers were especially vulnerable to unfair messaging and the practice infringed the law in multiple ways. However, the competition council of the GVH did appreciate that the undertaking at least partially admitted to having committed the infringement.

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The official registration number of the case is: VJ/11/2020.

**GVH Press Office**