

## Advertising of dietary supplements on gymbeam.hu could be unlawful

22 December 2022, Budapest – The Hungarian Competition Authority (GVH) has launched proceedings against the Slovak undertaking operating the fitness store gymbeam.hu and its Hungarian subsidiary. The undertakings are likely to sell some of their products with unfounded health claims, sometimes with promises of health benefits and misleading price indications, without fulfilling the notification obligation necessary for marketing their products.

The Hungarian Competition Authority is of the view that GymBeam s.r.o. and Gymbeam Hungary Kft. are alleged to engage unfair commercial practices in relation to domestic consumers in several respects.

The undertakings are suspected of making misleading health claims unauthorised under EU sectoral rules and promising medicinal effects for certain products, which is a prohibited practice.

Moreover, some practices such as the use of comparative prices to give the impression of offering discounts may also be illegal.

In order to avoid similar cases in future, <u>the GVH has prepared an educational</u> <u>video for merchants on the lawful practice of price indication and promotion</u> so that consumers can consider the promised discounts more easily.



It is also believed that the online store has failed to disclose to consumers whether and how it ensures that the consumer reviews posted on its site are from actual buyers or users of the products. The GVH has repeatedly drawn attention to this legal requirement effective since the end of May to ensure that the posted consumer reviews provide a credible

Moreover, the GVH suspects that the undertakings have failed to notify some of their dietary supplements to the pharmaceutical authorities before they are marketed, and are therefore likely to be marketing them illegally, thereby misleading consumers.

The launch of competition proceedings does not mean that actual infringements by the undertakings have been found. The procedure aims to clarify the facts and thereby prove the suspected infringements. The time frame available for the procedure is three months, which, in justified cases, may be extended twice, by maximum two months each time.

Case reference number: VJ/51/2022.

source of information for other customers.

## **GVH Public Service and International Section**



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