

## THE HUNGARIAN COMPETITION AUTHORITY

## Danone deceived consumers again

The Competition Council of the Hungarian Competition Authority (GVH) established in its decision issued on 25 January 2007 that Danone Diary Product Manufacturing and Marketing Ltd. (Danone Tejtermékgyártó és Forgalmazó Kft.) deceived consumers with the advertising campaign of "Könnyű és finom" (Light and delicious) yoghurts in the first half of 2006. The undertaking was fined HUF 10 million (EUR 39 thousand).

The "Danone Könnyű és Finom" yoghurts appeared on the market in the 90s. These yoghurts are similar to other yoghurts of other manufacturers available on the market.

The provisions of the Hungarian Food Act prohibit manufacturers from putting signs on packages und using advertisements, which suggest that a product is special if in reality it is similar to others on the market. This provision is in accordance with the Hungarian Competition Act and assessment of a practice infringing it, with the said practice being capable of infringing the Act on Business Advertising Activities, falls in the competence of the GVH.

The GVH found incorrect that on the packaging and in the advertisements of the yoghurts simple characteristics were highlighted as exceptional as if other yoghurts did not have these characteristics.

The market position of Danone and the repetitive infringement of law proved to be aggravating circumstances, while the fact that Danone stopped the unlawful behaviour before the initiation of the competition supervision proceeding was an attenuating circumstance when the GVH determined the amount of the fine imposed.

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More information:

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