

THE HUNGARIAN COMPETITION AUTHORITY

Veritas Gold is not that shiny – misleading advertisement

The Competition Council of the Hungarian Competition Authority established in its decision that Aquarius-Aqua Ltd. deceived consumers with the advertisement of Veritas Gold mineral water. Aquarius-Aqua was fined HUF 2 million.

In October 2005, Aquarius-Aqua entered the competition of the International Taste & Quality Institute (iTQi), Brussels, a leading independent organisation of chefs and sommeliers and in May 2006, the company won the "Superior Taste Award with **". Thereafter the company advertised its Veritas Gold mineral water with the attributes "At the top of the World", "the best Taste Award winner mineral water", and "the best Taste Award winner Hungarian mineral water".

Undertakings can attract consumers most effectively with advertisements. However, advertising practices, which deceive consumers, can disturb the operation of the market. It is a general requirement that consumers should get reliable and valid information about a certain product.

Aquarius-Aqua was unable to prove that the attributes used in the advertisements corresponded to reality. Veritas Gold is not "at the top of the world" since it could not win the "Award with ***" in Brussels; moreover, only 25 mineral waters competed there which did not mean the whole world. All characteristics of a mineral water should be excellent for that mineral water to belong to the top mineral waters of the world, the GVH underlined.

As the winner of the "Superior Taste Award with **" Aquarius belongs to the top waters but only in respect of its taste. In the wording of the advertisements of Aquarius-Aqua the words "Superior Taste Award" and the two stars were also separately used though "Superior Taste Award" is the name of a competition rather than the name of an award. Consequently, the advertisements of Veritas Gold conveyed the message to consumers that this mineral water would taste better than others. Moreover, since taste is to the same extent important as price is, this message may have had a misleading effect on consumer choice.

Aquarius-Aqua was fined HUF 2 million. The GVH regarded as mitigating circumstances that it was the first time the GVH "condemned" Aquarius-Aqua, the undertaking voluntarily stopped the unlawful behaviour still before the proceeding had been initiated, and an official translation bureau translated the name of the award used in the advertisements.

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Further information: András Mihálovits

Gazdasági Versenyhivatal

Address: 1054 Budapest, V., Alkotmány u. 5 Mailing address: 1245 Budapest 5. POB 1036 Telephone: +36-30 618-6618 email: Mihalovits.Andras@gvh.hu

http://www.gvh.hu