

Campaign for ethical marketing

April/June 2002



The World Health Organisation (WHO) estimates that reversing the decline in breastfeeding could save the lives of 1.5 million infants every year, yet baby food companies continue to market artificial foods in ways that undermine breastfeeding. The people responsible have names and addresses. You can help to stop them.

The *International Code of Marketing of Breast-milk Substitutes* was adopted as a 'minimum requirement' for all countries by the World Health Assembly (which sets the policy of the World Health Organisation) in 1981. The *International Code* aims to protect breastfeeding by restricting company marketing practices and to ensure breastmilk substitutes are used properly when these are necessary. A number of Resolutions address questions of interpretation and changes in marketing practices and scientific knowledge, and have equal weight to the *International Code*.

Will Nestlé's new 'ombudsman' stop Nestlé's marketing malpractice?

Background: Nestlé has received praise in some quarters for launching an 'ombudsman' system so that staff members can complain about violations of the *International Code* and Resolutions. While this demonstrates that Nestlé is concerned about its image, Baby Milk Action questions whether the 'ombudsman' system will have any impact when we consider the following facts:

- Nestlé's "Charter" and "Instructions" setting out the company's interpretation of the World Health Assembly marketing requirements misrepresent these measures. The interpretation has been criticised by UNICEF and others, but Nestlé continues to use it as the basis of its own monitoring.
- Nestlé systematically violates the *International Code* and Resolutions and its own narrower policy.
- Baby Milk Action reports violations to Nestlé Chief Executive, Peter Brabeck-Letmathé, who claims to investigate any hint of a violation. When we have received replies from staff these generally ignore the reports or dismiss them out of hand (although the publicity generated by the *Campaign for Ethical Marketing* has stopped some malpractice).
- When Nestlé commissioned an "independent" audit into its activities in Pakistan, the auditors were told they must not contact Nestlé whistleblower Syed Aamar Raza or watchdog organisations. Baby Milk Action's offer to provide documentary evidence of bribes to doctors and other malpractice was not passed on to the auditors. The resulting report, based on Nestlé's "Charter" rather than the Code and Resolutions, was a whitewash. Nestlé refused to attend a European Parliament Public Hearing in November 2000 to defend the report and its activities.
- Instead of being thanked for reporting violations, Syed Aamar Raza says his life was threatened and he was offered a substantial sum of money to keep quiet. He has been in hiding for over two years. What guarantee is there that staff brave enough to go to the 'ombudsman' - a Nestlé employee - will not experience the same treatment?
- Nestlé's previous "Audit Commission" was closed down in 1991 after it found evidence of widespread distribution of free supplies in Mexico. Baby Milk Action reported many violations to the Commission, but virtually all had still not



"My precious baby will forever be be No. 1" says this Nestlé bill-board in Taiwan. When Nestlé's own Instructions permit such promotion, what will the ombudsman do if staff are concerned about the impact on infant health?

been addressed when the Commission was closed down by Nestlé.

However, the new 'ombudsman' system may be a genuine change. Please send a letter along the following lines to: **Baby food ombudsman, Nestlé S.A., Av. Nestlé 55, CH-1800 Vevey, Switzerland. Fax: + 41 21 924 2813**

Nestlé's baby food ombudsman system has been launched with great publicity. Nestlé's Chief Executive Officer, Peter Brabeck-Letmathé, claims it demonstrates Nestlé's intention to abide by the World Health Assembly marketing requirements for breastmilk substitutes. Can you please respond to the following questions:

1. Will the ombudsman refer to the *International Code of Marketing of Breastmilk Substitutes* and subsequent, relevant Resolutions of the World Health Assembly in investigations or Nestlé's own discredited interpretation of these measures. Mr. Brabeck received a letter from UNICEF (14 December 1997) setting out in detail why Nestlé's interpretation is incorrect, but he has not made the required changes.
2. Mr. Brabeck has failed to take appropriate action to end the many violations reported to him over the course of years. Will the ombudsman re-open these cases?
3. Will the ombudsman take action to end Nestlé's campaign against former employee, Syed Aamar Raza?

Inappropriate promotion of Nestlé whole milks as baby food

Background: In many countries poor mothers use whole milks for infant feeding, rather than infant formula or breastfeeding. Whole milks are many times cheaper than infant formula. Poor mothers may use whole milks if hospitals have not supported them breastfeeding (hospital practices are often influenced by baby food companies). Promotion of baby milk may have persuaded the mother that her breastmilk is not good enough for her child, but she is unable to afford expensive infant formula.

Nestlé encourages the use of dangerous whole milks, such as its *Nido* and *Ninho* brands, by permitting them to be displayed in pharmacies and supermarkets in the baby feeding section in some countries. Monitoring conducted by the International Baby Food Action Network (IBFAN) and published as the report *Breaking the Rules, Stretching the Rules 2001*, found that sales representatives give inducements to shop keepers to encourage them to display products to best effect to increase sales. Nestlé could, perhaps, place the blame on shop keepers themselves if it wasn't for that fact that Nestlé's internal auditors check on products in shops and permit the practice.



Photo: Nestlé Sustainability Review page 43

This picture is taken from Nestlé's recently published *Sustainability Review* and shows Nestlé's internal auditors turning a blind eye to the *Nido* whole milk on display in the baby food section (Alimento Bebe) amongst Nestlé's much more expensive *Nan* infant formula. The picture appears in the section "Infant formula marketing audit in Argentina." Baby



Baby Milk Action coordinates the 20-country international Nestlé boycott which has prompted some improvements to

marketing practices. The boycott focuses on Nestlé because it controls about 40% of the world market in baby milks and uses its influence to undermine controls on marketing activities. Monitoring shows Nestlé to be the largest single source of violations worldwide. ⇒ If you are boycotting Nestlé products, such as Nescafé coffee, write and tell Nestlé.



In its recently published *Sustainability Review* Nestlé attempts to present itself as a caring and responsible company. Those familiar with Nestlé's policy and practice on the ground are aware that a glossy brochure full of unproven assurances does nothing to protect infants. Violations continue to be widespread. Infants continue to die unnecessarily.

The practice of presenting *Nido* (known as *Ninho* in Brazil) as a baby food is widespread..

Nestlé not only attempts to squeeze extra profit out of poor mothers by permitting this dangerous promotion. Nestlé's Public Relations staff attempt to blame the death and suffering of infants on mothers who use inappropriate substances such as whole milks.

- In Brazil virtually everyone is watching the 2002 World Cup. The product Nestlé chooses to promote during Brazil's games is *Ninho* whole milk. The Brazilian regulations require a phrase warning that the product should not be used for infant feeding. Nestlé does not give this warning in its television advertisements.

Suggested letter to the man responsible for these marketing practices and the ineffectual auditors: Nestlé Chief Executive Officer, Peter Brabeck-Letmathé, Nestlé S.A., Av. Nestlé 55, CH-1800 Vevey, Switzerland. Fax: + 41 21 924 2813.

You have highlighted the role of Nestlé's internal baby food marketing auditors in your recently published *Sustainability Review*.

It is very disturbing to see the auditors turning a blind eye to the *Nido* whole milk displayed in the baby food section of the shop they are pictured visiting in Argentina. Nestlé is well aware that the use of such milks for infant feeding is dangerous to health. On your own website on the infant feeding issue you hold mothers responsible for using inappropriate substances such as whole milks for infant feeding and the consequent ill health.

Independent monitoring by the International Baby Food Action Network (IBFAN) shows that the promotion of Nestlé whole milks for infant feeding is widespread. You have already been informed of this. Will you give a public undertaking to ensure that this practice is stopped immediately?

The *Nestlé Instructions* on baby food marketing used by your auditors are clearly part of the problem. These instructions have been criticised in the past by IBFAN and UNICEF, but you have not made the required changes to bring them into line with the World Health Assembly marketing requirements. Will you give a public undertaking to do so?

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Baby Milk Action's Web Site is at <http://www.babymilkaction.org/> and includes an on-line shop.