News Briefing

Press Release

"CCP IMPOSES PKR 150 MILLION PENALTY ON RECKITT BENCKISER FOR DECEPTIVE MARKETING PRACTICES"



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Pharma firm fined Rs150m for 'deceptive' marketing

By Our Staff Reporter

ISLAMABAD: The Competition Commission of Pakistan (CCP) on Thursday imposed a Rs150 million penalty on a pharmaceutical company for deceptive marketing and misleading advertising of one of its products.

The order, passed by a CCP bench comprising chairperson Rahat Kaunain Hassan and member Bushra Naz Malik, said that marketing claims by the pharmaceutical firm can potentially deceive consumers with respect to the characteristics, formulation and intended use of Strepsils.

The commission said that the company's marketing had deceived the general public into perceiving that Strepsils was still a medicated sore throat remedy.

The CCP's inquiry concluded that the marketing campaign of the respondent appears to be deceptive in terms of Section 10 of the Competition Act in general, which prohibits distribution of false and misleading information to consumers,

The issue was brought to the CCP's notice by M/s Square Distribution & Marketing System (Pvt) Limited through a formal complaint alleging that M/s Reckitt Benckiser Pakistan Limited had been disseminating misleading information to the consumers by creating an impression that its product Strepsils was a drug for sore throat and cough.

The complaint pointed out that Strepsils was deregistered as a drug when acquired by Reckitt from Boots in 2005, and then relaunched with the disclaimer, "Non-medicated Lozenges".

"However, the company made no effort to educate and inform the consumers regarding the discontinuation of medicinal ingredient in it," the complaint added. "The misleading campaign was also capable of harming the business interests of other undertakings."

The CCP inquiry committee noted that efforts made by the company to inform the general public about change in the formula of Strepsils were inadequate.

"Barely printing 'Non-Medicated Lozenges' on the product box and that too in a very small font does not discharge the onus of making due and sufficient disclosures of such material change in the character of the product," the inquiry committee had stated.

The CCP bench gave 40 days to the respondent, starting from the date of the order, for compliance with its directives.

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CCP imposes penalty on Reckitt Benckiser Pakistan

RECORDER REPORT

ISLAMABAD: Pakistan (CCP) has passed Act which prohibits distribu- Product was not adequate. an order imposing a total tion of false and misleading penalty of Rs150 million on information to consumers. Reckitt Benckiser Pakistan "Strepsils", which have been throat remedy. found capable of misleading

Thursday.

Limited sent a formal complaint alleging that M/s tion to the consumers by crefor sore throat and cough.

It was further alleged that product. Strepsils was de-registered as drug when acquired by Reckitt from Boots in 2005. and then re-launched with nationally, it is known and use of "Strepsils", hence, compliance is ensured withthe disclaimer, "Non-medicated Lozenges."

made no effort to educate becomes material for its and inform the consumers marketing in Pakistan. regarding the discontinua-

terms of Section 10 of the nesses. The Act in general, read with

violation of Section 10 of the demonstrates that the public Competition Act, 2010 for was actually deceived into making advertising/market- perceiving that "Strepsils"

The Respondent's misand deceiving under the Act. leading campaign was also The CCP's bench has capable of harming the busiissued an order, here on ness interests of other undertakings in, prima facie, vio-Section 10(2)(a) of the Act.

Reckitt Benckiser Pakistan branding has a significant the Product. Limited has been dissemi- role in marketing the prod-

tory of the brand "Strepsils" respect to the characteristics, However, the company the disclosure of such fact 10(2)(b) of the Act.

appears to be deceptive in being harmful to the busi- of the violations].

It also observed that the further

product box and that too in a Karen." very small font does not dis-

Keeping in view, the his- deceive consumers with category in Pakistan.

The Bench has, inter alia, directed Competition Commission of sub-section 10(2)(b) of the disclaimer on the box of the Respondent to stop misleading marketing practices of The bench in its order held the Product, and required the that the Respondent has not Respondent to print the dis-Moreover, marketing cambeen able to substantiate, claimer/disclosure, "NON-Limited (respondent) for paign of the Respondent neither before the Enquiry MEDICATED", in English Committee, nor this Bench and also Urdu in bold words. as to how and to what extent on the Product box as well efforts have been made to as on the strips in print ing claims about its product was still a medicated sore inform the general public and/or in electronic advertisabout change in the formula ing/marketing and also has of its product "Strepsils". to place in Urdu the dis-Barely printing "Non- claimer "ye dawa nahi, dawa Medicated Lozenges" on the ke live doctor se ruju

The bench has given 40 M/s Square Distribution & lation of Section 10(1) in charge the onus of making days to the Respondent, Marketing System (Pvt) general, and in particular, due and sufficient disclo- starting from the date of the sures of such material order for compliance, and The order stated that change in the character of meanwhile, directed the Respondent to publish The order, passed by the advertisements in at least nating misleading informa- ucts, and therefore, the bench comprising Rahat three English and Urdu lanchange in formula of the Kaunain Hassan, chairper- guage newspapers having ating an impression of its Product has changed the son and Bushra Naz Malik, nationwide circulation product "Strepsils" as a drug character from being a medi- member, stated that the mar- regarding the change in cine to a non-medicated keting claims by the character of the Product Respondent can potentially from medicated/drug to food

Such advertisements to be and also the fact that, inter- formulation and intended given once a week until marketed in various jurisdic- deceptive in nature within in the time specified. As per tions as a medicinal product, the meanings of Section international media reports, Reckitt de-registered In view of the findings for Strepsils as a non-medicine each of the violations of product in four countries The bench found itself in Section 10 read with Section including Pakistan, India, tion of medicinal ingredient agreement with the finding 10 (2)(a) and (2)(b) related China, and Turkey, which of the Enquiry to the extent to deceptive marketing prac- makes almost 40 percent of The CCP's enquiry con- that the marketing campaign tices, the bench imposed a the world's population, cluded that the marketing was capable of misleading total penalty of Rs150 mil- while in most of the other campaign of the respondent consumers and capable of lion [Rs75 million for each countries, the product is still being sold as medicine.



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DECEPTIVE MARKETING

CCP slaps Rs150m penalty

LAHORE. The Competition Commission of Pakistan (CCP) has imposed a penalty of Rs150 million on Reckitt Benckiser Pakistan Limited (respondent) for violation of Section 10 of the Competition Act 2010 in advertising/marketing claims about its product 'Strepsils', which have been found capable of misleading and deceiving under the Act. Square Distribution and Marketing System (Pvt) Limited filed a formal complaint, alleging that the company had been disseminating misleading information to consumers by creating impression of its product 'Strepsils' as a drug for sore throat and cough. It was alleged that the tablet was de-registered as a drug when acquired by the firm from Boots in 2005, and then re-launched with the disclaimer, "Non-medicated Lozenges." However, the company made no effort to educate and inform the consumers regarding the discontinuation of medicinal ingredient in it. OUR CORRESPONDENT



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CCP imposes Rs 150 mn fine on Reckitt Benckiser

has passed an order imposing a total penalty of PKR 150 Million on Reckitt Benckiser Pakistan Limited for violation of Section 10 of the Competition Act, 2010 for making advertising/marketing claims about its product 'Strepsils', which have been found capable of misleading and deceiving under the Act.

M/s Square Distribution & Marketing System (Pvt) Limited sent a formal complaint alleging that M/s Reckitt Benckiser Pakistan Limited has been disseminating misleading information to the consumers by creating an impression of its product 'Strept' 'Is' as a drug for sore throat and cough. It was further alleged that Strepsils was de-registered as drug when acquired by Reckitt from Boots in 2005, and then re-launched with the disclaimer, "Non-medicated Lozenges." However, the company made no effort to educate and inform the consumers regarding the discontinuation of medicinal ingredient in it.

The CCP's enquiry concluded that the marketing campaign of the respondent appears to be deceptive in terms of Section 10 of the Act in general, read with sub-section 10(2) (b) of the Act which prohibits distribution of false and misleading information to consumers. Moreover, marketing campaign of the Respondent demonstrates that the public was actually deceived into perceiving that 'Strepsils' was still a medicated sore throat remedy. The Respondent's misleading campaign was also capable of harming the business interests of other undertakings in, prima facie, violation of Section 10(1) in general, and in particular, Section 10(2)(a) of the Act. News desk



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CCP imposes Rs150m fine on Reckitt Benckiser Pak Ltd

ISLAMABAD

SHAHZAD PARACHA

The Competition Commission of Pakistan (CCP) has imposed fines worth Rs150 million on Reckitt Benckiser Pakistan Limited for violating the Competition Act 2010 by making misleading marketing claims about its product, Strepsils.

According to CCP, M/s Square Distribution & Marketing System (Pvt.) Limited sent a formal complaint alleging that M/s Reckitt Benckiser Pakistan Limited has been disseminating misleading information to consumers by creating an impression that its product can be sued as a drug to cure sore throat and cough.

It was alleged that the product was de-registered as a drug when acquired by Reckitt from Boots in 2005, and then re-launched with a disclaimer stating 'Non-medicated Lozenges'; however, the company made no effort to educate and inform consumers regarding the discontinuation of the medicinal ingredient in it.

The CCP's enquiry concluded that the marketing campaign of the respondent appears to be deceptive in terms of Section 10 of the Act in general, read with sub-section 10(2) (b), which prohibits the distribution of false and misleading information to consumers.

Moreover, the marketing campaign demonstrates that the public was actually deceived into perceiving that Strepsils was a medicated sore throat remedy.

Keeping in view the history of the brand and also the fact that, internationally, it is known and marketed in various jurisdictions as a medicinal product, the disclosure of such fact becomes material for its marketing in Pakistan.

The bench ruled that the marketing campaign had misled consumers and harmed businesses, whereas the respondent was not able to substantiate as to how and to what extent efforts had been made to inform the general public about change in the formula of its product, observing that the disclaimer on the box was not adequate.

The company has been ordered to stop misleading marketing of Strepsils and print the disclaimer, 'nonmedicated, in English and Urdu in bold letters on the product box as well as on the strips.

The bench has given Reckitt Pakistan 40 days, starting from the date of the order, for compliance whereas the company has also been ordered to publish weekly advertisements in at least three English and Urdu newspapers having nationwide circulation regarding the change in the character of the product from medicated to food category in Pakistan.

Pakistan OBSERVER

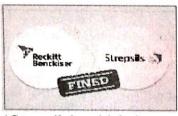
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Reckitt Benckiser fined Rs 150m for deceptive marketing

ZUBAIR QURESHI

ISLAMABAD

The Competition Commission of Pakistan (CCP) has imposed Rs 150 million on Reckitt Benckiser Pakistan Ltd (Respondent) for violation of Section 10 of the Competition Act, 2010 for making advertising/marketing claims about its product



'Strepsils', which have been found capable of misleading and deceiving under the Act.

The order, passed by the bench comprising Rahat Kaunain Hassan, Chairperson and Ms. Bushra Naz Malik, Member, stated that the marketing claims by the Respondent can potentially deceive consumers with respect to the characteristics, formulation and intended use of 'Strepsils', hence, deceptive in nature within the meanings of Section 10(2) (b) of the Act.

In view of the findings for each of the violations of Section 10 read with Section 10 (2) (a) and (2) (b) related to deceptive marketing practices, the bench imposed a total penalty of PKR 150 million (Rs 75 million for each of the violations).

According to details, M/s Square Distribution & Marketing System (Pvt) Limited sent a formal complaint alleging that M/s Reckitt Benckiser Pakistan Limited has been disseminating misleading information to the consumers by creating an impression of its product 'Strepsils' as a drug for sore throat and cough.

It was further alleged that Strepsils was de-registered as drug when acquired by Reckitt from Boots in 2005, and then re-launched with the disclaimer, "Non-medicated Lozenges."

However, the company made no effort to educate and inform the consumers regarding the discontinuation of medicinal ingredient in it.

The CCP's enquiry concluded that the marketing campaign of the respondent appears to be deceptive in terms of Section 10 of the Act in general, read with sub-section 10(2) (b) of the Act which prohibits distribution of false and misleading information to consumers.



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CCP imposes penalty of Rs150m on Reckitt Benckiser Pakistan

IMRAN ALI KUNDI **ISLAMABAD**

The Competition Commission of Pakistan (CCP) has imposed penalty of Rs150 million on Reckitt Benckiser Pakistan Limited (Respondent) for violation of the Competition Act.

The CCP has passed an order imposing a total penalty of 'Rs150 million on Reckitt Benckiser Pakistan Limited for violation of Section 10 of the Competition Act, 2010 for making advertising/marketing claims about its product 'Strepsils', which have been found capable of misleading and deceiving under the Act.

M/s Square Distribution & Marketing System (Pvt) Limited sent a formal complaint alleging that M/s Reckitt Benckiser Pakistan Limited has been disseminating misleading information to the consumers by creating an impression of its product 'Strepsils' as a drug for sore throat and cough. It was further alleged that Strepsils was de-registered as drug when acquired by Reckitt from Boots in 2005, and then re-launched with the disclaimer, "Non-medicated Lozenges." However, the company made no effort to educate and inform the consumers regarding the discontinuation of medicinal ingredient in it.

cluded that the marketing campaign of the respondent appears to be deceptive in terms of Section 10 of the Act in general, read with sub-section 10(2) (b) of the Act which prohibits distribution of false and misleading information to consumers. Moreover, marketing campaign of the Respondent demonstrates that the public was actually deceived into perceiving that 'Strepsils' was still a medicated sore throat remedy. The Respondent's misleading campaign was also capable of harming the business interests of other undertakings in, prima facie, violation of Section 10(1) in general, and in particular, Section 10(2)(a) of the Act.

The order stated that branding has a significant role in marketing the products, and therefore, the change in formula of the Product has changed the character from being a medicine to a nonmedicated product. Keeping in view, the history of the brand 'Strepsils' and also the fact that, internationally, it is known and marketed in various jurisdictions as a medicinal product, the disclosure of such fact becomes material for its marketing in Pakistan.

The bench found itself in The CCP's enquiry con- agreement with the finding of the enquiry to the extent that the marketing campaign was capable of misleading consumers and capable of being harmful to the busithe disclaimer on the box of the product was not adequate. The bench in its order held that the respondent has not been able to substantiate neither before the Enquiry Committee nor this Bench as to how and to what extent efforts have been made to inform the general public about change in the formula of its product 'Strepsils'. Barely printing 'Non-Medicated Lozenges' on the product box and that too in a very small font does not discharge the onus of making due and sufficient disclosures of such material change in the character of the product.

The order, passed by the bench comprising Ms. Rahat Kaunain Hassan, chairperson, and Ms Bushra Naz Malik. member, stated that the marketing claims by the respondent can potentially deceive consumers with respect to the characteristics, formulation and intended use of 'Strepsils', hence, deceptive in nature within the meanings of Section 10(2) (b) of the Act.

In view of the findings for each of the violations of Section 10 read with Section 10 (2) (a) and (2) (b) related to deceptive marketing practices, the bench imposed a total penalty of PKR 150 million nesses. It also observed that [PKR 75 million for each of the violations].

> The Bench has, inter alia, further directed the respondent to stop misleading marketing practices of the product, and required the respondent to print the disclaimer/disclosure, 'NON-MEDICATED', in English and also Urdu in bold words, on the product box as well as on the strips in print and/or in electronic advertising/marketing and also has to place in Urdu the disclaimer "ye dawa nahi, dawa ke liye doctor se ruju Karen".

The bench has given 40 days to the respondent, starting from the date of the order, for compliance and meanwhile directed the respondent to publish advertisements in at least three English and Urdu newspapers having nationwide circulation regarding the change in the character of the Product from medicated/drug to food category in Pakistan. Such advertisements to be given once a week until compliance is ensured within the time specified.



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CCP imposes Rs. 150 mln penalty on Reckitt Benckiser for deceptive marketing practices

The Competition Commission product 'Strepsils' as a drug for of Pakistan (CCP) has passed sore throat and cough. It was an order imposing a total penal-further alleged that Strepsils Reckitt Benckiser Pakistan acquired by Reckitt from Boots Limited (Respondent) for violation of Section 10 of the Competition Act, 2010 for making advertising/marketing claims about its product 'Strepsils', which have been found capable sumers regarding the disconof misleading and deceiving under the Act.

M/s Square Distribution & Marketing System (Pvt) Limited sent a formal complaint alleging that M/s Reckitt deceptive in terms of Section 10 Benckiser Pakistan Limited has been disseminating misleading information to the consumers

with the disclaimer, "Non-medicated Lozenges." However, the company made no effort to educate and inform the continuation of medicinal ingredient in it.

The CCP's enquiry concluded that the marketing campaign of the respondent appears to be of the Act in general, read with sub-section 10(2) (b) of the Act which prohibits distribution of

ISLAMABAD, February 11: by creating an impression of its false and misleading information to consumers. Moreover, marketing campaign of the Respondent demonstrates that ty of PKR 150 Million on was de-registered as drug when the public was actually deceived into perceiving that 'Strepsils' in 2005, and then re-launched was still a medicated sore throat remedy. The Respondent's misleading campaign was also capable of harming the business interests of other undertakings in, prima facie, violation of Section 10(1) in general, and in particular, Section 10(2)(a) of the Act.

> The order stated that branding has a significant role in marketing the products, and therefore, the change in for-mula of the Product has changed the character from

being a medicine to a nonmedicated product. Keeping in view, the history of the brand 'Strepsils' and also the fact that, internationally, it is known and marketed in various jurisdictions as a medicinal product, the disclosure of such fact becomes material for its marketing in Pakistan.

The bench found itself in agreement with the finding of the Enquiry to the extent that the marketing campaign was capable of misleading consumers and capable of being harmful to the businesses. It also observed that the disclaimer on the box of the Product was not adequate. -



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جرمانه عائد كر ويا بينكائزكى يراوكن مريب سلز Strepsils كى ی مہم میں جھوٹے اور گراہ کن دعوہ حات کے ذریعے صارفین کو بہ تاثر ویا جا رہا ہے کہ گلے کی خرابی یا کھالسی کی صورت میں سٹریپ سکر کا بطور دوا سٹریب سلز کے حصول کے بعدر یکٹ پدیکا نزرنے اس کو بطور دوا ڈی رجسٹرڈ کرالیا تھالیکن سٹریپ سلز کے دوبارہ اجراء کے بعد وہ صرف ڈ تان ميذيكيند لوزنجر" كا استعال كرتى ربى اور صارفین کو اس بارے میں آگاہ کرنے کی کوئی كوشش نبيس كي منى كديشريب سلزيس اب دوا والله اجزاء كااستعال تبيل كياجار بايى يى كى حانب ہے کی گئی انکوائری ہے ظاہر ہوا کہ رعمٹ بينكائز رايني يراوكث سريب سلزكي تشهيري مبم میں گمراه کن وعوه حات میں ملوث رہاجو که میشیشن ا كمك كي الكان 10 كى خلاف ورزى كى -



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سٹریپ سلز کی گمراہ کن مار کیٹنگ،15 کروڑ جرمانہ عائد

ریکٹ بینکائزرنے آگاہ ہیں کیا کہاب دواوالے اجزاء شامل نہیں کمپیٹیشن کمیشن

10 کی خلاف ورزی برجموعی طور پر پندرہ کروڑرو پے جرمانہ عائد کر دیا ہے۔ کمپیٹیشن کمیشن آف پاکستان کو شکایت موصول ہوئی تھی کہسٹریپ سلز کی تشہیری مہم میں جھوٹے اور گمراہ کن دعوہ جات کے ذریعے صارفین کو بیہ تاثر دیا جا رہا ہے کہ گلے کی خرابی یا کھانسی کی صورت میں سٹریپ سلز کا بطور دوااستعال کیا جا سکتا ہے۔

اسلام آباد (نئ بات نیوز) سی پی نے ریک بینکا کزرکودهو که دهی پر مبنی مارکیٹنگ پر پندره کروڑرو پے جرمانه عاکد کر دیا۔ کمپیٹیشن کمیشن آف پاکستان نے ریکٹ بینکا کزر کو اس کی پراڈ کٹ سٹریپ سلز " Strepsils" کی اشتہاری مہم میں جھوٹے اور گمراه کن دعوہ جات کرنے اور کمپیٹیشن ایکٹ کے سیکشن



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ظاہر ہوا کہ عام صارف حقیقت

اسلام آباد (شاف ربورثر) میشیشن ممیش آف ما كتان نے ريك بينا زركواس كى يراؤكث سريب ملخ"Strepsil" كي اشتباري مبم میں جھوٹے اور عمراہ کن وعوہ جات کرنے لیا تھالیکن سٹریپ سلز کے دوبارہ اجراء کے بعدوہ اور میشین ایک کے شن 10 کی خلاف درزی م محموى طور ير بندره كروز روي جرمانه عاكدكرويا ہے۔ کمپیٹیفن ممیشن آف پاکستان کو سکوائر وسفريبوش اور ماركينتك سشمكى جانب سے شكايت موسول ہوئی تھی کہ ریکٹ بینکائز کی براڈکٹ سري الStrepsil's كتشيري مم ميل مجوثے اور مراہ کن دعوہ جات کے زریعے صارفین كوية تاثر ديا جار باے كه كلے كى خرالى يا كھالى كى صورت میں سریب سلز کا بطور دوا استعال کیا

مِيادُ كُتْ كَي فروخت مِن براعُر كُكُ كَا كَرِدار يَبِت اجم اوراس مخصوص کیس میں براڈ کٹ کے فارمولہ میں اہم تبدیلی ہے اس براؤکٹ کو بطور دوا استعال كرنے كى بحائے نان ميڈ يكيوڈ براؤكث بناديا كيا تھا۔ بہاں یہ بات بھی اہم کہ سریب سلز برانڈ کی ماريخ كود كيض موع اوراس مات كود كيمت موع کہ بین القوامی طور پر اس کی مارکیٹیگ ابھی بھی میڈیکییڈ براؤکٹ کے طور برکی جا رہی ہے، یا کتان میں اس کی مارکینگ میں اس مات کا اظہار فروری تھا کہ اب اس میں دوا والے اجراء کا استعال مہیں کیا جا رہائی ی نیج کے مطابق ریک بدنکا تزریخ کومطمئن کرنے میں ناکام رہاہے كهاس في عام صارف كواس ابم حقيقت كوآ گاه کرنے کی کوئی شجیدہ کوشش کی ہوکداب سریب سلز ، کا فارمولہ تبدیل کیا ماچکاہے۔ پراڈکٹ کے ڈب برنهايت باريك الفاظ من صرف " تان ميد يكيل لوزنجز " لکھ دے سے بدزمہ داری بوری میں ہو جاتی که اس براو کت کی خاصیت میں کو کی بنیادی تبدیلی جاچکی ہے۔

ماسكات دوكايت كرمطابق 000 على بونس کمپنی ہے براڈ کٹ سٹریپ سلز کے حصول کے بعدر یک بینکا تزر نے اس کوبطور دواؤی رجسر و کرا صرف دُسكيم " نان ميذ يكيلدُ لوزنجرُ " كااستعال كرتى ربى اورصارفين كواس بارے مين آگاه كرنے کی کوئی کوشش نہیں گی گئی کہ سٹریپ سکز میں اب دوا والے اجزاء کا استعال نبیں کیا جارہا۔ ی تی فی کی مانب ے کی گف اکوائری سے ظاہر ہوا کہ ریکث بيكا تزراني براذكث سريب سلزكي تشهيري مهم مي مراه كن وعوه جات ميل ملوث رما جو كه ميشيشن ا کمٹ کے سیکشن 10 کی خلاف درزی کی۔ ریکٹ بدنکا تزرکی مارکیفتگ مہم سے سیجی ظاہر جوا کہ عام صارف حقیقت میں ای وهو کے میں سٹریب سلز کا استعال کرتار ہا کہ ساس کے گلے کی خرابی کے علاج كے لئے مفيدے جس سے دوسرے كاروبارى اداروں کے کاروباری مفا دات کوبھی نقصان پہنچا۔ الكوائري كي سفارشات برريك بينكائزر كوشوكاز نونس جاري كيا كيا تعايى بي آرور كرمطابق كمي



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سی سی پی نے ریکٹ بینکائزر کو دھوکہ دھی پر مبنی مارکیٹنگ پر پندرہ کروڑ روپے جرمانہ عائد کر دیا۔

②Editor فروری 12, 2021

سی سی پی نے ریکٹ بینکائزر کو دھوکہ دھی پر مبنی مارکیٹنگ پر پندرہ کروڑ روپے جرمانہ عائد کر دیا۔

اسلام آباد , (ویب نیوز)

کمپیٹیشن کمیشن آف پاکستان نے ریکٹ بینکلزر کو اس کی پراٹکٹ سٹریپ سلز کی اشتہاری مہم میں جھوٹے اور گمراہ کن دعوہ جات کرنے اورکمپیٹیشن ایکٹ کے سیکشن 10 کی خلاف ورزی پرمجموعی طور پر پندرہ کروڑ روپے جرمانہ عاند کر دیا ہے۔

کمپیٹیشن کمیشن آف پاکستان کو سکوائر ڈسٹریبیوشن اور مارکیٹنگ سسٹم کی جانب سے شکایت موصول ہوئی تھی کہ ریکٹ بینکائزکی پر اٹکٹ سٹریپ سلز کی تشہیری مہم میں جھوٹے اور گمراہ کن دعوہ جات کے زریعے صارفین کو یہ تاثر دیا جا رہا ہے کہ گلے کی خرابی یا کھائسی کی صورت میں سٹریپ سلز کا بطور دوا ڈی دوا استعمال کیا جاسکتاہے ۔ شکایت کے مطابق2005 میں بوٹس کمپنی سے پر اڈکٹ سٹریپ سلز کے حصول کے بعد ریکٹ بینکائزر نے اس کو بطور دوا ڈی رجسٹرڈ کرا لیا تھا لیکن سٹریپ سلز کے دوبارہ اجراء کے بعد وہ صرف ڈسکلیمر '' نان میڈیکیٹڈ لوزنجز'' کا استعمال کرتی رہی اور صارفین کو اس بارے میں آگاہ کرنے کی کوئی کوشش نہیں کی گئی کہ سٹریپ سلز میں اب دوا والے اجزاء کا استعمال نہیں کیا جا رہا۔

سی سی پی کی جانب سے کی گئی انکوائری سے ظاہر ہوا کہ ریکٹ بینکائزر اپنی پر اڈکٹ سٹریپ سلز کی تشہیری مہم میں گمراہ کن دعوہ جات میں ملوٹ رہا جو کہ کمپیششن ایکٹ کے سیکشن 10 کی خلاف ورزی کی۔ ریکٹ بینکائزر کی مارکیٹنگ مہم سے یہ بھی ظاہر ہوا کہ عام صارف حقیقت میں اسی دھوکے میں سٹریپ سلز کا استعمال کرتا رہا کہ یہ اس کے گلے کی خرابی کے علاج کے لئے مفید ہے جس سے دوسرے کاروباری ادارونکے کاروباری مفا دات کو بھی نقصا ن پہنچا۔ انکوائری کی سفارشات پر ریکٹ بینکائزر کو شوکاز نوٹس جاری کیا گیا تھا ۔

دیکھتے ہوئے کہ بین القوامی طور پر اس کی مارکیٹینگ ابھی بھی میڈیکیٹڈ پراڈکٹ کے طور پر کی جا رہی ہے، پاکستان میں اس کی مارکیٹنگ میں اس بات کا اظہار ضروری تھا کہ اب اس میں دوا والے اجزاء کا استعمال نہیں کیا جا رہا۔

سی سی پی بنج کے مطابق ریکٹ بینکانزربنج کو مطمئن کرنے میں ناکام رہا ہے کہ اس نے عام صارف کو اس اہم حقیقت کو آگاہ کرنے کی کوئی سنجیدہ کوشش کی ہو کہ اب سٹریپ سلز کا فارمولہ تبدیل کیا جا چکا ہے پراٹکٹ کے ڈبے پر نہایت باریک الفاظ میں صرف ''نان میڈیکیٹڈ لوزنجز'' لکھ دینے سے یہ زمہ داری پور ی نہیں ہو جاتی کہ اس پراٹکٹ کی خاصیت میں کو ئی بنیادی تبدیلی کی جا چکی ہے ۔

چیئر پرسن سی سی بی راحت کونین حسن اور معبر سی سی پی بشری ناز ملک پر مشتمل بنج نے آرڈر جاری کرتے بونے ریکٹ بینکائزر پر کمپیٹیشن ایکٹ کے سیکشن 10 کے سب سیکشن2 اور آکی خلاف ورزی پر مجموعی طور پر پندرہ کروڑ روپے جرملہ عائد کیا ہے۔(ساڑھے سات کروڑ بر خلاف ورزی پر)۔ اور ریکٹ بینکائزرکو حکم جاری کیا ہے کہ وہ اپنی پراڈکٹ کے ٹیے اور سٹریپ سلز کے پتے پر انگریزی اور اردو زبان میں جلی حروف سے اس بات کا اظہار کرے کہ یہ"نان میڈیکیٹڈ "ہے اور پرنٹ اور الیکٹرانک میٹیا پر اپنی مارکیٹنگ مہم میں اس بات کا اظہار کرے کہ " یہ دوا نہیں ، دوا کہ لئے ڈاکٹر سے رجوع کی ہی"ن

سی سی پی کو کمپیٹیشن ایکٹ کے تحت یہ اختیار حاصل ہے کہ وہ صارفین اور کاروباری اداروں کو دھوکہ دھی پر مبنی مارکیٹنگ اور کمپیٹیشن مخالف سر گرمیوں سے بچانو کے لیے اقدامات کرے۔



12 Feb 2021 | Online | Press Release

CCP IMPOSES PKR 150 MILLION PENALTY ON RECKITT BENCKISER FOR DECEPTIVE MARKETING PRACTICES

By: News Desk February 12, 2021

ISLAMABAD, 11 FEBRUARY 2021: The Competition Commission of Pakistan (CCP) has passed an order imposing a total penalty of PKR 150 Million on Reckitt Benckiser Pakistan Limited (Respondent) for violation of Section 10 of the Competition Act, 2010 for making advertising/marketing claims about its product 'Strepsils', which have been found capable of misleading and deceiving under the Act.

M/s Square Distribution & Marketing System (Pvt) Limited sent a formal complaint alleging that M/s Reckitt Benckiser Pakistan Limited has been disseminating misleading information to the consumers by creating an impression of its product 'Strepsils' as a drug for sore throat and cough. It was further alleged that Strepsils was deregistered as drug when acquired by Reckitt from Boots in 2005, and then re-launched with the disclaimer, "Non-medicated Lozenges." However, the company made no effort to educate and inform the consumers regarding the discontinuation of medicinal ingredient in it.

The CCP's enquiry concluded that the marketing campaign of the respondent appears to be deceptive in terms of Section 10 of the Act in general, read with sub-section 10(2) (b) of the Act which prohibits distribution of false and misleading information to consumers. Moreover, marketing campaign of the Respondent demonstrates that the public was actually deceived into perceiving that 'Strepsils' was still a medicated sore throat remedy. The Respondent's misleading campaign was also capable of harming the business interests of other undertakings in, prima facie, violation of Section 10(1) in general, and in particular, Section 10(2)(a) of the Act.

The order stated that branding has a significant role in marketing the products, and therefore, the change in formula of the Product has changed the character from being a medicine to a non-medicated product. Keeping in view, the history of the brand 'Strepsils' and also the fact that, internationally, it is known and marketed in various jurisdictions as a medicinal product, the disclosure of such fact becomes material for its marketing in Pakistan.

The bench found itself in agreement with the finding of the Enquiry to the extent that the marketing campaign was capable of misleading consumers and capable of being harmful to the businesses. It also observed that the disclaimer on the box of the Product was not adequate. The bench in its order held that the Respondent has not been able to substantiate neither before the Enquiry Committee nor this Bench as to how and to what extent efforts have been made to inform the general public about change in the formula of its product 'Strepsils'. Barely printing 'Non-Medicated Lozenges' on the product box and that too in a very small font does not discharge the onus of making due and sufficient disclosures of such material change in the character of the Product.

The order, passed by the bench comprising Ms. Rahat Kaunain Hassan, Chairperson and Ms. Bushra Naz Malik, Member, stated that the marketing claims by the Respondent can potentially deceive consumers with respect to the characteristics, formulation and intended use of 'Strepsils', hence, deceptive in nature within the meanings of Section 10(2) (b) of the Act.

In view of the findings for each of the violations of Section 10 read with Section 10 (2) (a) and (2) (b) related to deceptive marketing practices, the bench imposed a total penalty of PKR 150 million [PKR 75 million for each of the violations].

The Bench has, inter alia, further directed the Respondent to stop misleading marketing practices of the Product, and required the Respondent to print the disclaimer/disclosure, 'NON-MEDICATED', in English and also Urdu in bold words, on the Product box as well as on the strips in print and/or in electronic advertising/marketing and also has to place in Urdu the disclaimer "ye dawa nahi, dawa ke liye doctor se ruju Karen".

The bench has given 40 days to the Respondent, starting from the date of the order, for compliance and meanwhile directed the Respondent to publish advertisements in at least three English and Urdu newspapers having nationwide circulation regarding the change in the character of the Product from medicated/drug to food category in Pakistan. Such advertisements to be given once a week until compliance is ensured within the time specified.



CCP imposes Rs 150m penalty on Reckitt Benckiser for deceptively marketing Strepsils

The order stated that branding has a significant role in marketing the products and, therefore, the change in the formula of the product has changed the character from being a medicine to a non-medicated product.

By Hamza Habib - February 11, 2021

Islamabad: The Competition Commission of Pakistan (CCP) has passed an order imposing a total penalty of Rs 150 million on Reckitt Benckiser Pakistan Limited (Respondent) for violation of Section 10 of the Competition Act, 2010 for making advertising/marketing claims about its product 'Strepsils', which have been found capable of misleading and deceiving under the Act.

Square Distribution & Marketing System (Pvt) Limited sent a formal complaint alleging that Reckitt Benckiser Pakistan Limited has been disseminating misleading information to the consumers by creating an impression of its product 'Strepsils' as a drug for sore throat and cough. It was further alleged that Strepsils was de-registered as a drug when acquired by Reckitt from Boots in 2005, and then re-launched with the disclaimer, "Non-medicated Lozenges." However, the company made no effort to educate and inform the consumers regarding the discontinuation of medicinal ingredients in it.

The CCP's enquiry concluded that the marketing campaign of the respondent appears to be deceptive in terms of Section 10 of the Act in general, read with sub-section 10(2)(b) of the Act which prohibits the distribution of false and misleading information to consumers. Moreover, the marketing campaign of the Respondent demonstrates that the public was actually deceived into perceiving that 'Strepsils' was still a medicated sore throat remedy. The Respondent's misleading campaign was also capable of harming the business interests of other undertakings in, prima facie, violation of Section 10(1) in general, and in particular, Section 10(2)(a) of the Act.

The order stated that branding has a significant role in marketing the products and, therefore, the change in the formula of the product has changed the character from being a medicine to a non-medicated product. Keeping in view the history of the brand 'Strepsils' and also the fact that, internationally, it is known and marketed in various jurisdictions as a medicinal product, the disclosure of such fact becomes material for its marketing in Pakistan.

The bench found itself in agreement with the finding of the enquiry to the extent that the marketing campaign was capable of misleading consumers and capable of being harmful to the businesses. It also observed that the disclaimer on the box of the product was not adequate. The bench in its order held that the Respondent "has not been able to substantiate neither before the Enquiry Committee nor this Bench as to how and to what extent efforts have been made to inform the general public about change in the formula of its product 'Strepsils'." Barely printing 'Non-Medicated Lozenges' on the product box and that too in a very small font does not discharge the onus of making due and sufficient disclosures of such material change in the character of the product, the order said.

The order, passed by the bench comprising Ms Rahat Kaunain Hassan, Chairperson, and Ms Bushra Naz Malik, Member, stated that the marketing claims by the Respondent can potentially deceive consumers with respect to the characteristics, formulation, and intended use of 'Strepsils', hence, deceptive in nature within the meanings of Section 10(2) (b) of the Act.

In view of the findings for each of the violations of Section 10 read with Section 10 (2) (a) and (2) (b) related to deceptive marketing practices, the bench imposed a total penalty of Rs 150 million, with Rs 75 million for each of the violations.

"The Bench has, inter alia, further directed the Respondent to stop misleading marketing practices of the Product, and required the Respondent to print the disclaimer/disclosure, 'Non-Medicated', in English and also Urdu in bold words, on the Product box as well as on the strips in print and/or in electronic advertising/marketing and also has to place in Urdu the disclaimer 'ye dawa nahi, dawa ke liye doctor se ruju Karen," the order added.

The bench has given 40 days to the Reckitt Benckiser Pakistan Limited, starting from the date of the order, for compliance, and meanwhile directed it to publish advertisements in at least three English and Urdu newspapers having nationwide circulation regarding the change in the character of the product from medicated/drug to food category in Pakistan. Such advertisements are to be given once a week until compliance is ensured within the time specified.



12 Feb 2021 | Online | Press Release

Strepsils is only candy not a cure: competition commission

Fines company Rs150m for deceptive marketing

SAMAA | Samaa Money - Posted: Feb 11, 2021

The Competition Commission of Pakistan has penalised Reckitt Benckiser Pakistan Limited Rs150 million for what it said was deceptive and misleading marketing of one of its products, Strepsils.

The commission said that the company is accused of disseminating misleading information to consumers by creating an impression its product 'Strepsils' is a drug for a sore throat and cough.

Square Distribution and Marketing System (Pvt) Limited sent a formal complaint to the commission making the allegation.

It alleged that Strepsils was de-registered as a drug when acquired by Reckitt from Boots in 2005, and then re-launched with the disclaimer, "non-medicated lozenges."

However, the company made no effort to educate and inform consumers on the discontinuation of a medicinal ingredient in it.

This was followed by a CCP inquiry, which concluded that the marketing campaign appears to be deceptive and goes against competition laws which prohibits the distribution of false and misleading information to consumers.

"Moreover, the marketing campaign demonstrates that the public was actually deceived into perceiving that 'Strepsils' was still a medicated sore throat remedy," the CCP said. "The respondent's misleading campaign was also capable of harming the business interests of others."

The CCP order added that branding has a significant role in marketing products, and therefore, the change in formula of the product has changed the character from being a medicine to a non-medicated product.

"Did you know that Strepsils is only a candy and it can't cure anything," said the CCP spokesperson.

The history of the brand 'Strepsils' and the fact that, internationally, it is known and marketed in various jurisdictions as a medicinal product, means that the disclosure of the fact that it is not medicated in Pakistan becomes compulsory.

The CCP bench observed that the disclaimer on the box was not enough. It said the company has not been able to explain properly how and to what extent it made an effort to inform the public about the change in formula.

"Barely printing 'non-medicated lozenges' on the product box and that too in a very small font does not discharge the onus of making due and sufficient disclosures of such material change in the character of the product," said the CCP statement.

The bench has directed the company to print 'NON-MEDICATED' as a disclosure in English and Urdu in bold on the box as well as on the strips.

NewzTodays

12 Feb 2021 | Online | Press Release

CCP imposes Rs 150m fine on Reckitt

Islamabad: The Competition Commission of Pakistan (CCP) on Thursday imposed a penalty of Rs 150 million on Reckitt Benckiser Pakistan Limited for making misleading and deceiving advertising claims of its product Strepsils'.

It passed an order for violation of Section 10 of the Competition Act, 2010. In its order, CCP said it made advertising and marketing claims about its product 'Strepsils', which were misleading and deceiving under the Act.

M/s Square Distribution & Marketing System (Pvt) Limited had launched a formal complaint and alleged t M/s Reckitt Benckiser Pakistan Limited had been disseminating misleading information to the consumers.

The company spread information to create an impression of its product 'Strepsils' that it was a drug for sore throat and cough.

The other allegation was the company did not make any effort to educate and inform the consumers about its discontinuation of medicinal ingredient in it. The CCP's enquiry found the marketing campaign of the respondent deceptive in terms of Section 10 of the Act in general, read with sub-section 10(2) (b) of the Act.

It prohibits disseminate false and misleading information to consumers. The Respondent's misleading campaign also resulted in harming the business interests of other undertakings.

The order further stated the change in the formula of the Product had also resulted in changing medicine to a non-medicated product. The bench agreed with the finding of the Enquiry and observed the disclaimer on the box of the Product was not enough.

The bench in its order maintained the Respondent failed to substantiate neither before the Enquiry Committee nor this Bench what efforts it made to inform the general public about change in the formula of its product 'Strepsils'.

It further said barely printing 'Non-Medicated Lozenges' on the product box with a very small font does not justify due and sufficient disclosures of such material change in the character of the Product.

The bench comprised Ms. Rahat Kaunain Hassan, Chairperson and Ms. Bushra Naz Malik, Member. It observed the respondent's marketing claims can potentially deceive consumers. In line with findings, the bench imposed a total penalty of PKR 150 million [PKR 75 million for each of the violations].

The Bench further directed the Respondent to stop misleading marketing practices of the Product. The bench further directed to print the disclaimer/disclosure, 'NON-MEDICATED', in English and also Urdu in bold words, on the Product box and on the strips as well in print and/or in electronic advertising/marketing. It further said to place in Urdu the disclaimer "ye dawa nahi, dawa ke liye doctor se ruju Karen".

The bench has given 40 days to the Respondent for compliance. Meanwhile, it directed the Respondent to publish advertisements in at least three English and Urdu newspapers.