

## Making deceptive claim

# CCP issued show-cause notice to a food firm

ISLAMABAD: The Competition Commission of Pakistan (CCP) has concluded an enquiry and issued a show cause notice to Shangrila (Pvt) Limited for indulging into alleged deceptive marketing practices by making a claim of being 'No. 1 tomato ketchup in Pakistan'.

According to an announcement of the commission here on Thursday, the CCP received a complaint from National Foods Limited alleging that Shangrila has recently launched a marketing campaign through print and outdoor advertising media all across Pakistan for 'Shangrila Ketchup' and claimed that their ketchup is 'No 1 in Pakistan'.

It was also alleged in the complaint that the claim of Shangrila is prominently displayed on all of its advertisements and lacks a reasonable basis, related to character, suitability for use, or quality of goods in violation of Section 10 of the Competition Act, and the marketing campaign

is capable of harming the business interest of National Foods.

CCP's Office of Fair Trade (OFT) has initiated an enquiry against the claim made by Shangrila and concluded that the overall net impression of the marketing campaign/advertisement is that 'Shangrila is Pakistan's No. 1 Tomato Ketchup', whereas the actual market share of National Foods was higher than Shangrila. National Foods holds a major share in the Total Urban Pakistan in the category of Ketchup. It has a market volume share of 49.2 and value share of 50.8 whereas Shangrila Ketchup has the market volume share of 20.7 and value share of 20.1 at the time of marketing campaign.

It was also noted that Shangrila has made Brand of the Year Award the basis to authenticate its claim of being No.1 in Pakistan. However, upon enquiry, Brands Foundation has clarified that their award never

empower the receiver to make a claim of being No.1 in Pakistan.

The CCP enquiry concluded that the claim of Shangrila not only lacks a reasonable basis regarding character, suitability for use, or quality of goods but is also capable of harming the business interest of National Foods in violation of Section 10 of the Competition Act. Therefore a show cause notice was issued to Shangrila for making a deceptive claim during their advertising and they were called upon for hearing on a given date.

CCP is mandated under the Competition Act to ensure free competition in all spheres of commercial and economic activity to enhance economic efficiency and to protect consumers from anti competitive behaviour including deceptive marketing practices. A number of actions have been taken by CCP to stop deceptive marketing practices.—PR

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# Ketchup maker gets show-cause notice

**By A Reporter**

ISLAMABAD, Nov 7: The Competition Commission of Pakistan (CCP) has issued a show-cause notice to Shangrila (Pvt) Limited for indulging in alleged deceptive marketing practices by making a claim of being 'No 1 tomato ketchup in Pakistan'.

The CCP had conducted an enquiry after receiving complaint from the National

Foods that the Shangrila marketing campaign was capable of harming its business interests.

CCP's Office of Fair Trade (OFT) initiated an enquiry against the claim made by Shangrila and concluded that the overall net impression of the marketing campaign/advertisement is that 'Shangrila is Pakistan's No. 1 Tomato Ketchup', whereas the actual market share of National Foods was higher

than Shangrila.

The CCP enquiry concluded that the claim of Shangrila not only lacks a reasonable basis regarding character, suitability for use, or quality of goods, but is also capable of harming the business interest of National Foods in violation of Section 10 of the Competition Act.

Therefore, show cause notice was issued to Shangrila for making a deceptive claim.

# *The* Nation

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## **CCP issues notice to firm on deceptive marketing practices**

**ISLAMABAD (Staff Reporter):** The Competition Commission of Pakistan (CCP) has concluded an enquiry and issued a show cause notice to Shangrila (Pvt.) Limited for indulging into alleged deceptive marketing practices by making a claim of being 'No. 1 tomato ketchup in Pakistan'. CCP received a complaint from National Foods Limited alleging that Shangrila has recently launched a marketing campaign through print and outdoor advertising media all across Pakistan for 'Shangrila Ketchup' and claimed that their ketchup is 'No 1 in Pakistan'. It was also alleged in the complaint that the claim of Shangrila is prominently displayed on all of its advertisements and lacks a reasonable basis.

## CCP initiates action against food firm

Staff Reporter

Friday, November 08, 2013 - Islamabad—The Competition Commission of Pakistan (CCP) has concluded an enquiry and issued a show cause notice to Shangrila (Pvt.) Limited for indulging into alleged deceptive marketing practices by making a claim of being 'No. 1 tomato ketchup in Pakistan'.

CCP received a complaint from National Foods Limited alleging that Shangrila has recently launched a marketing campaign through print and outdoor advertising media all across Pakistan for 'Shangrila Ketchup' and claimed that their ketchup is 'No 1 in Pakistan'.

It was also alleged in the complaint that the claim of Shangrila is prominently displayed on all of its advertisements and lacks a reasonable basis, related to character, suitability for use, or quality of goods in violation of Section 10 of the Competition Act, and the Marketing campaign is capable of harming the business interest of National Foods.

CCP's Office of Fair Trade (OFT) has initiated an enquiry against the claim made by Shangrila and concluded that the overall net impression of the marketing campaign/advertisement is that 'Shangrila is Pakistan's No. 1 Tomato Ketchup', whereas the actual market share of National Foods was higher than Shangrila. National foods holds a major share in the Total Urban Pakistan in the category of Ketchup. It has a market volume share of 49.2 and value share of 50.8 whereas Shangrila ketchup has the market volume share of 20.7 and value share of 20.1 at the time of marketing campaign.

It was also noted that Shangrila has made Brand of the Year Award the basis to authenticate its claim of being No.1 in Pakistan. However, upon enquiry, Brands Foundation has clarified that their award never empower the receiver to make a claim of being No.1 in Pakistan.

The CCP enquiry concluded that the claim of Shangrila not only lacks a reasonable basis regarding character, suitability for use, or quality of goods but is also capable of harming the business interest of National Foods in violation of Section 10 of the Competition Act.

# جہانِ پاکِستان

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## کچھ ساز کمپنی کے خلاف مسابقتی کمیشن کی کارروائی

دھوکا دہی کا مرتکب قرار دیتے ہوئے اظہار و جوہ کا نوٹس جاری کر دیا

اسلام آباد (سٹاف رپورٹر) مسابقتی کمیشن نے ٹمائو کچھ بنانے والی ایک کمپنی کو صارفین کے

ساتھ دھوکا دہی کا مرتکب قرار دیتے ہوئے اظہار و جوہ کا نوٹس جاری

کیا ہے، کمیشن کے مطابق شنگریلا کچھ کی طرف سے نمبرون کچھ ہونے کے دعوے کی تحقیقات کے بعد کمپنی کو کمیشن کے قوانین کی خلاف ورزی کا مرتکب قرار دیا ہے۔ کمیشن کی طرف سے جمعرات کو جاری کردہ بیان کے مطابق نیشنل فوڈ کی طرف سے کمیشن کو تحریری طور پر شکایت کی گئی تھی کہ ٹمائو کچھ بنانے والی کمپنی اپنے نمبرون ہونے کے دعوئی سے صارفین کو گمراہ کر رہی ہے جو نہ صرف کمیشن کے قوانین کی خلاف ورزی ہے بلکہ مارکیٹ میں نیشنل فوڈ کے مفادات کو نقصان پہنچانے کی بھی مرتکب ہو رہی۔ کمیشن کی تحقیقات سے ثابت ہوا کہ شنگریلا کچھ کا مارکیٹ میں حصہ 20.7 فیصد ہے جبکہ نیشنل فوڈ کا حصہ 50.8 فیصد ہے اس طرح مذکورہ کمپنی کا دعویٰ غلط ہے۔

نیشنل فوڈز کی درخواست پر شکر یلا  
پرائیویٹ لمیٹڈ کو شوکا ز نوٹس

اسلام آباد (نمائندہ خصوصی) مسابقت کمشن نے اپنی پراڈکٹ کو ”نمبر ون ٹمائو کیچ اپ“ قرار دینے پر شکر یلا پرائیویٹ لمیٹڈ کو شوکا ز نوٹس جاری کر دیا ہے۔ یہ نوٹس نیشنل فوڈز لمیٹڈ کی درخواست پر دیا گیا۔ جس پر موقف تھا کہ شکر یلا کا دعویٰ درست نہیں اور اس سلسلے میں الیکٹریک اور پرنٹ میڈیا میں غلط اشتہارات دیئے گئے۔