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Competition - Pakistan

Veet manufacturers under fire for deceptive marketing practices

Contributed by Vellani & Vellani

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Reckitt Benckiser Pakistan Limited ran an advertisement for its product Veet, a depilatory cream. Wyeth Pakistan Limited filed a complaint with the Competition Commission that Reckitt had claimed in its advertisements that "9 out of 10 women prefer Veet" with no reasonable basis for this claim. Wyeth alleged that Reckitt was disseminating false and misleading information related to character, suitability for use and quality of goods to consumers through print and electronic media, which could harm the business interest of Wyeth.

The Enquiry Committee of the commission investigated the matter and discovered that Reckitt's claim was based on a survey by Oasis Insights (Private) Limited. However, according to a report issued by AC Nielsen, Reckitt's volume share in the Pakistani depilatory market was 46.2% during the period between April 2011 and March 2012.

According to the committee's initial findings, Reckitt aired its first television advertisement of Veet with a qualifier: "after using Veet 9 out of 10 women prefer Veet for smooth glowing skin" (emphasis added). However, the qualifier was subsequently omitted in print media advertisements and billboards, and later in the second television commercial.

The committee held that Reckitt's claim was *prima facie* in violation of Section 10 of the Competition Act 2010 (relating to deceptive marketing practices) and recommended that proceedings be initiated against Reckitt.

Accordingly, the commission issued a show cause notice to Reckitt for *prima facie* violation of Section 10 of the Competition Act. The matter is pending decision.

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