

## **CMA Infant Formula Interim Findings - Redacted Comments**

Thank you for providing [REDACTED] with the opportunity to make comments on the CMA's interim report with regard to its ongoing market study into infant formula and follow-on formula.

[REDACTED]

We have limited our response to comments on the CMA's 'possible measures to address', which you can find below.

### **Information and supply in healthcare settings**

Although it would not necessarily impact [REDACTED] directly, it feels like a very sensible approach for new parents to be provided with clear and impartial information, on which to base well-informed product selection decisions, in healthcare settings.

[REDACTED] has a number of its own pharmacies, and we would certainly be prepared to assist with the dissemination of any improved information from those outlets.

Although it is, perhaps, out of the scope of the CMA's current work, we would suggest that consideration is given towards a modification of the NHS's current *It does not matter...* statement through the inclusion of the word *minimum*. i.e. *It does not matter which brand you choose, they'll all meet your baby's [minimum] nutritional needs, regardless of price*. The new wording may be helpful, and provide greater support to parents, particularly if it is accompanied by an explanation as to the additional nutritional benefits that might be available to them from different formulations.

### **Information and price promotion in retail settings**

Further to the above, [REDACTED] would be supportive of the proposal to provide parents with improved decision-making information in its own stores. We are of the view, however, that it should be the manufacturers' responsibility to provide the information and related point-of-sale material, but to be approved by [REDACTED].

We also agree that manufacturers should display this information directly and prominently on the labelling of their infant formula products.

[REDACTED] would be supportive of the suggestion to allow retailers greater leeway to publicise prices and price reductions, as a means to improving the competition dynamics in the market for the currently restricted products.

### **Clarifying, monitoring and enforcing the existing regulations**

[REDACTED] would appreciate a clarification as to how existing regulations apply to online offerings, including the provision of examples.

Although the suggestion of strengthening the Competent Authority role is well founded in principle, it would be critical to ensure that the Authority has sufficient resources in place to fulfil this. The infant formula market is a dynamic one in terms of new product development, and the move to a pre-approval route would need to be well resourced to maintain this dynamism.

### **Strengthening labelling and advertising rules**

[REDACTED] would suggest that it would be important not to interfere, unduly, with the branding of infant and follow-on formula, by, for example, by standardising packaging for all infant formula or preventing brand related advertising.

However, we would support the proposal for the setting of stricter thresholds for certain types of phrases and claims which, as the CMA suggests, might be difficult for parents to meaningfully assess.

As referred to above, we are of the view that, as an alternative, the desired outcomes could be achieved by standardising the labelling of infant formula products, perhaps by adopting the 'traffic light' system for the easy identification of nutritional values.

### **Price controls and public provisions**

[REDACTED] would not be supportive of any form of intervention with regard to price controls for the reasons set out clearly in the CMA's interim findings.

The suggested intervention for Government to procure infant formula from a third party contract manufacturer, at a competitive price point under a NHS brand, is an interesting one, and we would certainly be willing to seriously consider stocking such a product through our store and online channels.

I hope that these comments are helpful to you, and we would be happy to discuss them further.