

Consumers were misled about the effects of Norbi Update products - the company admitted the infringements

6 May 2023, Budapest - An investigation by the Hungarian Competition Authority found that the distributor of Norbi Update products misled consumers in several ways, among others about the effects of the products, their composition and the effectiveness of the diets. The undertaking cooperated with the authority and admitted the infringement, thus reducing the fine to HUF 40 million.

The Hungarian Competition Authority's investigation revealed that the videos published on the distributor's social networking site promoting the Norbi Update lifestyle system and Update products were unfair to consumers in several respects. The GVH's experts examined a total of 280 video clips over a period of more than a year and concluded that they may have misled consumers about the composition and effectiveness of the products, the market position of the company and, in the case of one product, its marketability.

The procedure revealed that the videos advertised the Update products with unsubstantiated claims of health benefits and disease prevention and treatment (e.g. "*diabetes goes away, high blood pressure goes away*"). The misleading claims relating to health were also in breach of EU rules on the advertising of food. In addition, the posts made misleading claims about the composition of Update's products (e.g. "*sugar-free, reduced carbohydrate content*") and unsubstantiated claims about the company's market dominance. The video posts also unlawfully created the impression that Update branded nutrition is suitable for everyone to maintain and improve their health, to prevent diseases and reduce their risk, failing to mention that individual health conditions can strongly influence the applicability of the diets in question. As regards one product (honey substitute syrup), the entrepreneur falsely created the impression that it could be legally marketed, as the NÉBIH's position was that the product had been put on the market illegally and the competent authority withdrew it from the market, ordering the recall of the products from consumers.

In assessing the infringement, the GVH's Competition Council took into account, inter alia, that the consumers targeted by the misleading videos are partly vulnerable, as the claims also target ill people and people suffering from obesity. At the same time, the authority also took into account the cooperation of the undertaking, which admitted the infringement, retroactively deleted the contested videos and waived its right to appeal. In addition, the company has committed to implementing a targeted internal compliance programme towards the authority to eliminate similar breaches in the future. Taking all this into account, the competition authority fined Norbi Update Lowcarb Zrt., the company responsible for the videos, HUF 40 million.

Official registration number of the case: **VJ/36/2021.**

GVH Public Service Communications and International Section

Further information:

Bálint Horváth, Head of Communication +36 20 238 6939

Katalin Gondolovics, Spokesperson +36 30 603 1170