Milking Profits

How Nestlé puts sales ahead of infant health

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Milking Profits: How Nestlé puts sales ahead of infant health
is published by
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Islamabad, December 1999

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Profits Before Health

A report* released in April 1998 revealed that not a single company in Pakistan was marketing baby foods or feeding products in a responsible way. All companies were found to be violating the WHO/UNICEF International Code of Marketing of Breastmilk Substitutes, adopted in 1981 to protect mothers and babies from the commercial influences of this industry.

Milking Profits offers a rare insider's view of the hidden but common sales practices of a giant transnational company. Syed Aamar Raza, a former salesman of Nestlé Milkpak Ltd, reveals concrete evidence of the systematic and routine manner in which the company buys the loyalty of doctors, persuading them to promote commercial products rather than life-saving breastmilk. His earlier attempt - in the form of a Legal Notice issued on November 12, 1997 - to confront his former employers elicited threats to his life and the safety of his family.

This is not the first time the unethical marketing practices of the baby food industry, including Nestlé, have been documented (and it won't be the last time). Independent surveys to monitor International Code compliance all over the world have produced similar findings, revealing how this company (and others) markets its products in ways that undermine breastfeeding

In fact, because of its "profits-before-health" approach, Nestlé has been the target of two international Boycotts. Thousands of individuals and organisations in 19 countries pledge not to purchase the company's best selling product Nescafé (many stop buying other Nestlé products as well) until the company ends its irresponsible marketing of breastmilk substitutes and abides by the International Code. The Boycotts focus on Nestlé, the world's largest food manufacturer, because it controls about 40% of the world market in baby milks and uses its influence to set market trends and company behaviour and to interfere in government efforts to regulate the industry's marketing practices.

This is the first time, however, that such explicit and irrefutable evidence has come from inside this massive company (231,881 employees, 500 factories in more than 80 countries, turnover of US$52 billion (1998) - "Are there countries in which Nestlé products are not available?- Not to our knowledge" (Nestlé website)).

* In March 1997, TheNetwork -- Association for Rational Use of Medication in Pakistan conducted a nationwide survey to monitor the baby food industry's compliance with the International Code of Marketing of Breastmilk Substitutes and the SAARC Code for the Protection of Breastfeeding and Young Child Nutrition. The resulting report, Feeding Fiasco: Pushing commercial infant foods in Pakistan, was released in April 1998. Alarmingly, not a single company marketing baby foods or feeding products in Pakistan was abiding by the International Code or the SAARC Code in their entirety. Available from TheNetwork (see pg..4 for address) for US$ 15 (88pp).

Nestlé, having received much of the evidence documented in this report as attachments to Aamar Raza's Legal Notice, has no doubt had its damage control team scour each item to come up with ways to explain everything away. They won't be able to. The evidence (all provided in original by Aamar) is too explicit, the violations too blatant. But let them try - past experience has shown their efforts to explain their actions, only reveal more wrongdoing.

As is always the case when monitoring compliance with the International Code, the findings represent only the tip of the iceberg. The evidence contained in this report has been accumulated over only 29 months in the district surrounding a small town. By the time of Aamar's resignation, Nestlé employed 52 medical delegates to carry out similar activities (on an even larger scale in city centres where the potential for sales is greater and the stakes higher).

Unholy Alliance

And what of the doctors? Are they not also partially responsible for the deaths of these innocents? TheNetwork believes that the doctors too must share the blame. For in accepting (or in some cases even requesting) the benefaction of the baby food industry and ignoring the importance of mother's milk for babies, many doctors have put their own interests ahead of those of their small patients. In examining evidence of Nestlé's Code violations, some truly criminal cases of doctor betrayal also surfaced. While Nestlé's unethical marketing practices remain the focus of this report, TheNetwork also wishes to bring to light the wrongdoing of the medical profession.

Why is Breastfeeding Important?

The lives of 1-2 million babies could be saved each year if their mothers were enabled to breastfeed optimally (i.e. exclusive breastfeeding for about 6 months, continued along with additional foods for two years or beyond). Not only does mother's milk provide all nutrients necessary for infant growth and development, it also contains unique anti-infective properties which protect the baby against common childhood illnesses. Where clean drinking water is not available, a bottle-fed baby is 25 times more likely to die of diarrhea and four times more likely to die of acute respiratory infections than an optimally breastfed baby. Even when bottles are prepared properly under sterile conditions the risk of illness and death is greater than among breastfed babies.

Mothers, too, benefit from breastfeeding. Not only is breastfeeding less time consuming and more convenient than bottle feeding, there are also health benefits. Breastfeeding helps the uterus to return to its pre-pregnancy state and reduces the risk of post-partum haemorhaging. It also reduces the risk of breast and ovarian cancers and offers protection against subsequent pregnancy.

But breastfeeding - a simple, inexpensive and traditional practice that has the potential to save hundreds of thousands of infant and child lives each year in Pakistan alone - is being endangered by the aggressive and unethical marketing practices of the manufacturers of artificial baby foods and feeding products. These companies go to great lengths to come between a baby and its mother's breasts. Breastfeeding babies are bad for business.

A Prick to the Conscience

Syed Aamar Raza joined Nestlé Milkpak Ltd. on December 3, 1994 as a "medical delegate" concerned only with products within the scope of the International Code. He had seen the position advertised in the newspaper. After a two-day interview process, Aamar was selected out of about 50 applicants. He resigned with immediate effect on April 30, 1997, ending a promising and envied career with a multinational company. Here's why:

"I was on a routine visit to a doctor in a hospital in Sialkot. While I was there a critically ill infant was brought into the clinic with chronic diarrhea and severe dehydration. The doctor I was visiting rushed off to begin emergency treatment. But the baby died.

"The detailed medical history revealed that this four-month-old baby had been breastfed for his first month but was then started on formula milk by a local doctor. The mother had been assured that formula milk would help the baby to gain weight and become healthier and chubbier. She was also directed to stop breastfeeding and was told that her milk was not suitable for her baby. The baby was being fed formula milk with a feeding bottle and had been having episodes of diarrhea for the last two months.

"The doctor I had been visiting and who attended the baby is trained as a preventive pediatrician who in his practice actively promotes breastfeeding. Over my next several visits he explained to me how formula feeding was affecting the lives of thousands of children in Pakistan. I, a father at that time expecting my second child, understood the role I was playing in this crime and decided to leave my job."

Syed Aamar Raza

David takes on Goliath

Once removed from the pressure and competition within Nestlé, Aamar soon decided he should do something to try to change the company's behaviour in Pakistan. Six months after his resignation, Aamar issued his former employers a Legal Notice (dated 12-11-97), attaching nearly 80 pages of evidence of the company's unethical marketing practices. This evidence had been

gathered over his 29-month employment with the company not systematically with the intention of taking any future legal action, but as a job requirement. He had been told to maintain records of incentives to doctors so that he could later use them to pressure the doctor into prescribing more Nestlé products. Documents from his superiors, meanwhile, were kept as a record of their directions to him.

Advised by his father in view of his legal experience, Aamar demanded in his legal notice that the company "stop its business of infant food manufacturing in Pakistan and withdraw all its infant food products from the Pakistani market within 15 days of receiving this legal notice". He also directed the company to "terminate the services of staff involved in non-professional and unethical practices of promoting and selling infant formulas within the same period of 15 days".

First Bribes, then Threats

After Aamar issued the Legal Notice, two senior employees of Nestlé (Special Project Manager/Group Brand Manager (GBM) who had come from Karachi and the Area Detailing Executive (ADE) responsible for Aamar's district) visited the home of the pediatrician who had shown Aamar the error of his ways. They told him to stop Aamar pursuing the Legal Notice and threatened anyone involved in this matter with him. The pediatrician contacted Aamar, who refused to bow down or to meet with the Nestlé senior employees.

Having failed to deter Aamar through this indirect approach, the Nestlé senior employees contacted a doctor who had been on the receiving end of Nestlé's largesse (see Cool Trade pg. 16) and asked him to call Aamar to his office the next day on any pretext. Not suspecting what awaited him, Aamar arrived at the doctor's office to find his former seniors also there.

"The GBM said Nestlé was such a giant company that I could not harm it. He asked me to withdraw the legal notice and said that if the company's interests were damaged with legal action, I would suffer serious consequences (*Iskey tumey sungeen nataig bhukatnain pharain gey*). Nestlé is a multinational company, he reminded me, and has money to do anything to me. My ADE offered me any amount of money I like (*Hum tumey moon mongi rukum company say dila sekhthy hain. Jis say sary omer ash caro gey*.) I did not accept.

"The GBM said that if I continued to be stubborn, the company would file cases against me in many different cities. They said anyone from my family could be kidnapped (*Tumarey khandan kay kisi bhi shuks ko aghwa car lia jai ga*), or I could even be killed (*Tumey zindagi se bhi hatth dhona phar sekhthy hain*). They said there are lots of gangsters in Karachi and Lahore ready to kill for money. I told them to go ahead and do what they wanted to do and I would do what I wanted to do."

Syed Aamar Raza

It was not until, upon the expiry of 15 days, Aamar notified Nestlé that he would hold a press conference to reveal the company's "malpractice and unethical measures" that Nestlé responded officially, acknowledging both his legal notice and subsequent letter (dated November 29, 1997). In a letter (dated 2 December 1997, Nestlé's legal advisor denied all adverse allegations and threatened with legal action for breach of trust and defamation should Aamar make them public.

Nestlé Milkpak Ltd.

P.O. BOX: 874
LAHORE-PAKISTAN

TEL : (92-42) 5757082 - 95
FAX : (92-42) 5711820
TELEX: 44616 MPL PK.

By **TCS**

Syed. Amir Raza
S/o Syed. Ghulam Raza
C/o Raza Medical Centre,
Kashmiri Bazzar, Near Adda
Pasurian, Sialkot.

YOUR REF. OUR REF. LAHORE
AN 02 December, 1997

Dear Sir,

We refer to your letter dated: 12 November, 1997 and to a subsequent letter dated: 29 November, 1997.

At the outset we deny all adverse allegations contained in your letter. The allegations contained in your letter dated: 12 November, 1997 are distortion of the facts, are malafide, and based on ulterior considerations.

As you are aware, Nestle Milkpak Limited strictly and at all times acts in accordance with, and continuously strives to adhere to the W.H.O. International Code of Marketing on Breast Milk Substitutes and the Nestle Charter which is consistent with that Code. All employees are also required to strictly adhere to the Nestle Charter. You are aware that any breach of the Nestle Charter by any employee entails serious disciplinary consequences.

We must emphasis that any attempt to damage the reputation of the Company shall be vigorously resisted by the Company. Any defamatory statement by you shall entitle the Company to initiate criminal proceedings against you under Sections 499 and 500 of the Pakistan Penal Code and other provisions, as well as to civil liabilities. These will be pursued entirely at your risk as to costs and consequences.

Page 1 of 2

The Campaign Begins...

The response from Nestlé Milkpak Ltd made clear the company's intentions. Though shaken and concerned about his family's safety, Aamar resolved to persevere, this time with the help and support of other groups working on this issue. Aamar had earlier sent a copy of the Legal Notice to TheNetwork and subsequently wrote a review for Feeding Fiasco (see pg. 6). (Interestingly, Nestlé correspondence with Nestlé Boycott supporters revealed that the company had incorrectly concluded that the "former Nestlé employee" anonymously referred to in Feeding

Without prejudice to the above, and without at all conceding to your allegations (which are denied), we may mention that airing of your allegations in public would entail disclosure of information received by you in trust during the course of your employment with Nestle Milkpak Limited. Any disclosure, particularly disclosure with a defamatory slant, would also attract penal provisions for breach of trust. We would in such circumstances also be constrained to file criminal proceedings for breach of trust and for defamation.

We trust that better sense will prevail and you will desist from your proposed misadvised course of action.

Yours truly,

Legal Officer.

Page 2 of 2

Redundant and Illegitimate

The Nestlé Charter -- Nestlé's infant formula policy in developing countries" is the company's own code of conduct, which it implies is the same as the International Code. However, there are significant differences between the two - most notably, the International Code covers all breastmilk substitutes in all countries, while the Nestlé Charter applies only to infant formula in developing countries.

Not only was the International Code adopted by 118 countries, its text was prepared by the World Health Organisation after consultations with governments, NGOs, health workers and the baby food industry itself. A company-prepared code of conduct such as Nestlé's Charter is nothing more than a public relations exercise and is without legitimacy.

In any case, Nestlé's marketing has been shown to break even its own Charter as well as the International Code.

Fiasco was Aamar Raza). Now he contacted TheNetwork again, seeking guarantees of security and financial support for taking the company to court. Both requests were out of our scope, but we promised to help him make his evidence public whenever he was prepared to do so.

After many months of contemplation and meetings, Aamar decided to proceed and took precautions to protect his family's and his own safety. This report is the outcome of that decision.

Perks & Persuasions

"All the supports are with you as usual," reads a handwritten note signed by Aamar's immediate supervisor, an Area Detailing Executive. He is referring to the company's unwritten policy of "keeping the customer happy" through gifts of products, equipment and other material and financial inducements. The "customers" in this case aren't necessarily the direct buyers of the company's product. They are, more importantly, in a position to influence through their prescriptions the purchases of their hundreds and thousands of patients. The understanding is that if the company gives the doctor something, she or he will feel obligated, or in the very least willing, to give something (i.e. prescriptions for the company's products) in return.

It is a classic case of "you-scratch-my-back-and-I'll-scratch-yours". The question is, who scratches first? Bribes are not only offered by the baby food industry, but also demanded by the many doctors. Even when

Classification/Contact Data cards

Of course not all doctors are created equal in the eyes of the baby food industry. Number of patients, private practice and/or government service and teaching positions determine a doctor's potential to influence and therefore, their value to the baby food industry. The number and value of gifts and services a doctor receives from the company is determined by her or his classification. The more valuable the doctor (i.e. the more her or his potential to influence), the more the company is willing to "invest" in her or him.

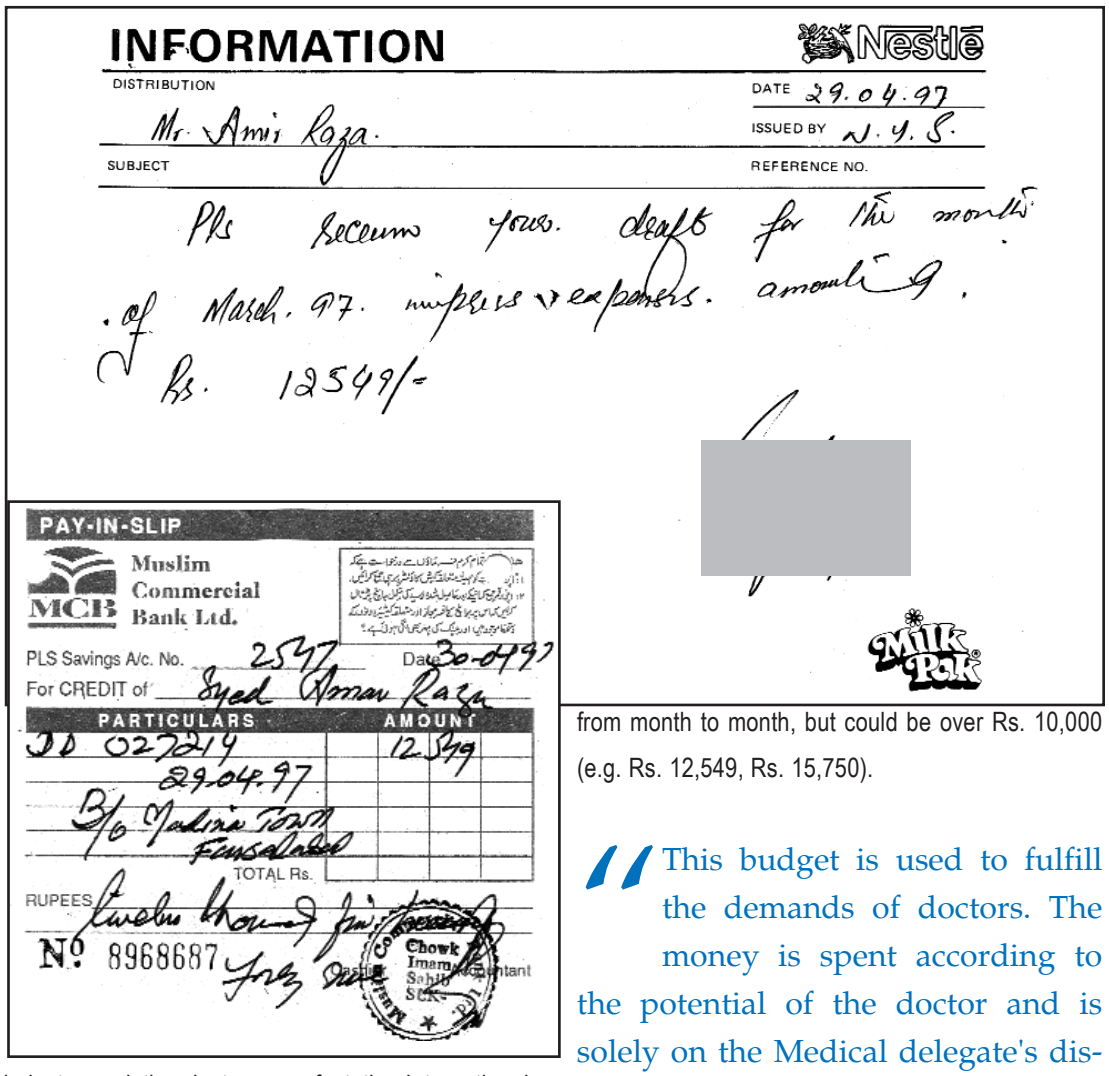
Nestlé's early contact classification system divided all health workers into three classes (A, B and C) according to the number of children they see or deliveries they handle, and considering their qualification (i.e. pediatrician, gynecologist/obstetrician, general practitioner, para-medical staff, etc.). Specialists who are professors, assistant or associate professors or influential opinion leaders are A-class, irrespective of their volume of practice. A new system of contact classification considers practice size, patient income level (considering doctors' fees, patients approximate per month income and area of practice) and influence. Doctors were then divided into four classes (AAA, AA, A and B).

A data card is maintained for each contact. Information collected includes date of birth, wedding anniversary, year of graduation, graduation institution and interests. Gifts and cakes are routinely delivered on birthdays and anniversaries. These vary in price from Rs. 250 to Rs. 600, depending on the doctor's classification. Data cards are also maintained for hospitals, maternity homes and clinics. They are also classified accordingly. These cards record the services provided, number of paeds and gy/ob wards, number of beds, whether there is a pediatric nursery, number of incubators, occupancy, number of children in out-patient department per day as well as information about the heads of departments and about nearby pharmacies.

the demands are not blatant and accompanied with flattery of Nestlé, a doctor's openness to the company's largesse and persuasion is perceived as a willingness "to do business" and is quickly exploited by the medical delegate. Responsibility for these exchanges lies with both parties, the baby food industry and the doctors - a fact the International Code clearly establishes in saying that inducements should be neither offered by the baby food industry, nor accepted by health workers.

INTERNATIONAL CODE

Article 7.3
No financial or material inducements to promote products within the scope of this Code should be offered by manufacturers or distributors to health workers or members of their families, nor should these be accepted by health workers or members of their families.



INFORMATION

Nestlé

DISTRIBUTION: Mr. Amir Raza.

DATE: 29.04.97

ISSUED BY: N.Y.S.

SUBJECT

REFERENCE NO.

Pls secure your. draft for the month of March. 97. impress expenses. amounting. Rs. 12549/-

Milk Pak

PAY-IN-SLIP

Muslim Commercial Bank Ltd.

PLS Savings A/c. No. 2547 Date 30-04-97

For CREDIT of Syed Aamar Raza

PARTICULARS	AMOUNT
DD 027214 29.04.97 B/o Madina Town Faisalabad	12549
TOTAL Rs.	

RUPEES Twelve thousand five hundred forty nine only

No. 8968687

Chowk Imam Sahib

Bank slip showing reimbursement of impress expenses for the month of March 97, amount Rs 12,549.

Bribing Doctors

Aamar was reimbursed monthly for "promotional expenses" or "impress money". This amount varied from month to month, but could be over Rs. 10,000 (e.g. Rs. 12,549, Rs. 15,750).

> "This budget is used to fulfill the demands of doctors. The money is spent according to the potential of the doctor and is solely on the Medical delegate's discretion. The medical delegate is also authorized to freely use telephone and courier services for prompt fulfillment of doctors' demand."
>
> *Syed Aamar Raza*

One gynecologist informed Aamar that she had transferred her practice and she required a new signboard.

When Aamar forwarded the request to his supervisor, the reply was: "Is it plastic sign or tin board? Kindly do it as you feel easy from your budget." Earlier (27-9-95), her husband, also a doctor, received a cheque from Nestlé for Rs. 10,000. Another doctor was provided Rs. 4,500 with which he was to purchase his own signboard.

Nestlé also provided lunch for a free medical camp, for which one of the organizers received Rs. 4,000 "with a bundle of thanks". The same doctor later was also pleased to accept ("with thanks") the donation of a nebulizor with tubings and accessories. On the request of another doctor, Aamar's supervisor himself purchased a baby weighing scale to be delivered by Aamar.

Another doctor acknowledged receipt of a clinical paediatric nebulizor and stethoscope for the paediatric ward of Memorial Christian Hospital, Sialkot. The director of the hospital was unaware of the "donation".

Among other gifts distributed by Aamar were 1996 Nestlé Milk Pak Lt. Diaries and 25 Cerelac dispensers/table clocks for A-class pediatricians. Routinely he supplied Nestlé products (coffee, tea whitener, etc.), tongue depressors, printed prescription pads and anything else the doctor needed or requested.

Goodwill Goodies

Under Article 6.8 of the International Code, baby food companies may donate equipment such as nebulizors and weighing scales (and these may even bear the company name or logo), but Article 7.3 states “No material and financial inducements to promote products covered within the scope of the Code”. The end result of such gifts, especially in resource-tight Pakistan) is an increased sense of goodwill towards the company and an obligation to return the favour in the shape of prescriptions (see "No uncertain terms", opposite). As such, all such donations can and should be considered as financial or material inducements and therefore disallowed.

Courting Cooperation

Not only doctors, but also nurses are wooed by Nestlé's marketing team. Samples of the company's products (Milo, Nescafé, yakhni, Cerelac) were regularly supplied to the nursing staff. Gifts of lipstick, nail polish and perfume were also purchased out of Aamar's "impress money". Clearly, such items are not for professional use, but material inducements, banned under Article 7.3 of the Code. The nurses, in return, prescribed Lactogen 1 for newborns rather than helping the mothers to breastfeed and admitted Aamar to the wards and nursery outside office hours to give him direct contact with the mothers. Whereas doctors may spend only a few minutes with a patient, the nurses are in the ward for the entire day and have much more contact with the mothers.

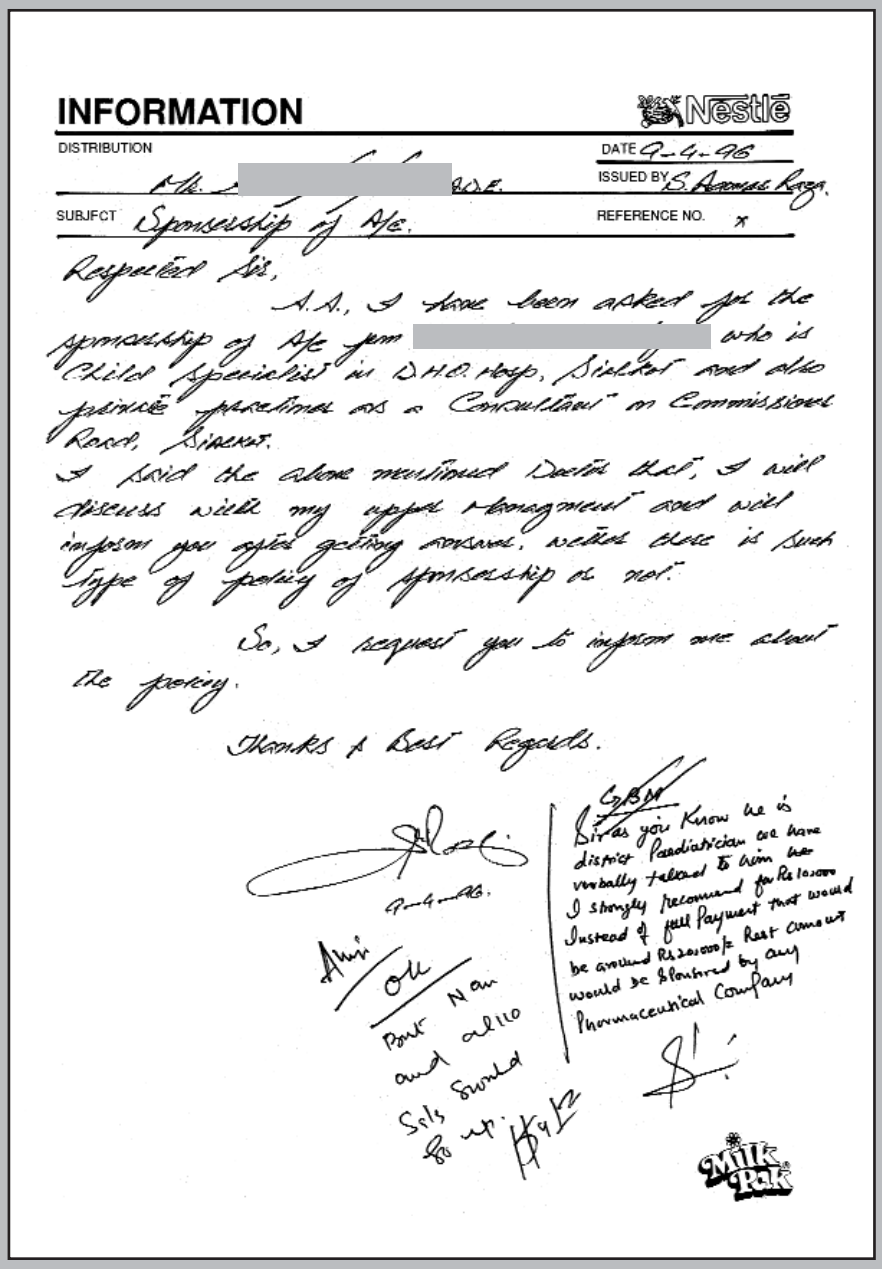
No Uncertain Terms

Sometimes the arrangement works subconsciously, with doctors denying having been influenced by company inducements. Sometimes the deal is spelled out in no uncertain terms.

On April 9, 1996 Aamar wrote to his supervisor, seeking guidance. He wrote that he had been "asked for the sponsorship of an air conditioner (A/C) by [a doctor] who is a child specialist in DHQ Hospital Sialkot and also private practitioner as a consultant". He wrote that he had told the doctor he would have to ask his supervisors as to "whether there is such type of policy of sponsorship or not".

Aamar's supervisor, the Area Detailing Executive, wrote to the Group Brand Manager, "Sir, as you know he is a district pediatrician. We have verbally talked to him. I strongly recommend for Rs. 10,000 instead of full payment that would be around Rs. 20,000/-. Rest amount would be sponsored by any pharmaceutical company."

To which the Group Brand Manager replied to Aamar, "O.K. But Nan and al110 sales should go up."



INFORMATION

Nestlé

DISTRIBUTION: Mr. [redacted] ADE.

DATE 9-4-96

ISSUED BY S. Aamar Raza.

SUBJECT Sponsorship of A/C.

REFERENCE NO. x

Respected Sir,

A.A., I have been asked for the sponsorship of A/C from [redacted] who is Child Specialist in DHQ Hosp, Sialkot and also private practitioner practising as a Consultant in Commissioner Road, Sialkot.

I told the above mentioned Doctor that, I will discuss with my upper Management and will inform you after getting answer, whether there is such type of policy of sponsorship or not.

So, I request you to inform me about the policy.

Thanks & Best Regards.

9-4-96.

GBM

Sir as you know he is district Paediatrician we have verbally talked to him. We I strongly recommend for Rs 10,000 Instead of full Payment that would be around Rs 20,000/- Rest amount would be sponsored by any Pharmaceutical Company

Amir

OK

But Nan and al110 Sals should go up.

Milk Pak

Cool Trade for Company Loyalty

A military doctor at Combined Military Hospital, Sialkot, on 5 July 1996 requested two air conditioners (and provided specifications) "for the comfort/better care of ... patients". The letter was addressed to Zahid Ashfaq, who he assured Aamar was an old friend of his. Aamar sent the letter to his senior.

"Later, when he still hadn't received his air conditioner, the doctor asked me to inquire from my seniors about it. My seniors told me that the doctor should first show what he could do for the company in the form of prescriptions."

Syed Aamar Raza

By August, Aamar had secured almost a monopoly over the hospital, and the Field Operations Executive sent him a letter of appreciation, detailing the hospital's large purchase of Nestlé products. The letter was copied to the Group Brand Managers, Brand Managers and Area Detailing Executives throughout the country.

On 16 September 1996, the same doctor issued a circular stating that only Nestlé products were to be used. The circular, having not been signed by the Commanding Officer, is also contrary to military service norms. Aamar forwarded the circular to his seniors.

"My seniors then told me to provide them a receipt amounting to the price of an air conditioner (about Rs. 24,825) so that they could release the money. I could not find anyone willing to issue me a fake receipt for such a large amount. When I told the doctor this, he said it was no problem and he would take care of it. He phoned his friend and asked for a blank receipt. I went to his friend's home and collected a blank receipt stamped with his company's official stamp. I took it back to the doctor and we made out the receipt for a hospital bed (which this company does not even produce) costing Rs. 24,825.

"After sending this receipt to my seniors, a cheque for Rs. 24,825 was issued ("as per Brand Manager's instructions") on November 14, 1996 in the name of the doctor's friend's company. The friend then wrote back that he did not have an account in Pakistan in the company name, and asking that it be re-issued in his own name. I was sent the revised cheque on January 15, 1997 and asked to pass it on."

Syed Aamar Raza

[redacted]
Senior Child Specialist
Head of Paediatrics Department
Combined Military Hospital
Sialkot Cantonment
Telephone Number : 5/16136
5/16137

05 July 1988

[redacted]
Group Brand Manager
Nestle Milk Pak Ltd.
908 Upper Mall
G.P.O Box No 872
Lahore

My dear [redacted]

I hope my salaam finds you in the best of your health.

I take this opportunity to congratulate you and Nestle Milk Pak Ltd for your achievements in the field of infant and child nutrition. May ALLAH ALMIGHTY shower His blessings on you, your collesgues and your company so that you can continue serving the younger generation of our country.

I also take this opportunity to hope and pray that our association and friendship will strengthen further and we will cherish same love and affection for many more tarrals to come.

I am taking the liberty to seek your help and assistance for the comfort/better care of my patients by donating two Air Conditioners (NATIONAL ONE AND HALF TON) for my two clinics (one at CMH and the other at my residence). I am sure this air conditioners will keep on reminding me of the efforts your company makes for the improvement of patient and health care services in Pakistan.

MAY ALLAH THE MERCIFUL bless you and your team with health, honour and peace of mind. With this short but sincere prayer I beg leave of you by assuring you of my strong commitment to any service professional or otherwise, which you may consider me able to perform.

With Salam and Amain regards

Yours Sincerely

INFORMATION Nestlé

DISTRIBUTION: Mr. Amir Raza.
DATE: 14-11-96
ISSUED BY: PA
SUBJECT: CHEQUE FOR CANTON INDUSTRIES.
REFERENCE NO.

As per BM's instructions, I am attaching herewith a cheque amounting 24,825 for [redacted].
Kindly deliver this cheque to the party as soon as possible.
Thanks

Faisal
([redacted])

Payee A/c Payee only

CURRENT A/C NO. 636 4 CHEQUE NO. 13365395

14-11-1996

PAY [redacted] OR BEARER

RUPEES Twenty Four Thousand Eight hundred Twenty five only — Rs. 24,825/-

مسلم کمرشل بینک لمیٹڈ
Muslim Commercial Bank Ltd.
Upper Mall Lahore-0843

For Nestle Milkpak Ltd.

IMMEDIATE

Department of Paediatrics
Combined Military Hospital
Sialkot Cantt
Telephone Military : 6136
14 September 1996

I. O. N.

Subject: Use of Formulae Milk/Cereals in Children

With immediate effect only following Milk Formulae/Cereals will be used; where mothers milk is not available/needs to be supplemented:-

a.	Premature/L.B.W/V.L.B.W Babies	-	PRE NAN Milk
b.	Babies till 6 months of age	-	NAN /Lactogen - I Milk
c.	Babies 6 month - 1 Year of age	-	Lactogen-II
d.	Children more than 1 year age/ very sick children requiring nutritional support	-	NaSEAC Milk
e.	Lactose free milk Children suffering from diarrhea)	-	AL-110 Milk
f.	Cereals for Children 4 months - 6 months of age	-	CERELAC Wheat, Banana & Fruit
g.	Cereal for Children more than 6 months of age	-	CERELAC Wheat with Honey
h.	Cereal for Children suffering from diarrhoea	-	NESTUM Rice

The above instructions to be noted for strict compliance.

Sister I/C Children Ward
Sister I/C Nursery
Sister I/C Gynae Ward
Sister I/C Officers Family Ward.

[redacted]
Head of Paediatrics Dept
[redacted]
MBBS., MRCP., DCH., FRCH., (England)
SENIOR CHILD SPECIALIST
16/9/96

INFORMATION Nestlé

DISTRIBUTION: Mr. Amir Raza.
DATE: 15-1-97
ISSUED BY: PA.
SUBJECT: CHEQUE FOR [redacted]
REFERENCE NO.

Attached herewith please find a cheque for [redacted] in the name of [redacted]
Please do the needful ASAP.
Thanks.

Faisal
([redacted])

Encl : A.A.

Milk Pak

Payee A/c Payee only

CURRENT A/C NO. 636 4 CHEQUE NO. 13365395

14-11-1996

PAY [redacted] OR BEARER

RUPEES Twenty Four Thousand Eight hundred Twenty five only — Rs. 24,825/-

مسلم کمرشل بینک لمیٹڈ
Muslim Commercial Bank Ltd.
Upper Mall Lahore-0843

For Nestle Milkpak Ltd.

Outside the Code

Nestlé takes full benefit from its wide range of products, using products not covered by the International Code to promote the company name and at the same time create a sense of goodwill among doctors and other health care workers.

Before Eid at the end of Ramazan (the Islamic month of fasting), the sales delegates receive packaging material at their homes and products from their distributors for Eid gifts. Aamar was to give gifts to 20 A-class doctors and 10 to B class doctors, the contents of which were as follows:

INFORMATION

Nestlé

DISTRIBUTION

DATE 10.2.96

Mr Amir Raza

ISSUED BY Amir Ikram

SUBJECT

REFERENCE NO.

With in a couple of days you would receive packing material at your home and products at your distributor. for Eid gifts. detail is given below. total gifts approved 30. from which 20 A class 10 B class. Break up is as under

A Class

milk 05 Liters

Frost 18 Packets

Cream 4 Packets

Ahmad Vermecillis 01 Packet

B Class

milk 03 liters

Frost 12 Packets

Cream 02 Packets

Ahmad vermecillis 01 Packet

These gifts should be ready before by 17th of feb - 96

Pl. Purchase vermecillis 30 Packets from market

Milk Pak

Among the supplies the company regularly delivered to Aamar's home were infant cereal sachets, Everyday (tea whitener) and Yakhni (chicken stock). These supplies were provided free of cost to the doctors.

A circular from Aamar's supervisor, the ADE Faisalabad, dated Jan 11, 1997, notifies the detailing team that "from now onwards nobody is allowed to purchase any company product for doctors [except in] special cases. You will have to take prior approval from undersigned." This indicates that such purchases were permitted officially up to that date, and will be considered in future on a case-to-case basis. Such purchases were above and beyond the supplies dispatched by the company.

Sponsoring Loyalty

A group of 12 doctors and staff nurses from Memorial Christian Hospital requested permission to visit the Nestlé plant near Sheikhupura. The letter said, "Our staff looks forward to visiting your plant and discussing the various products which you offer".

When PPA Gujranwala held a "one-day clinical meeting" on 27-04-97, Nestlé printed invitation cards, distributed them to doctors and covered all the expenses

Nestlé is unique in presenting doctors with Eid gifts of company products. Vermicelli, traditionally prepared for Eid, was to be purchased from the market, as Nestlé does not produce this product.

(breakfast, lunch, coffee/tea and excursion). The programme reveals it was more an excursion than a "one-day clinical meeting" and its purpose far from academic:

Nestlé took care of registration and accommodation for a number of pediatricians to attend the 8th National Paediatric Conference, 26-28th February, 1997.

> "Families were also able to accompany the pediatricians to the conference. In at least one case, the doctor's whole family was issued air tickets as well. These tickets were returned unused to Nestlé and the doctor was given cash instead."
>
> *Syed Aamar Raza*

بسم اللہ الرحمٰن الرحیم

PAKISTAN PEADIATRIC ASSOCIATION PUNJAB
GUJRANWALA

Dear Collegues,

PPA Gujranwala chapter is going to hold one day Clinical Meeting on 27-04-97 Sunday at NANDIPUR WAPDA REST HOUSE Sialkot Road, Gujranwala.

You are cordially invited on this occasion.

Awaiting :

DR. GULZAR AHMAD CH.
Member Executive PPA Center

DR. MUHAMMAD ARIF SHEIKH
Vice President
PPA Punjab Gujranwala

PROGRAMME

ARRIVAL	9:00 AM
BREAKFAST	9:30 AM
CLINICAL MEETING	10:30 AM
LUNCH	1:00 PM
EXCURSION	2:00 TO 4:00 PM
TEA	4:30 PM

INFORMATION Nestlé

DISTRIBUTION: MR. Amir Raza.

DATE: 22-4-97

ISSUED BY: A.K (Gujranwala.

SUBJECT:

REFERENCE NO.:

Kindly receive the invitation cards for PPA meeting to be held at Nandipur (Gujranwala) on 27-4-97. And distribute them to the member doctors of PPA in your area.

Thanks.

Aamar.

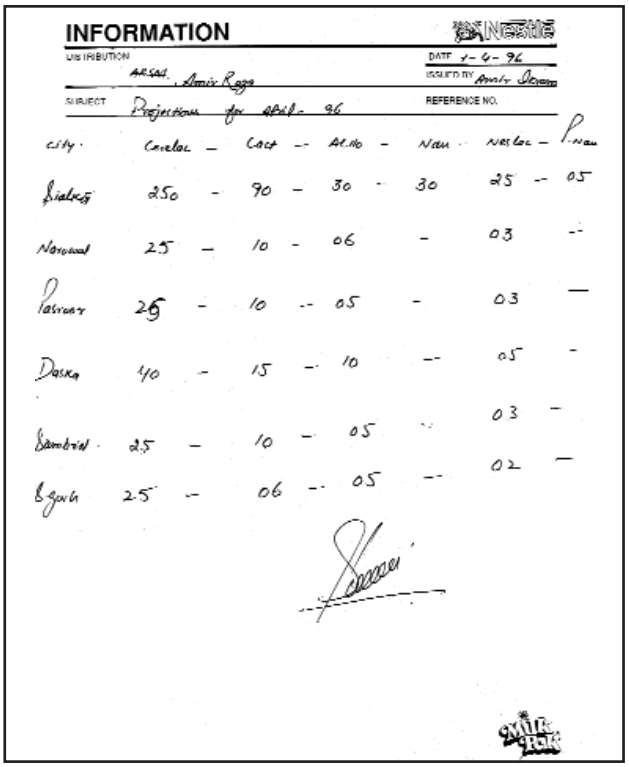
Invitation card to PPA Gujranwala's "one-day clinical meeting" held on April 27, 1997 and directions for Aamar to deliver them to doctors.

Targets & Sales-Based Incentives:

Targets

Sales targets are calculated according to birth rates and morbidity/mortality rates of a particular area. The minutes of an Annual Delegate's Meeting state that "Targets of Al-110 must be rationalised according to the real potentiality of the towns."

Monthly, brand-wise (for Cerelac, Lactogen 1 & 2, Al 110, Nan, Neslac, Pre-Nan and Nestum) target sheets are prepared by the ADE and handwritten on a Nestlé writing pad or any plain piece of paper. In Pakistan Nestum (rice cereal that has since been renamed Nestlé Rice) and most flavours of Cerelac are marketed for use from four months and are therefore within the scope of the Code (see Living in the Past, page 25). In setting targets or calculating sales-based bonuses, there is no distinction made between cereals intended for use from 4 months or from 6 months. Target sheets are always signed by the ADE. One target sheet also advises Aamar to sell the items on a 3-5% discount.



INFORMATION

DISTRIBUTION: Ali Sad, Amir Raza

DATE: 1-4-96

ISSUED BY: Amir Raza

SUBJECT: Projections for April-96

REFERENCE NO.

city	Cerelac	Lact	Al.110	Nan	Neslac	P.Nan
Sialkot	250	90	30	30	25	05
Narowal	25	10	06	-	03	-
Pasrur	25	10	05	-	03	—
Daska	40	15	10	-	05	-
Sambrial	25	10	05	-	03	-
Bajwa	25	06	05	-	02	—

Brand-wise and city-wise target sheet for the month of April 1996.

Pressure to Perform

The sales team is continuously reminded of these targets and the importance of meeting them. They are under pressure to perform. A notice from Aamar's supervisor informs him, "Please receive your last quarter achievements report against target. Your small towns need a lot of improvement in all products and special emphasis is needed in Sialkot..." It adds, "After very heavy sampling your Cerelac sales are decreasing day by day." And to keep the pressure on: "Also receive your targets for April. I hope you understand that you are in problem." Another target sheet directs Aamar to meet his targets for Neslac "at any cost and without excuse".

With his city-wise targets for Nestum, Aamar was told, "Please take these targets very seriously and positively and take maximum advantage of the season". "The season" refers to the start of hot weather and increased incidence of diarrhea. Another time (March 1996) Aamar was informed, "Your most concern area is Cerelac as well as Nan also specially in Sialkot. And start taking Rx

of Al-110 also." A month later special emphasis was needed in Sialkot on Neslac and Cerelac.

Team Spirit

While there is stiff competition between medical delegates, the company places importance on creating a sense of "team spirit" and a common goal of increasing sales as a service to the babies of Pakistan. The sales force is appointed as "medical delegates", in a single move medicalising the company's infant feeding products and raising the sales force above the rank of common salesmen. Addressing the salesmen as "tigers" incites promotional aggressiveness.

The company is generous with praise where deserved and morale boosting talks where required. "You are doing good job. Keep it up with same tempo and dedication," encourages the note below targets for Sept. 95.

INTERNATIONAL CODE

Article 8.1
In systems of sales incentives for marketing personnel, the volume of sales of products within the scope of this Code should not be included in the calculation of bonuses, nor should quotas be set specifically for sales of these products. This should not be understood to prevent the payment of bonuses based on the overall sales by a company of other products marketed by it.

Another target sheet note says, "These are your targets for the month of March 96. Now ball is in your 'court'. This is the right time to prove yourself. At this time no product is short and all the supports are with you as usual." ("Supports" are discussed in Perks & Persuasions, pg. 12)

The successes of individual medical delegates were circulated throughout the country and held out as examples to be followed (see Cool Trade for company loyalty, pg. 16)

Below: Morale is kept high and promotional aggressiveness encouraged through a sense of team spirit and a common goal.

All Sales Tigers,

CONGRATULATION TIGERS

Together we, **HAVE DONE IT** better ! **LAHORE**

YOUR REF OUR REF LAHORE

We have crossed 2 Billion Rupees which is more than double our 1991 result.

A great achievement by one and all.

In recognition for this Great Success, Management has decided to reward the Sales Team by holding our forthcoming Sales Conference at the Pearl Continental Bhurban.

Subject to Ramzan the Conference will take place 31st January through 2nd February 1995 (more information to follow).

The winners of the Tiger Cup will receive their award during this event, together with the winners of the Achievement and Encouragement Awards.

Please ensure all members of the Sales Team are available to attend this major event.

Once again Congratulations to you all and may **1995** mark the **Turning Point**, that will lead us to an achievement of **8 Billion** Rupees by the end of year **2000**.

Now on behalf of the whole Management team here in Lahore I wish all of you and your families a Happy, Successful and Rewarding 1995, once again .....

Together we will do it better !

Best Regards,

[redacted]

NATIONAL SALES MANAGER DECEMBER 31ST 1994

TENDER + CONTRACT PROCEDURES

INFORMATION Nestlé

DISTRIBUTION: DETAILING TIGER — DATE: 31.08.95

ISSUED BY: Mr. Amir Raza

SUBJECT: REFERENCE NO.

Dear Colleagues after your continuous efforts we have made a history in sales of Cerelac in July by crossing 200 tons first time and in the month of August together we have done it again.

"WELL DONE AND KEEP IT UP"

September is going to be the most crucial month of the year as we must achieve 200 tons again to prove that we have achieved 200 tons as consistent sales figure.

Within two or three months you would be able to receive the free samples of Cerelac 3 Fruit also. Kindly use samples more effectively as you are already doing.

"REMEMBER DETAILING TIGERS CAN DO MIRACLES"

Best Regards,

[redacted]

Fruits of Their Labour

A letter from Marshall Rolland, Marketing Manager, provides the break up of Aamar's salary (1996 Salary Revision). The letter states: "Please also note that a level adjustment of Rs. 200/- has been included in your gross salary which is in addition to your performance increment." It also informs Aamar that he "will also continue to be entitled to participate in the Performance Incentive Scheme", details of which were to be provided separately. It goes on to say, "Please remember your actual performance is regarded to be of key importance and has therefore been duly considered when revising your salary." A similar letter was received the following year (1997 Salary Revision) except the "Performance Incentive Scheme" had been renamed the "Sales Incentive Scheme".

On 12.3 1996, Aamar received a Performance Bonus Payment (Including 10-C) amounting to nearly one month's salary. This was one of four bonuses received in 1996.

Early salary slips consistently list "Fix Pay" and "Incentive to Salesmen". Fix pay, as its name implies, remains unchanged. Incentive to salesmen varies from slip to slip but is sometimes nearly as much as the fixed pay. On later salary slips, where fixed pay is broken down into basic pay and various allowances, the incentive to salesmen is sometimes more than double the basic pay.

The entire sales team is invited to annual sales conferences at the luxurious Pearl Continental Bhurban.

Below: Aamar's salary and additional bonuses were calculated according to his sales performance.

Nestlé Milkpak Ltd.

P.O. BOX: 874
LAHORE-PAKISTAN

TEL : (92 42) 5757082 - 95
FAX : (92-42) 5711820
TELEX: 44616 MPL PK.

Nestlé

Private & Confidential

Syed Aamir Raza
EMP. NO. 283

Performance Bonus Payment (Including 10–C)

YOUR REF. OUR REF. LAHORE 12.3.1996

Dear Syed Aamir Raza,

In recognition of your contributions made during 1995 and year–to–date, we are pleased to inform you that you will receive a performance bonus payment of

Rs. 4,000 /– (Including 10–C)

We thank you for your support during 1995 and count on you for your continued support during the remaining part of 1996. We have full confidence that your intensified efforts towards better efficiency and stronger teamwork will allow us to further strengthen our position as the most professional and successful food company in Pakistan.

Very truly yours,
Nestlé Milkpak Ltd.

Marketing Manager

Nestlé Milkpak Ltd.
(Formerly Milkpak Limited)

P.O. BOX: 874
LAHORE-PAKISTAN

TEL: (92-42) 5757082 - 95
FAX. (92 42) 5711820
TELEX: 44616 MPL PK.

Nestlé

Private & Confidential

Syed Aamir Raza
E.No. 283

1996 Salary Revision

YOUR REF. OUR REF. LAHORE December 23, 1995

Dear Syed Aamir Raza,

We are pleased to inform you that your new monthly salary in supervisory grade w.e.f. January 1, 1996 will be as follows;

Basic Pay	Rs.	1,515 /–
COLA	Rs.	255 /–
COLA 1993	Rs.	100 /–
COLA 1994	Rs.	50 /–
House Rent Allowance	Rs.	1,080 /–
Conveyance Allowance	Rs.	742 /–
Supervisory Allowance	Rs.	486 /–
Medical Allowance	Rs.	472 /–
Product Subsidy	Rs.	125 /–
Govt. Spl. Allowance May 1988	Rs.	0 /–
Govt. Spl. Allowance May 1990	Rs.	100 /–
Govt. Spl. Allowance Dec. 1990	Rs.	200 /–
Gross Salary per month:	**Rs.**	**5,125 /–**

Please note that Rs. 125/– has been included in your gross salary (one time only) as product subsidy.

Please also note that a level adjustment of Rs. 200 /– has been included in your gross salary which is in addition to your performance increment.

Whilst in your current field function, you will also be entitled to get a meal subsidy of Rs. 750/– per month.

You will also continue to be entitled to participate in the Performance Incentive Scheme, details of which will be provided separately.

Please remember your actual performance is regarded to be of key importance and has therefore been duly considered when revising your salary.

We thank you for your contribution made during 1995 and look forward to your continued support, cooperation and commitment in the year of 1996 which will require intensified efforts from all of us in order to meet its great opportunities and challenges.

Very truly yours,
Nestlé Milkpak Ltd.

Marketing Manager

cc: Personal File
Designation: **Medical Delegate**

Head Office, Lahore.

NESTLE MILKPAK LIMITED
PAYROLL SYSTEM
SALARY SLIP FOR THE MONTH OF 1/96

1/29/96
SLIP # 53

NAME : MR. SYED AAMIR RAZA
DESIG: Medical Delegate

EMP NO: 000283 PAY DAYS : 31.0

SALARY & ALLOWANCES		DEDUCTIONS	
Basic Pay	1,515.00	Provident Fund	192.00
Cost of Living Alowance	255.00	Motor Cycle Loan	409.00
House Rent	1,080.00		
Conveyance Allowance	742.00		
Other Allowance	1,383.00		
Cost of Living ALOW-1993	100.00		
COLA - 1994	50.00		
Incentive to Salesmen	3,657.00		
GROSS SALARY RS.	8,782.00	TOTAL DEDUCTIONS RS.	601.00
		NET SALARY RS.	8,181.00

Head Office, Lahore.

NESTLE MILKPAK LIMITED
PAYROLL SYSTEM
SALARY SLIP FOR THE MONTH OF 11/95

29/11/95
SLIP # 60

NAME : MR. SYED AAMIR RAZA
DESIG: Medical Delegate

EMP NO: 000283 PAY DAYS : 30.0

SALARY & ALLOWANCES		DEDUCTIONS	
Fix Pay	4,000.00		
Incentive to Salesmen	3,571.00		
GROSS SALARY RS.	7,571.00	TOTAL DEDUCTIONS RS.	.00
		NET SALARY RS.	7,571.00

Your NET SALARY is being paid through CHEQUE/DEMAND DRAFT.
Your salary is strictly CONFIDENTIAL.

Incentives to Salesmen on Aamar's salary slips were sometimes as much as the fixed pay or more than double the basic pay.

The invitation letter informs that the winners of the Tiger Cup will receive their award during this event, as will the winners of the Achievement and Encouragement Awards. Awards are given to the Medical Delegate of the Year. Winners receive plaques and cash awards of as much as Rs. 25,000. Winners are determined by their sales performance.

A review of targets vs. achievements and targets vs. expenses also places emphasis on sales performance. The invitation letter also sets a goal of sales worth Rs. 8 billion by the end of the year 2000, which presumably includes sales of products covered by the Code.

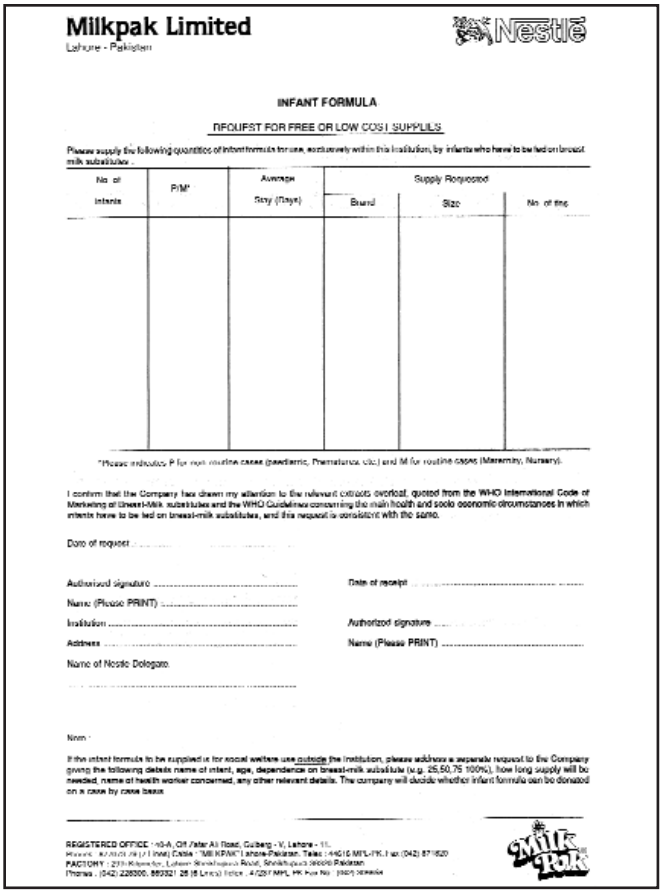
Local musicians are brought in on the last evening as the medical delegates dance the night away, in reward for a job well done and providing incentive for the year to come.

Awards and entertainment: reward for a job well done and providing incentive for the year to come.

Free supplies/ Samples

When Aamar forwarded one doctor's request for 10 packs of Lactogen 1 for free, he was advised by the GBM to pay for the stock.

> "The distributor supplied the doctor and billed me. I paid from my impress money, which was reimbursed by the company"
>
> *Syed Aamar Raza.*



Milkpak Limited
Lahore - Pakistan

Nestlé

INFANT FORMULA

REQUEST FOR FREE OR LOW COST SUPPLIES

Please supply the following quantities of infant formula for use, exclusively within this institution, by infants who have to be fed on breast milk substitutes.

No. of Infants	P/M*	Average Stay (Days)	Supply Requested		
			Brand	Size	No. of tins

*Please indicate P for non-routine cases (paediatric, Prematurea, etc.) and M for routine cases (Maternity, Nursery).

I confirm that the Company has drawn my attention to the relevant extracts overleaf, quoted from the WHO International Code of Marketing of Breast-Milk substitutes and the WHO Guidelines concerning the main health and socio economic circumstances in which infants have to be fed on breast-milk substitutes, and this request is consistent with the same.

Date of request .....

Authorized signature ..... Date of receipt .....

Name: (Please PRINT) .....

Institution ..... Authorized signature .....

Address ..... Name (Please PRINT) .....

Name of Nestle Delegate.

.....

Note :

If the infant formula to be supplied is for social welfare use outside the institution, please address a separate request to the Company giving the following details name of infant, age, dependence on breast-milk substitute (e.g. 25,50,75 100%), how long supply will be needed, name of health worker concerned, any other relevant details. The company will decide whether infant formula can be donated on a case by case basis

REGISTERED OFFICE : 10-A, Off Jafar Ali Road, Gulberg - V, Lahore - 11.
Phone : 87 [illegible] Cable : "MILKPAK" Lahore-Pakistan. Telex : 44010 MPL-PK. Fax (042) 87 1820
FACTORY : 23 [illegible] Road, Sheikhupura 39040 Pakistan
Phone : (042) 226300, 860321 25 [illegible] Fax : 4/257 MPL PK Fax No. [illegible]

Milk Pak

A special form was to be filled out for request for free or low-cost supplies.

A special form was to be filled out for request for free or low-cost supplies. The form quotes extracts from the WHO International Code and the WHO Guidelines concerning circumstances under which infants need to be fed on breastmilk substitutes. Doctors are to sign that they have read the extracts and that their request "is consistent with the same". "In practice, doctors signed without reading anything." - Syed Aamar Raza

The extracts quoted ignore subsequent, relevant resolutions adopted by the WHA that specifically address the issue of free and low-cost supplies, namely (WHA 39.28 (1986), WHA43.3 (1990), WHA45.34 (1992), WHA47.5 (1994). Concern over free and low-cost supplies intensified until resolution WHA47.5 (1994), which clearly states: "..no donations of free or subsidized supplies of breastmilk substitutes in any part of the health care system."

The sales representatives are submit these requisition forms duly signed by doctors along with an "AI-110 Free Sample Detail" form, which lists the total received, previous balance, total in hand, month, total consumed and closing balance.

Cereal Serial

March 9, 1995

A circular announced that the Cerelac Wheat 40gm sachets would soon be "relaunched". This was seen as a way to improve sales by increasing the number of

people trying the product and "help to fight against Farex in small towns where Farex's 150 gm pack is making ground".

The sachets were to be made available at doctor's pharmacies and sold for Rs 6/-. As "the shelf life of 40 gm sachets is very limited" the "medical delegate/sampling team" was to "generate enough prescriptions to get it moved from the shelves within 2 months".

August 31, 1995

A circular said:

"Within two or three months you would be able to receive the free samples of Cerelac 3-Fruit also. Kindly use samples more effectively as you are already doing."

April 1, 1996

A letter to Aamar dated says, "After very heavy sampling your cereal sales are decreasing day by day."

April 17, 1996

A follow-up note dated says, "I have written an information to you dated 1-4-96 regarding mention of Cerelac sachets in front of every doctor but till today you are not mentioning. Why? I need your written explanation."

Aamar regularly collected from the local distributor cartons of Cerelac sachets for distribution among doctors. Sachets were also distributed directly to mothers during baby shows arranged by Nestlé at local hospitals (see Public Relations below). A circular informed the marketing team that Cerelac was to be the "first priority for prescriptions during 1995".

INTERNATIONAL CODE

Article 5.2

Manufacturers and distributors should not provide, directly or indirectly, to pregnant women, mothers or member of their families, samples of products within the scope of this Code.

Article 7.4

Samples of infant formula or other products within the scope of this Code, or of equipment or utensils for their preparation or use, should not be provided to health workers except when necessary for the purpose of professional evaluation or research at the institutional level. Health workers should not give samples of infant formula to pregnant women, mothers of infants and young children, or members of their families.

WHA47.5 (1994)

Member States are urged "to ensure that there are no donations of free or subsidized supplies of breastmilk substitutes in any part of the health care system."

Living in the Past

Complementary foods marketed for use before they are nutritionally required are unnecessary and potentially dangerous. When marketed for use below six months of age, they fall within the scope of the International Code as they necessarily replace a baby's intake of breastmilk and are therefore breastmilk substitutes. The World Health Assembly (in Resolution 47.5, 1994) and the National Breastfeeding Policy of Pakistan recommend complementary feeding "from about six months".

Nestlé, however, prefers to live in the past, when it was recommended that complementary feeding begin between four and six months of age. Given that age bracket, mothers and doctors were inclined to begin cereals earlier rather than later, resulting in more sales. So while science has established that most babies thrive on their mother's milk alone for about six months, the company ignores changing national policies and international recommendations and markets its cereal products openly as though they are not covered by the International Code at all.

Public Relations

Nestlé organized baby shows in schools and hospitals, where the winners were given free gifts and plaques. Sample sachets of cereal were distributed directly to mothers and children. The area where the baby show is held is decorated with posters promoting Nestlé products. There are also prominent displays of Nestlé products, including cereals and formulas (pre-mature, regular and follow-up).

"I conducted 13 Baby Shows in Sialkot during my time with Nestlé, 12 were in schools and one in a hospital. The 13th show was a grand finale, where the "Baby of the Year" was selected from the winners of all the previous shows.

"During these baby shows we would promote the company's products and motivate mothers to buy them. In direct interaction with the mothers we would ask what milk their baby is drinking and encourage them to use Lactogen and Nan. We also gave out free samples."

Syed Aamar Raza

These shows were seen as a public service of sorts. Indeed, an ex-Mayor of Sialkot handed out prizes and presented a plaque to Aamar's supervisor for his service to the city. Doctors, too, were pleased to participate and had their photograph taken with the product display.

Aamar received a letter of appreciation from a doctor at the hospital that hosted one baby show that said:

"My team members and I ... are grateful for your kind and sincere cooperation regarding "Baby of the Year Award, 1995". Your active participation and devotion was a great honour for us. We hope that your cooperation in this activity, launched for the promotion of

Right: Direct interaction with mothers and displays of products covered by the Code

health and well of the children of this city and awareness of their mother regarding their care and health needs, will continue in future as well.

"We will always be looking for your company with us."

Other direct contact with mothers took place in the doctors' waiting rooms.

> "We would talk with mothers while they were waiting to see the doctor. We gave free samples of Cerelac, especially to the mothers of very young children, but if others requested we would give samples to them also. The mothers themselves would ask us about the benefits of the product and how to prepare it. We, of course, took full advantage of this interaction to promote the company's products."
>
> *Syed Aamar Raza*

INTERNATIONAL CODE

Article 5.1
There should be no advertising or other form of promotion to the general public of products within the scope of this Code.

Article 5.2
Manufacturers and distributors should not provide, directly or indirectly, to pregnant women, mothers or member of their families, samples of products within the scope of this Code.

Article 5.5
Marketing personnel, in their business capacity, should not seek direct or indirect contact of any kind with pregnant women or with mothers of infants and young children.

Article 6.2
No facility of a health care system should be used for the purpose of promoting infant formula or other products within the scope of this Code...

It was not uncommon for medical delegates to visit hospitals outside office hours. Aamar used to visit the nursery and wards and ask mothers whether their doctor had recommended Nestlé products. The nurses collaborated with him by admitting him to the ward and writing prescriptions of Nestlé products (See Courting Cooperation pg. 14 for their rewards).

Handing out sample sachets of Cerelac, labelled for use from 4 months of age.

What must be done?

Nestlé must abide by the International Code and subsequent WHA resolutions

Nestlé must abide by the International Code of Marketing of Breastmilk Substitutes and subsequent World Health Assembly Resolutions on infant feeding. The company must fulfil its responsibility (Article 11.3) for taking steps to ensure that its conduct at every level conforms to the principles and aim of the International Code.

At the 1998 WHA, Dr. Tomris Turmen, Executive Director of Family and Reproductive Health, WHO said: "Infant-food industry needs to be more active and more responsible to monitor its own marketing practices and respond promptly to correct all the violations that are reported."

Though not binding, WHA resolutions "carry moral or political weight, as they constitute the judgement on a health issue of the collective membership of the highest international body in the field of health." (Shubber, S. The International Code, Digest of Legislation, Vol. 36, No.4, 1985. pg. 884).

Nestlé must reveal results of internal audits and corrective action taken

Nestlé claims to strictly and at all times act in accordance with and continuously strive to adhere to the International Code of Marketing of Breastmilk Substitutes (and the Nestlé Charter, which it believes to be consistant with the International Code). It says all employees are required to adhere strictly to the Nestlé Charter -- but notably not the International Code. It also says that any breach of the Nestlé Charter -- again, notably not the International Code -- entails serious disciplinary consequences. Nestlé must make public all cases where disciplinary action was taken as a result of a breach of the International Code (or even the Nestlé Charter).

Mr. Peter Brabeck, worldwide CEO of Nestlé, says that he has personally reviewed "any hint of wrongdoing" uncovered during 130 internal audits conducted over the past 5 years. Nestlé must make public the results of these audits and the corrective measures taken).

Nestle must also bring its "Instructions to staff on the Code" into line with the International Code and subsequent WHA Resolutions.

Nestlé must abandon its Charter

A company-prepared code of conduct such as Nestlé's Charter is nothing more than a public relations exercise and is without legitimacy.

Nestlé must openly admit and accept the significant differences between the International Code and the com

pany's redundant Charter. Where governments have not enacted legislation to regulate the baby food industry's marketing practices, the International Code and subsequent, relevant WHA Resolutions should serve as the company's code of conduct in ALL countries.

PPA must take disciplinary action

Doctors are not "innocent bystanders", but in some cases willing and active accomplices. They should be held accountable for accepting and even requesting favours from the baby food industry.

The Pakistan Pediatric Association must be pro-active in ensuring that doctors are aware of their responsibilities under the International Code. Serious notice should be taken of the role of its members in the unethical promotion of baby milks and foods. The membership of doctors involved in this cruel alliance should be cancelled.

Nestlé must issue a public apology

For too many years, this massive company has been raking in profits while contributing to the suffering and even dealth of the babies of this country (and many others) .

Nestlé must issue a public statement accepting that their promotional push into an inappropriate market has been unethical and apologizing for its contribution to infant suffering and death.

GoP must enact legislation

The text of the proposed Protection of Breastfeeding and Young Child Nutrition Act has been finalised. It now needs to be enacted without further delay. Pakistan, as a signatory to the International Code nearly 19 years ago, is obligated to enact legislation implementing the International Code in its entirety. Such legislation is also in line with obligations under other international agreements, notably the Convention on the Rights of the Child.

The Government of Pakistan first drafted the proposed legislation in 1992, but because of internal debate and external pressure from the baby food industry, it has yet to be enacted.

Networking in Development
Advocacy & Consumer Protection
through Quality Publications