

Courts reviews fraudulent food labels

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Drizzling virgin olive oil over a salad took a sour turn for many consumers eight years ago when it was uncovered that the olive oil was not so virgin, having been adulterated by other edible oils.

Last Monday, 23 March 2009, one of the men responsible was fined R250,000, a fraction of the estimated profits from the scam.

But Guido Costa, then an executive member of the South African Olive Growers' Association, has said the fine was not enough. He had estimated the damage to the industry at retail level at about R5m.

At least there are more prosecutions in the pipeline, he said. Now no longer on the committee, Costa's family owns seven olive farms.

He said he accompanied the commercial crimes unit on one raid during the investigation, and five more raids before the case finally got to court.

On Monday, the owner of Ital Distributors, Salvatore Pollizi, was convicted in the Special Commercial Crimes Court in Durban of selling diluted olive oil under the guise of virgin olive oil named Antico Frantoio and Ulivo. He was sentenced to a fine of R250,000 or three years imprisonment of which R130,000 or 18 months is suspended for five years on condition he is not found guilty of fraud or theft or attempting to commit such crimes during the period of suspension.

Costa said he initially uncovered the swindle after buying olive oil that was claimed to have been bottled in Italy, but was in locally manufactured bottles and was far cheaper than it should have been.

He stated in his affidavit he had “established beyond doubt that the bottles, the caps and the labels were all of South African origin”, even though the product purported to be “bottled and produced in Italy”.

His suspicions that the oil was not what it purported to be were confirmed by University of the Free State (UFS) professor Lodewyk Kock. Testing showed that several different brands of oil had been diluted with sunflower oil.

Kock, who heads the South African Fryer Oil Initiative, said as far as he knew, the conviction was the first of this kind in the South African food industry. He said Pollizi's guilty plea — when faced with the mountain of evidence — sent a “dire warning to all fraudsters in the food industry”.

The case was prosecuted by Adv Joanna Bromley-Gans of the special commercial crime unit in Durban and investigated by Capt Pragasen Govender of the serious economic offences unit in Pretoria.

Bromley-Gans said the manner in which the case was investigated and prosecuted could lay the foundations for future prosecutions in the food industry in general.

Kock said that in 2003, some industry members had sent their oil products out for independent testing, and some oils now bear a seal of approval.

UFS said independent self-regulation had been welcomed by companies such as Nando's, Spur, Captain Dorego, King Pie Holdings, Felda Bridge Africa, Willowton Oil & Cake Mills, and Refill Oils.

Source: Business Day

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