

Dannon to settle US yogurt ad charges

WASHINGTON: The Dannon Company has agreed to settle charges of misleading advertising and drop excessive claims of health benefits from its yogurt and dairy products, officials said Wednesday, 15 December 2010.

The Federal Trade Commission announced that Dannon would settle "charges of deceptive advertising and drop claims that allegedly exaggerated the health benefits of its Activia yogurt and DanActive dairy drink."

The FTC said that the two popular Dannon products contain beneficial bacteria known as probiotics, but that the firm, a unit of French food giant Danone, misrepresented their health-promoting effects.

"Dannon will stop claiming that one daily serving of Activia relieves irregularity, and that DanActive helps people avoid catching colds or the flu," the commission said in a statement.

In television, internet and print ads, as well as on product packaging, Dannon also stated that there was scientific proof to back up these claims, which were clinically proven false, it said.

The federal agency said that 39 states are probing into Dannon's misleading advertising and that Dannon has agreed to pay them US\$21 million to resolve those investigations.

Dannon said in a separate statement that it had agreed with the attorneys general that each state will receive a portion of the US\$21 million dollar, "while Dannon does not admit any wrongdoing."

Dannon said it was "pleased to announce that an agreement with the regulators resolves all concerns while it allows Dannon to continue to advertise the core benefits of its products, that Activia helps to regulate the digestive system and DanActive helps to support the immune system."

The proposed FTC deal is subject to public comment through January 18, after which the commission will decide whether to make it final.

Source: AFP