

## Press Release

17th July 2013

## Government study shows consumers confused by similar packaging

Today the British Brands Group reviews the IPI study into misleadingly similar (or "lookalike") packaging commissioned by the Intellectual Property Office. The study, which includes new consumer research, finds that consumers buy products in such packaging by mistake and in high numbers. It also finds they make wrong assumptions over the origin and quality of the products.

The IPI study, which has taken some three years to complete, sets out to explore whether there is a "lookalike effect" and whether there is consumer and business harm. Its findings confirm extensive evidence gathered since the early 1990s: "Substantial proportions (50-60%) of the UK, German and US populations report having purchased a lookalike accidentally or mistakenly at least once or twice" and that similar packaging is significantly correlated with perceptions of common origin and higher expectations of price, quality and suitability for intended use.

The study reports that past research shows that consumers are more likely to buy own label products where they look more like the branded product, demonstrating that such packaging affects consumers' buying behaviour. Causing consumers to buy a product by mistake or by prompting wrong assumptions over its origin or quality is unlawful under the Consumer Protection Regulations. However, as the study points out, this is of little consequence if these Regulations are not enforced, as is the case in the UK.

John Noble, Director of the British Brands Group, said, "We have waited for three years for a study to tell us what we all knew already. Similar packaging that mimics that of familiar brands misleads consumers. The UK Government is under an obligation to ensure the Consumer Protection Regulations are enforced and that there is effective protection against this kind of parasitic trading. The ball is now in the Government's court to meet this obligation. It has delayed too long."

For many years the British Brands Group has been calling for companies to have the tools to stop this kind of copying, rather than relying on the OFT and Trading Standards which are both over-stretched and under-funded. This would result in stronger protection for consumers at no cost to the taxpayer.

A fuller analysis of the IPI study can be found on the Group's website.

**ENDS** 

## **NOTES TO EDITORS**

- 1. The IPI study "The Impact of Lookalikes. Similar packaging and fast-moving consumer goods" was distributed in June 2013.
- 2. The UK is required under the <u>Unfair Commercial Practices Directive</u> to provide adequate remedies to unfair commercial practices. To date it has restricted civil enforcement to, effectively, the OFT and Trading Standards in the area of misleadingly similar packaging. Neither have demonstrated a willingness to enforce.
- 3. The UK is under a treaty obligation to provide nationals with effective protection against unfair competition. This is a requirement of the Paris Convention and of TRIPS. The IPI study reinforces the case that it is not compliant.
- 4. The British Brands Group was founded in 1994 as a non-profit-making membership organisation. It speaks on behalf of brand manufacturers and seeks to deepen understanding of how brands benefit consumers, society and the economy through the provision of choice, value for money and innovation.

It represents its members collectively when commercial and regulatory issues threaten the ability of brands to deliver value and to be a positive force in society. It also provides the prime forum for its members on brand-related issues.

The British Brands Group is part of a global network of similar brand associations, and is the UK representative of AIM, the European Brands Association, based in Brussels.

For more information and further background briefings on this subject please visit the British Brands Group website: www.britishbrandsgroup.org.uk.

## For more information, please contact:

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