



GOVERNMENT ACTION WARRANTED AFTER WATCHDOG CRITICISES “GREEDFLATION” BY INFANT FORMULA BRANDS

Rapid price hikes during the cost of living crisis have bolstered formula company profits despite pressure on families.

In response to a new report published by the Competition and Markets Authority, infant feeding experts and campaigners including First Steps Nutrition Trust have called on the Government to take action to protect vulnerable families from avoidable increases in the price of infant formula.

The CMA report “*Price inflation and competition in food and grocery manufacturing and supply*”ⁱ, presents the results of an investigation into the pricing and marketing of 10 product categories in the context of high price inflation, one of which one is infant formula. Their analysis of the infant formula market relies on First Steps Nutrition Trust data on the cost of formula and feeding babies, which First Steps has been gathering and reporting on since 2018, and highlights two important issues that need to be addressed, urgently:

1. **The rapid increase in infant formula prices through the cost of living crisis**, from an already high base, and while companies have been protecting *and even increasing* their already substantial profit margins (which stand at between 15 and 30%)
2. **The massive range in prices of what are nutritionally comparable products**ⁱⁱ; in particular between the only own-brand infant formula available (Aldi’s Mamia) and branded infant formulas

In light of the findings of the report, First Steps are recommending four specific, important actions that the Government could *and should* be taking *now*, to ensure that *all* families using formula to feed their babies can be enabled to do so safely. Some of these recommendations will support families who are breastfeeding too.

1. Improvement of the Healthy Start scheme for pregnant teenagers and teenage mums, and families with children under 4 on very low incomes in England, Wales and Northern Ireland. At the moment the cash allowance for a baby is only £8.50 a week which is not enough to cover even the cheapest infant formula (Aldi’s Mamia is £9.39 a tin). Improvements needed include increasing the cash allowance in line with food inflation and increasing coverage by switching to autoenrollment and extending the scheme to families with no recourse to public fundsⁱⁱⁱ.

2. A public health messaging campaign around the nutritional equivalence of all first infant formula, the logic being if parents better understood this they would ‘trade down’ to cheaper products where available. However, and aside from there being only one own brand product at present, a root problem here is inappropriate marketing, which requires:

3. Enforcement of existing legislation designed to prevent inappropriate marketing of formula milks and to protect breastfeeding AND safe and appropriate formula feeding, **and strengthening of this legislation in line with the International Code of Marketing of Breastmilk Substitutes and subsequent World Health Assembly Resolutions**^{iv}.

4. Government establishment of pricing policies and practices to ensure infant formula is provided at lower prices on a long term basis; e.g. through a price cap

Dr Vicky Sibson, Director of First Steps Nutrition Trust, said: *“It is often the case that families least able to afford formula are the most likely to need it but, tragically, it is a really expensive food whose price has been sky rocketing while companies protect large profit margins.*

“That infant formula may simply be unaffordable for some families with babies is deeply concerning, as some of the coping strategies they feel forced to use may harm their baby’s health.

Given that all first infant formulas are, by law, nutritionally comparable, there is absolutely no excuse for the very wide range in prices between different products.

We welcome further investigations by the CMA in to infant formula marketing, but also urge the Government to take immediate action to support families to feed their babies, including fixing the Healthy Start scheme and instituting pricing policies and practices to effectively cap infant formula prices”.

Alison Thewliss MP, chair of the APPG on Infant Feeding and Inequalities said: *“This report confirms the need for UK government action on this issue. New parents should not be left paying the price - £500 extra in this instance - of Westminster’s cost of living crisis.*

“Many families rely on formula feeding for various reasons, including personal choice or medical necessity, to give their children the nutrition they need.

“As highlighted in the report, unlike baked beans, mayo and other food items, there is limited availability of affordable alternatives when it comes to baby formula, leaving parents with no choice but to bear the burden of inflated prices or go without. This is not only unfair but also detrimental to the well-being of both infants and their families.

“Westminster must take action immediately to ensure that families are supported, by bringing in a price cap on baby formula and increasing Healthy Start payments to reflect the rise in inflation.

“The SNP will not give up on this issue - we will continue to stand up for new parents in Scotland.”

Shereen Fisher, Programme Director, UNICEF UK Baby Friendly Initiative said: *“It is unacceptable that formula companies are increasing their prices by a significantly higher amount than their costs. Infant formula is an essential food item for a baby who is not exclusively breastfed. This is currently the case for the majority of babies in the UK.*

“The cost-of-living crisis has left many families struggling to make ends meet. The report highlights parents’ reluctance to switch to a cheaper brand, despite the nutritional equivalence of all first infant formulas, and how the market is dominated by a small number of strong brands who exert control over price and maintain high profits. It is deeply concerning that companies are putting profits ahead of the welfare and wellbeing of babies.

“To help protect the most vulnerable babies we continue to urge the UK Government to immediately increase the Healthy Start allowance in line with food inflation, as well as to expand eligibility for the scheme. However, it is not right for the Government to pick up the bill when companies are making large profits from struggling families. We therefore urge the Government to act on the CMA report findings to ensure infant formula prices in the UK are justified and fair for the consumer”.

Dr Sally Etheridge, Director of Leicester Mamas, said: *“Our work with parents shows that marketing persuades parents to use so-called premium formula brands, despite there being no evidence of their superiority. All parents want to do their best for their baby. When a parent sees two tubs of formula side-by-side, with huge variation in their price, they wonder what their child is missing out on with the cheaper brand. When that is coupled with scientific-sounding claims on the packaging, even struggling parents will make financial sacrifices to buy the 'luxury' brand.*

“We ask the government to implement the WHO Code in its entirety to protect parents and their babies from inappropriate marketing which drives up prices”.

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Notes to editors:

About First Steps Nutrition:

First Steps Nutrition Trust is an independent public health nutrition charity that provides information and resources to support eating well from pre-conception to five years.

www.firststepsnutrition.org

About the All Party Parliamentary Group for Infant Feeding and Inequalities:

Cross-party parliamentary group for infant feeding and inequalities in the UK Parliament, chaired by Alison Thewliss MP.

www.infantfeedingappg.uk

About the Unicef UK Baby Friendly Initiative:

Unicef works in public services to help new parents give their babies the love, care and nourishment they need to get the best start in life. Our Baby Friendly Initiative works with health professionals – from midwives and health visitors to neonatal nurses – to make sure every new mum gets expert support to nurture and feed their baby, whenever they need it. As part of a wider global partnership with the World Health Organization, the programme has revolutionised healthcare around infant feeding and parent-child relationships for all babies and mums. In everything we do, the mother and baby are our sole priority, because we know that the first days and weeks of a child's life can determine his or her future.

<https://www.unicef.org.uk/babyfriendly/>

About Leicester Mammias:

Mammias is a Breastfeeding Support Programme for families in Leicester. It aims to promote the health and wellbeing of mothers and babies, through the support, protection and promotion of breastfeeding, and through creating a better understanding of mother-baby relationships. Mammias also support mothers and families who require help with formula feeding. Mammias work with Leicestershire Partnership Trust NHS to deliver breastfeeding peer support through the Healthy Together 0-19 Healthy Child Programme.

<https://www.mammias.org.uk/>

ⁱ <https://www.gov.uk/government/publications/price-inflation-and-competition-in-food-and-grocery-manufacturing-and-supply>

ⁱⁱ By law infant formula can be made with certain different ingredients but they must all provide a very similar, specific amount of energy from certain amounts of carbohydrates, proteins and fat and vitamins and minerals and other essential substances. As a result all infant formula are judged safe and suitable to support adequate growth and development in babies who are not exclusively breastfed. Certain added non-mandatory ingredients may be permitted, but there is no evidence of nutrition or health benefits.

ⁱⁱⁱ https://foodfoundation.org.uk/sites/default/files/2023-04/Healthy%20Start%20Working%20Group%20Policy%20Positions_2023.pdf

^{iv} <https://www.bflg-uk.org/the-code#what-is-the-code>