

AMCU sanctioned a butter manufacturer for provision of misleading information

Pursuant to the decision of the Antimonopoly Committee of Ukraine dated 16 February 2016, a fine in the amount of UAH 790,311.00 (approx. USD 29,270.00) was imposed on «Starokonstantynivska Milk Factory» for breach of economic competition legislation due to provision of misleading information in relation to classification of butter as sweet cream.

The Antimonopoly Committee of Ukraine noted that due to addition of vegetable fat during manufacturing of butter, the final product was cheaper and belonged to different type of non-milk products, which led to unlawful advantages in economic competition and resulted in illegal profits from distribution of the product.

The entity was distributing sweet cream butter, which contained vegetable fat. Thus, throughout 2012-2014 several state authorities on standardization, metrology and certification conducted their inspections of «Starokonstantynivska Milk Factory» and revealed that vegetable fat was used for production of sweet cream butter.

Such actions of the entity were misleading towards the customers as for a number of years vegetable fat was added to the final product, while it was distributed as sweet cream butter.