

China accuses Tetra Pak of abuses

SHANGHAI, CHINA: China is investigating global packaging giant Tetra Pak for "abusing" its dominant market role, an official said last week. This is the latest in a series of probes aimed at foreign companies operating in that country.



The head of the State Administration for Industry and Commerce gave no specific details of the inquiry, but said it covered 20 provinces and cities.

"The administration has filed a case against Tetra Pak on suspicion of abusing its market position," Zhang Mao was quoted as saying at a meeting, according to a transcript posted online.

Tetra Pak China, whose parent company is headquartered in Switzerland, confirmed a request for information by the government and said it was co-operating. A spokesman for the firm declined to comment further.

Tetra Pak has more than 23,000 employees and its packaging materials are available in 170 countries. It is part of the private Tetra Laval group, which is owned by the Swedish Rausing family.

Another probe

News of the investigation came after state media said that another Chinese government agency has launched an "anti-monopoly" investigation into several foreign baby formula manufacturers over high prices.

The National Development and Reform Commission (NDRC), China's top economic planner, is targeting Nestle's unit Wyeth Nutrition, France's Danone, Mead Johnson Nutrition, Abbott Laboratories and Dutch firm Royal FrieslandCampina.

Chinese consumers prefer foreign brand dairy products following a 2008 scandal in which tainted baby formula killed six children and left more than 300,000 seriously ill.

The NDRC said this week it would investigate 60 pharmaceutical companies over their pricing, including several joint ventures with foreign firms, among them Britain's GlaxoSmithKline.

Tetra Pak's products include packaging for milk products. The company has supplied Chinese dairy giant Mengniu and

participated in a programme to boost sustainable dairy farming in China, company statements showed.

Tetra Pak entered the Chinese market in 1972 and has a research centre in Shanghai along with packaging material plants in several Chinese cities.

Source: Sapa and AFP via I-Net Bridge

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