



Baby Milk Action is a non-profit organisation which aims to save lives and protect infant and young child health through independent controls on babyfood marketing.

We are a member of the International Baby Food Action Network (IBFAN), a network of over 200 citizens groups in more than 100 countries.

www.babymilkaction.org www.ibfan.org

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European Commission
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Belgium

31 July 2004

Dear Alkmini Katsada

Question about the definition of SMEs in relation to EU Research Funding

I am writing on the suggestion of Minna Wilkki to ask for your help regarding the procedures governing research grants from the EU and the criteria for funding. I was told by Minna that applications for Framework Funding would be viewed more favourably if they were made in partnership with SMEs, and that SMEs were definitely not large transnational corporations.

A few weeks ago I posted a question about SMEs on the Commission's website and Stephen Gosden responded indicating that the Commission considers a Small or Medium-Sized Enterprise as having: less than 250 full time equivalent employees; an annual turnover not exceeding EUR 40 million (or an annual balance sheet total not exceeding EUR 27 million) and no more than 25% control by a company which is not an SME.

With this in mind I would really welcome your comments on the following three questions:

1 Danone

Why was a grant was given from the 5th Framework Programme – under the *Quality of Life and Management of Living Resources* - to a project entitled, *Childhood Obesity: Early Programming by Infant Nutrition?* (Project Number: QLK1-2001-00389) This project is being carried out in partnership with the Danone Institute, and aims to investigate whether the protein/fat ratio in infant formula and complementary feeds has lasting effects on obesity risks and to develop a formula with a new lipid profile.

The project is promoted on web pages which all carry the Danone company logo. The rationale given is that “*EU Childhood Obesity web pages are hosted by the international web site of Danone Institutes in order to reduce costs for the development of a new website and thus to use a larger amount of the budget for the creation and dissemination of brochures about this project.*”

The website says that “*If a relationship between early dietary protein intake and later childhood obesity risk is confirmed, it offers possibilities for the prevention of obesity, for improving advice given to parents and for developing nutritionally improved dietary products for infants.*”

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And in answer to the question: “*Are Danone Institutes the R&D departments of the Danone Group?*” it says: “*No. The Danone Group has its own research center in France (Danone Vitapole) which is a completely independent from the Institute. Danone Institutes are non-profit organizations with no commercial ties to the Danone Group. They do not conduct research on any Danone products. Their support of research projects only concerns human nutrition, diet and health.*”

According to Agnes Martin of the Danone Institute, the 15 Danone Institutes are funded entirely by the Danone Company and approximately half the Board of each Institute of 5 to 8 members are Danone company employees. The infant formula used by the project is provided directly by Bledina, a subsidiary of the Danone company. (www.danoneinstitute.org/info/frequently_asked_questions.php#1)

Leaving aside concerns about the wisdom of diverting public funds into a project which has the potential for promoting artificial feeding, I would like to request assurance about the steps taken by the Commission to protect parents and babies from inappropriate activities carried out by such projects. The European Union logo will almost certainly confer an image of safety to many mothers. I would also appreciate more information about how breastfeeding is defined and monitored, whether there is an exclusively breastfed cohort, whether recruitment is done independently or by the study employees, and what steps are taken to prevent aggressive recruitment, given that the researchers clearly needed to boost the numbers of artificially fed infants to achieve a statistically significant study.

2 Dr Bronner

In the Key Action 1 of the above project, the Scientific Workshop conducted in Paris on 2 & 3rd July 2004 is described. Dr Andrée Bronner is listed as the ‘SME’ representative on the advisory Board to the Steering committee. (<http://www.danoneinstitute.org/metabolicprogramming/page/introduction.php>)

Dr Bronner is employed by – and is one of the main spokespersons of – the International Association of Infant Food Manufacturers (IFM). IFM was founded in 1984 and is a trade organisation which represents 15 of the worlds largest infant food companies, including Nestle, Wyeth, and Numico.

2 Numico

Would a company such as Numico, which is one of the largest baby food companies in Europe with a turnover of 3 billion euros and nearly 11,000 employees, be eligible for an EU research grant to develop foods for special medical purposes? I understand it is considering doing so.

I would be glad to have your comments on these issues and whether or not it is misleading to describe the Danone Intsitute, Dr Bronner, or Numico as representing SMEs.

With best wishes

Patti Rundall, OBE
Policy Director

cc Robert Madelin, DG Sanco
Minna Wilkki, DG Research
Stephen Gosden, DG Research