

Decision of the ADVERTISING REGULATORY BOARD

Complainant	Wouter de Witt
Advertiser	Overton International Trade (Pty) Ltd t/a Italcotto Wholesale Direct
Consumer/Competitor	Consumer
File reference	412 – Italcotto Wholesale – Wouter de Witt
Outcome	Upheld
Date	3 October 2019

The Directorate of the Advertising Regulatory Board has been called upon to consider a complaint lodged by Mr de Witt against a radio advertisement for Italcotto.

Description of the advertising

The commercial states, inter alia: “. . . while South Africa’s officially in recession. . .”.

Complaint

In essence, the Complainant submitted that South Africa is not, in fact, in recession. This claim, he submits, creates unnecessary negativity.

Response

The Advertiser responded as follows:

Our intention was never to mislead or broadcast negativity to the listener , but rather offer some form of reprieve and financial saving to the public during these times.

Application of the Code of Advertising Practice

The following clauses were considered in this matter:

Misleading claims – Clause 4.2.1 of Section II

Decision

Having considered all the material before it, the Directorate of the ARB issues the following finding.

The commercial states that “South Africa’s officially in recession”. The question before the Directorate is therefore a simple one – is this factually correct. In this regard, the Directorate notes that a recession is not simply a perception that the economy is in trouble, but a defined economic status.

The Advertiser has not submitted argument as to why this is true. They have argued that they were trying to offer some financial reprieve to the consumer in “these times”. The Directorate accepts this, but notes that the commercial goes beyond saying, for example, “times are hard” and makes a categorical and factual statement that South Africa is officially in recession.

The Directorate, absent much input from the Advertiser, did its own research and found many articles along the lines of the following examples:

- “Economy dodges recession” (<http://www.statssa.gov.za/?p=12471>)

- “SA has probably dodged a recession”
(<https://www.dailymaverick.co.za/article/2019-08-29-sa-has-likely-dodged-a-recession-which-is-about-the-best-the-economy-can-do-at-the-moment/>)

It would therefore appear that while times might be “hard”, the economy is not officially in recession.

The statement “. . .South Africa’s officially in recession. . .” is therefore misleading and in breach of Clause 4.2.1 of Section II.

Sanction

The Advertiser is required to withdraw or amend the commercial in line with this decision with immediate effect, as set out in Clause 15.3 of the Procedural Guide.

The Advertiser is advised that this decision applies to the claim wherever it may appear, in terms of Clause 15.5 of the Procedural Guide.