

The GVH is investigating the practice and the “green statements” of a cup redeeming company

14 October 2022, Budapest – The Hungarian Competition Authority (GVH) launched an investigation against one of the largest Hungarian re-cup distributors, as they probably pursue an aggressive and misleading practice against consumers.

The Hungarian Competition Authority initiated a proceeding against the Cup Revolution Szolgáltató Kft., which provides the plastic cup redemption (so-called re-cup) system for a number of Hungarian festivals, concert venues, catering businesses and sports events.

According to the practice of the Cup Revolution, consumers may buy drinks in re-cups only, and when they return the cups, they do not get money, but tokens (which can be exchanged for re-cups only, practically everywhere). The GVH suspects that the commercial method of the company – considering its place, timing and nature – may exert psychological pressure on consumers and distort their decisions and may curb their freedom of decision by taking bad advantage of the power position of the company against them.

The investigation of the Hungarian Competition Authority covers some elements of the advertising communication of the Cup Revolution, too, related to the impacts of cups and the redemption system on the environment. Certain statements of the company in advertisements (e.g. „*The use of recyclable and washable recups can reduce waste production at events and bars by up to 80%.*”) are probably unfounded, and the company probably has not enough evidence to prove the environmental benefits of re-cups.

The initiation of the proceeding by the GVH does not mean that the undertaking has committed the violation. The proceeding is aimed at clarifying the facts and thereby proving the alleged infringement. The time limit for the completion of the proceeding is three months which, where justified, may be extended on two occasions by a maximum of two months each.

Case number: **VJ/34/2022.**

Press Office of the GVH