

# H-E-B gets a win vs. Wal-Mart

## Ad pulled after S.A. firm objects

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H-E-B took on a titan — Wal-Mart — and won.

Wal-Mart Stores Inc. has pulled a national advertisement that says consumers can save \$700 a year shopping at its stores after H-E-B challenged the ad and filed its objections with an industry group.

The National Advertising Division of the Council of Better Business Bureaus recommended that Wal-Mart stop saying shoppers could save, on average, \$700 a year at its stores.

The group's advice came after consideration of arguments from both companies, council spokeswoman Linda Bean said.

Wal-Mart said it disagrees with the conclusions of the group, but a spokeswoman said it stopped airing the national commercial "some months ago."

H.E. Butt Grocery Co. spokeswoman Dya Campos declined to comment, saying only that the company agreed to guidelines set by the National Advertising Division not to discuss its conclusions publicly.

Chuck Siegel, president of Rohde, Ottmers & Siegel Realty, a management company with a retail focus in San Antonio, said Wal-Mart's claim seems so broad as to be misleading.

"Companies don't put the same price on items in every store in the city," Siegel said. "Prices can differ from one location to another."

H-E-B also challenged a separate ad in which Wal-Mart claimed it had "unbeatable prices," but the industry group didn't agree the ads were misleading. The group recommended that Wal-Mart make the terms of how it matches prices clearer.

Wal-Mart said it was pleased with that decision.

San Antonio-based H-E-B, which vanquished such rivals as Albertson's in San Antonio, has been locked in a battle with Wal-Mart for market share in Texas and San Antonio.

H-E-B, which once was Texas' largest grocer, has lost market share in Texas to Wal-Mart for more than a decade. At present, Wal-Mart is No. 1 in the state with a 35 percent market share and H-E-B is No. 2, with 23 percent, according to Trade Dimensions, a unit of the Nielsen Co.

H-E-B filed its objection to the Wal-Mart ads late last year, the industry group said.

Wal-Mart said its ad that said consumers could, on average, save \$700 a year was based on a study by the consulting firm,

I.H.S. Global Insight, and the retailer offered the study to the industry group in support of its claim. The study looked at consumers who spend \$100 a week at the supermarket on packaged foods, not including meat and produce.

But the industry group ruled that there was a "significant disconnect between the study and the claim made in the commercial." Not all viewers everywhere would save that much, the industry group said.

"The competitive landscape of grocers varies largely throughout the nation," the group said. "A mere average does not necessarily have significant bearing on the savings to be had in any one particular locality."