

Comments in response to the testimony provided by Dr. Greenberg from PepsiCo, Inc.

1. Concur that “obesity is a serious public health issue.” [Page 1]
2. Concur that “comprehensive approaches” are needed to address the problem of obesity. A tax on sugar-sweetened beverages (SSBs) is just one part of the Governor’s multi-faceted approach to reduce and prevent obesity. [Page 3]
3. Pleased to hear that PepsiCo recognizes that as a leading food and beverage manufacturer that they have an “essential role to play in helping to find solutions to this complex problem.” [Page 1]
4. Recent national estimates (NHANES 1999-2004) of the percentage of calories from SSBs are higher than cited [“5.5 percent of total calories” – Page 2]:
 - a. For adults 20 years and older, the per capita caloric consumption of SSB was 203 calories. For the 64% of adults who consumed SSB on the surveyed day, SSB contributed 294 calories/day. (Bleich, et al, *Am J Clin Nutr*, 2009).
 - b. For the 80% of children (aged 2-19) who consumed a SSB on the surveyed day, SSBs contributed 278 calories/day; among adolescents (12-19 years of age) SSB contributed 16% of calories/day and among younger children (2-11 years of age) SSB contributed 11% of calories/day. (Wang, et al, *Pediatrics*, 2008)
 - c. The Alliance for a Healthier Generation reports that about 15 percent of an average teenager’s calories come from SSBs.
<http://www.healthiergeneration.org>
5. The average recommended daily calorie intake is 2000 calories per day. Thus estimates of the number of calories from SSB derived from national data should be based on the recommended intake, not an inflated intake of “someone who is clearly over-eating.” [Page 2 – “3,000 calories per day”].
6. Based on a 10-15% predicted reduction in average SSB consumption following a SSB tax of 1 cent per ounce, caloric intake would be reduced on average 20-30 calories per day [not “15-25 calories per day” – Page 2] which translates into an average weight loss of 2-3 pounds per year. However, the tax is expected to have the greatest impact on heavy SSB consumers and youth, who would be expected to reduce their intakes even more and thus accrue greater benefits.
7. SSBs are not “simply too small a part of the total diet to make a meaningful impact on the obesity problem” [Page 2].

- a. A review of the evidence related to 28 dietary factors thought to be associated with obesity in children, found that intake of SSBs was the only dietary practice that was consistently linked to overweight in children. (Crawford, et al. *A J Am Diet Assoc*, 2008)
 - b. A meta-analysis of 88 studies found that SSB intake was associated with increased calorie intake and body weight. (Vartanian, et al, *Am J Public Health*, 2007)
8. [Page 2 – “And evidence shows that if calories are cut in one part of the diet, they are often substituted else where...”]
 Studies show that calories from liquids are dealt with differently than calories from solids. When people drink a SSB, they don’t compensate (i.e., reduce calories consumed from other food sources at the same or subsequent meal) as much as when they consume calories from solid foods. Thus, SSBs tend to provide extra calories in the diet. For example, subjects who ate 450 calories per day for 4 weeks from jelly beans (a solid carbohydrate), reduced their caloric intake from other foods by about the same number of calories and their body mass index (BMI) did not change. When the same subjects drank 450 calories per day for 4 weeks of a sugar-sweetened soda, they did not reduce their daily calorie intake from other foods. Consequently, they consumed an additional 450 calories per day and their weight and BMI increased. (DiMeglio and Mattes. *Int J Obes Relat Metab Disord*, 2000)
9. [Page 5 – “there is no scientific or medical evidence that a beverage tax will be effective in reducing obesity.”]
 Several studies have demonstrated that reductions in SSBs result in reduced caloric consumption and weight loss. These findings are most evident among those who are overweight or obese.
- a. The PREMIER study in adults with pre-hypertension and stage 1 hypertension found that reducing SSB intake from an average of 310 calories/day to 228 calories/day was associated with weight loss at 18 months (1.4 pounds per SSB serving/day). In addition, reducing liquid calories (from SSBs) had a stronger impact on weight loss than a similar reduction in calories from solid foods. (Chen, et al, *Am J Clin Nutr*, 2009)
 - b. A comparable randomized controlled study among adolescents found that among those who were overweight those randomized to replace SSBs with non-caloric beverages had a significant decrease in BMI compared to the control group. (Ebbeling, et al., *Pediatrics*, 2006)
10. [Page 2 – “Between 2000 and 2008 . . . while obesity rates continued to rise.”]
 While the prevalence of obesity increased dramatically during the 1980s and 1990s, during the past 7-8 years, from 1999/2000 through 2007/2008, the prevalence of obesity has not increased for children or adult women, and increased only slightly for adult men. This plateau reflects a number of factors – including increased public awareness and multiple efforts by the medical,

education, business and public health communities to implement policy, social, systems and environmental changes to reduce and prevent obesity.

- a. Between 2000 and 2007-08, the prevalence of obesity among adult women was unchanged and for adult men increased only slightly (Flegal, et al. *JAMA*, 2010).
- b. There were no significant increases in the prevalence of obesity among children between 1999 and 2008. (Ogden, et al, *JAMA*, 2010)

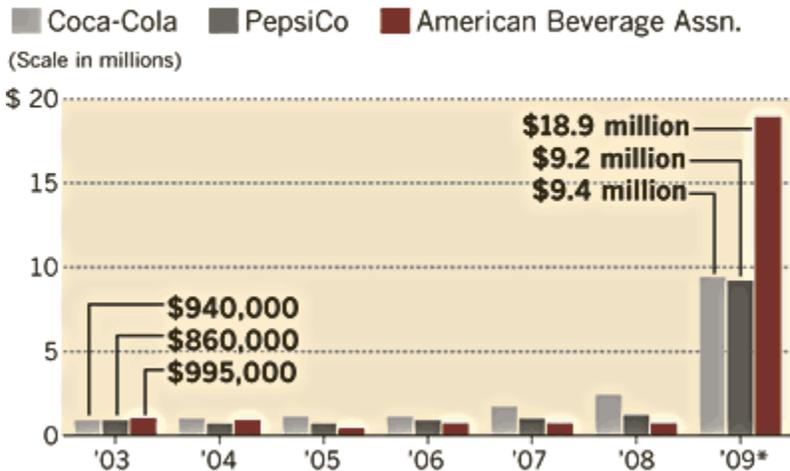
The reported “8%” decline in U.S. consumption of SSB is probably one of the factors that helped halt/slow the increase in obesity prevalence [Page 2-3].

11. Recognize PepsiCo and other beverage companies have expanded the range of low calorie choices available to consumers. [Page 3] Note that PepsiCo lists 47 beverages in addition to bottled water that are no or low-calorie, i.e., less than 10 calories per 8 ounces. Acknowledge the reported “11 percent” reduction in the average number of calories in the beverages sold by PepsiCo, reflecting the shift in consumer purchases away from fill-calorie SSBs to these lower calorie beverages. [Page 4]
12. Applaud PepsiCo for joining with other beverage manufacturers (Coca-Cola Beverages, Dr. Pepper-Snapple Group Beverages, Barranco Beverage, Inc., 4U2U Brands, LLC, and Campbell Soup Company) to partner with the Clinton Foundation and the American Heart Association to support the Alliance for a Healthier Generation and voluntarily remove full-calorie SSBs from schools in recognition of the important role that full-calorie beverages can play in contributing to childhood obesity. This initiative has changed the mix of products available in vending machines in schools to increase healthier options, reduced the amount of sugar that youth consume during the school day, and provided lower calorie and more nutritious beverage options for children in schools. According to the Alliance for a Healthier Generation, as a result of this initiative, the number of calories consumed from vended beverages in schools has decreased by 58 percent from 2004 to 2008. There have been no reports of vending contractors pulling vending machines from schools indicating that vendors have made these changes while remaining profitable. [Page 4]
13. Most SSBs are consumed in the home. A SSB tax would result in a price disincentive for full-calorie SSBs, which would help support and accelerate the shift in consumer purchases from full-calorie SSBs to lower calorie beverages. Beverage companies, including PepsiCo, already manufacture, distribute and market many lower calorie beverages, and thus are well positioned to take advantage of and meet this shift in consumer preferences. (PepsiCo lists bottled water plus 47 other beverages that are no or low-calorie, i.e., less than 10 calories per 8 ounces).

14. One can't help being dismayed by the 13-fold (1300 %) increase in dollars spent by the beverage industry in lobbying from \$2.8 million in 2003 to \$37.5 million in 2009 (by Coca-Cola, PepsiCo, and the American Beverage Association).

Beverage industry lobbying

As advocates pressed for a federal tax on sugared soft drinks last year, the beverage industry launched an intense lobbying effort against it. Annual amounts spent on lobbying by three major players:



*2009 data from Los Angeles Times/Tribune research

Source: Center for Responsive Politics. Graphics reporting by **KIM GEIGER**

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