

**Testimony of Dr. Danielle Greenberg, PepsiCo Inc.
Before the New York State Senate Health Committee
New York City Hearing
January 22, 2010**

Good afternoon Chairman Duane and members of the Health Committee. My name is Dr. Danielle Greenberg.

On behalf of the ten thousand employees who work for PepsiCo, our bottlers and distributors here in New York State, I want to thank you for the opportunity to be here today. New York is our home. PepsiCo's worldwide headquarters are in Westchester County as are the global headquarters of our largest bottler, Pepsi Bottling Group. Our bottlers operate dozens of manufacturing sites and numerous distribution centers serving New Yorkers in every corner of the state. So, I think it's fair to say that the concerns of New York are our concerns.

They are also my personal concerns. I grew up in your district Mr. Chairman, in Chelsea, was educated in the state's universities, and raised my own family here in New York. Important to today's hearing, my training is as a behavioral neuroscientist. I served on the faculty of Cornell University Medical College for 15 years, doing research on obesity and the control of food intake. Eight years ago, I joined PepsiCo where I am now a member of the company's Nutrition department.

Obesity is a serious public health issue. As a leading food and beverage manufacturer, we know we have an essential role to play in helping to find solutions to this complex problem and we are committed to doing our part.

**Testimony of Dr. Danielle Greenberg, PepsiCo Inc.
Before the New York State Senate Health Committee
New York City Hearing
January 22, 2010**

However, as a scientist whose life's work has been devoted to obesity-related issues, and as a mother of two, I know in my brain and in my heart ... the solution does not lie in taxing sugared beverages.

Please consider a few facts:

- Scientists at the National Cancer Institute determined that calories from soft drinks and other sweetened beverages represent 5.5% of the total calories consumed in the American diet. That means nearly 95% of our calories come from other foods and drinks. To address obesity, we need to look much more broadly than just at soft drinks.
- For example, let's consider someone with a daily intake of 3,000 calories - someone who is clearly over-consuming. At 5.5% of calorie intake, sugared beverages would represent 165 calories per day. Now, let's assume a beverage tax reduced consumption by 15%, as some have suggested. This would equate to just 25 fewer calories per day – hardly enough to have a meaningful effect on weight loss when nutritionists generally recommend cutting 500 calories per day to lose weight.
- Soft drinks and other sweetened beverages are simply too small a part of the equation to make a meaningful impact on what almost any physician or scientist would agree is a multi-faceted problem involving not only diet but also activity, behavior and genetics. To illustrate this point, per capita consumption of sweetened beverages declined 8 percent between 2000 and 2008 – while obesity rates continued to rise. Allow me to repeat that

Testimony of Dr. Danielle Greenberg, PepsiCo Inc.
Before the New York State Senate Health Committee
New York City Hearing
January 22, 2010

point...Americans, including New Yorkers, consumed 8 percent less sugared beverages ...yet obesity rates continued to rise.

There simply is no “silver bullet” solution to this problem – and certainly not a solution based on taxing a single product – be it soft drinks or any other food.

Nonetheless, PepsiCo has long recognized the vital role we play in helping address the prevalence of overweight and obesity in our nation. We have worked for decades now to build an increasingly balanced portfolio of enjoyable and wholesome foods and beverages and to help our consumers make healthier, more informed nutrition choices. Here are just a few examples.

- First, two decades ago, we began diversifying the health profile of our product portfolio – acquiring new lines of business – including Quaker, Tropicana, SoBe and Naked Juice – while investing our R&D resources to develop lower-calorie products like Aquafina, G2, Propel Fitness Water, Pepsi Max, Trop 50, and Zero Calorie SoBe Lifewater. This transformation has broadened the range of choices we give consumers across the nutrition spectrum – from waters to juices – and it has enabled us to reach consumers who have been reluctant to convert to lower-calorie beverages.

- Second, we are committed to helping consumers make healthier choices. To raise calorie awareness, five years ago, we voluntarily expanded the information on our labels to include the total calories in an entire package.

Testimony of Dr. Danielle Greenberg, PepsiCo Inc.
Before the New York State Senate Health Committee
New York City Hearing
January 22, 2010

About the same time, we launched a consumer website, Pepsiproductsfacts.com, providing detailed nutrition and ingredient information for every product in our beverage portfolio. Today, more than 50,000 people visit that site each month.

- Third, we are partnering with other organizations inside and outside the food and beverage industries to find and develop solutions. We joined with our industry colleagues to partner with the Clinton Foundation and American Heart Association on childhood obesity initiatives. Through this effort, we have voluntarily removed full-calorie soft drinks from schools and reduced the calories from beverages in schools by over 60%. And PepsiCo's Chairman and CEO Indra Nooyi played a seminal role in forming the Healthy Weight Coalition, a collaboration of more than 40 retailers, food and beverage manufacturers, NGO's and educators committed to a multiyear effort to help reduce obesity, particularly among children.

- These efforts are changing the nutritional face of our business – steadily reducing the calorie footprint of our overall beverage portfolio. In fact, in the past five years alone, we have reduced the calories in our drink portfolio by 11 percent.

And our work continues. We are taking bold steps within our organization to ensure we stay focused on this issue far into the future.

Testimony of Dr. Danielle Greenberg, PepsiCo Inc.
Before the New York State Senate Health Committee
New York City Hearing
January 22, 2010

- We are redoubling our R&D efforts under the leadership of a newly hired, Mayo Clinic-trained endocrinologist, recognized for his extraordinary expertise in diabetes and obesity. We've also brought on a top health policy adviser from the WHO to help our senior leaders understand what the health community expects of leaders - like PepsiCo - in the food and beverage industries.

- We've also designed our compensation plans to reward employees for expanding the role of healthy products in our portfolio, literally putting our money where our mouth is, so that creating products that can improve health pays off.

We are a company that encourages nutritionists and scientists like me to make a difference; a place where my colleagues and I are proud to work; and a company that seeks to partner in efforts to find common-sense solutions to complex problems like the one on the table today.

In troubled economic times like these, we can understand the appeal of a tax that purports to both produce revenues and promote health. However, there is no scientific or medical evidence that a beverage tax will be effective in reducing obesity. And there is ample reason to believe that such a tax would have drastic economic consequences for New Yorkers, putting thousands of well-paying New York jobs at risk, sending sales and jobs to nearby states, and saddling middle

**Testimony of Dr. Danielle Greenberg, PepsiCo Inc.
Before the New York State Senate Health Committee
New York City Hearing
January 22, 2010**

class, working people with another tax burden at a time when New Yorkers can least afford it.

We trust that science-based facts and common sense will prevail in finding solutions to the very real challenge of obesity. A sugared beverage tax is a simplistic attempt to solve a complex problem. It may raise revenues but will not have a material effect on obesity.

Thank you very much.

#