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May 19, 2011

William E. Lobenherz, President
and Chief Executive Officer

OFFICERS AND DIRECTORS

Chairperson
Tim Matson
Pepsi-Cola Bottling
of Michigan

The Honorable Gail Haines
Michigan House of Representatives
PO Box 30014
Lansing MI 48909

Vice Chairperson
Tom Soltis
Dr. Pepper/7UP
Bottling of Michigan

RE: Health Policy Committee
Obesity Hearing

Secretary/Treasurer
Lee Scott
Coca-Cola Bottling
Company of Michigan

Dear Chairperson Haines:

DIRECTOR EMERITUS

Robert Bink
Robert Healy
William Kreger
Jack Shanker
J. Dean Templeton
Charles Stamper
H. Duane Tirschel

No one group of food or beverages has caused our national increase in childhood obesity; nor will the soft drink industry's efforts to be a part of the solution single-handedly solve the trend. But our industry is very proud that it has stepped to the forefront to do our part, and show leadership in the business community. Our contribution and results have been, in my view, very impressive.

Even before we became a full member of the Healthy Kids/Healthy Michigan Coalition, the soft drink bottlers and distributors (Coca-Cola, Dr. Pepper/Snapple and Pepsi-Cola) in 2006 directed the American Beverage Association to collaborate with the American Heart Association and the William J. Clinton Foundation to develop model school beverage guidelines. What kids are eating and drinking while at school has become a large factor in the battle to fight obesity, and we were not ignorant of our role in both the problem and the solution.

The result was the formation of the Alliance for a Healthier Generation, and a mutually agreed upon set of self-imposed school vending guidelines to significantly reduce the number of calories our companies would deliver to the schools. The Guidelines called for the removal of all full-calorie soft drinks from the schools, and the development of new package sizes for appropriate portion control.

A nationwide, three year implementation plan was set in motion by the soft drink companies. The third year Progress Report of the Alliance for a Healthier Generation, released last year, showed impressive and meaningful results achieved by our companies:

- **The total number of calories delivered to schools has been reduced by 88 percent;**
- **The number of full-calorie soft drinks delivered to schools has been reduced by 95 percent;**

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- **The number of school contracts in compliance with the Guidelines has reached 99 percent.**

These are national statistics, and our companies in Michigan have done just as well, or better. It is a fine example of how an industry stepped up and took it upon itself to cooperatively find a voluntary industry solution to a perceived public problem, without the need for a government mandate.

There's more. **Even more impressive, the total number of calories our industry has delivered to the marketplace in the United States has been reduced by 21 percent over the last 5 years.**

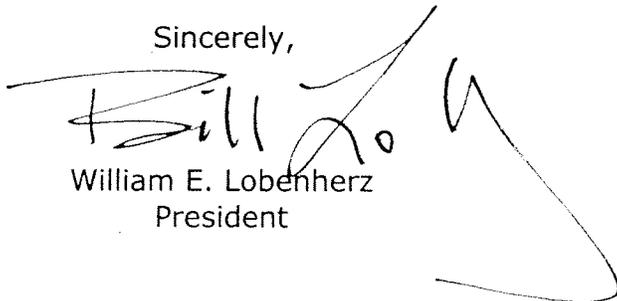
Also in 2006, these three companies joined as charter participants in the "Children Food and Beverage Advertising Initiative," under the supervision of the Council of Better Business Bureaus (CBBB). This initiative voluntarily restricts the advertising of food and beverages to children below 12 years of age, and encourages product reformulation to improve the nutritional profile of a company's product offerings.

Last year, the same three companies, in concert with the American Beverage Association, became charter members with First Lady Michelle Obama in the new Clear on Calories Initiative. Under this program, the companies are working with the FDA to engage in a whole new product design strategy, to more clearly highlight caloric information on not only the front of beverage containers but also on vending and fountain machines.

We are actively engaging in the conversation about our nation's obesity problems, and we have taken the initiative to develop and implement solutions. The progress our companies are making will make a positive difference. For more information, please visit <http://www.ameribev.org/nutrition--science/obesity/qas/>.

Thank you in advance for your consideration, and please do not hesitate to call upon us if ever we may be of assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Bill Lobenherz", with a large, sweeping flourish extending to the right.

William E. Lobenherz
President

Cc: Members, House Committee on Health Policy