

CRS Insights

Beverage Industry Pledges to Reduce Americans' Drink Calories
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Obesity rates in the United States remain high, with roughly two-thirds of adults and one-third of children overweight or obese. The estimated annual health care costs of obesity-related illness are approaching \$200 billion, and this has been characterized as the first generation of children who may not outlive their parents.

Congress and the Obama Administration have shown a strong interest in developing policies to address the obesity epidemic. Various legislative, regulatory, and industry initiatives have been proposed, including efforts targeting sugar-sweetened beverage consumption. The term "sugar-sweetened beverages" refers to drinks sweetened with sugar, high-fructose corn syrup, or other caloric sweeteners. They are considered a source of "empty" calories and have been implicated as a significant contributor to the obesity epidemic. Although there is no recommended amount for sugar intake, the [World Health Organization](#) proposes that sugars should comprise less than 10% of daily calories. A single 12 ounce can of soda provides up to 10 teaspoons of sugar, and sugary soft drinks account for 6% of daily calorie intake among Americans.

At a recent meeting of the Clinton Global Initiative, leading beverage companies pledged to reduce the number of sugar-sweetened drink calories consumed by Americans by 20% by 2025. Coca-Cola, Dr. Pepper, Snapple, PepsiCo, and the American Beverage Association are teaming up with the [Alliance for a Healthier Generation](#), a national nonprofit working to reduce the prevalence of childhood obesity.

The approach to be used by these organizations is two-pronged—employing both a national and a community initiative. Through the national initiative, the beverage companies pledge to provide consumers with more healthy choices and to increase education efforts to raise consumer awareness of these healthier options. Through the community initiative, beverage companies are to focus efforts on low-income communities, where there is often less access to healthier beverage and food options. To implement these initiatives, the soda companies propose to promote consumption of bottled water, introduce new lower-calorie products and smaller-portion containers, and provide calorie counts and promote calorie awareness on all beverage company-controlled vending machines, self-serve fountain dispensers, and retail coolers in convenience stores, restaurants, and other locations. An independent evaluation is to be conducted to track progress toward the proposed goal.

Has This Been Done Before?

The initiative to ["transform the beverage landscape"](#) has been characterized as industry's largest voluntary effort toward fighting obesity and protecting the public's health. This commitment by the soft-drink companies extends previous efforts to reduce consumption of sugar-sweetened beverages and improve public health outcomes. In 2006, the Alliance for a Healthier Generation formed voluntary agreements with various beverage manufacturers to replace full-calorie soft drinks in schools with more nutritious, lower-calorie options. A [study](#) published in the *American Journal of Public Health* reported that as a result of this effort, the number of calories shipped to schools decreased by 90% between the 2004 and 2010 school years.

In October 2009, 16 major food and beverage companies came together as part of the [Healthy Weight Commitment Foundation \(HWCF\)](#), pledging to collectively cut 1 trillion calories from the marketplace by 2012 and 1.5 trillion calories by 2015. A [study](#) published in the *American Journal of Preventive Medicine* reported that the HWCF companies have exceeded their 2015 pledge by more than 400%. The 6.4 trillion calorie reduction between 2007 and 2012 translates into a reduction in industry marketing of 78 calories per person per day.

How Does This Relate to FDA Regulatory Activity?

The beverage industry's initiative may be an early effort to comply with FDA's proposed changes to nutrition labeling. In March 2014, the FDA proposed two rules (see CRS Report R43733, [Revision of the Nutrition Facts Label: Proposed Rules](#)) to update the Nutrition Facts label and if finalized, manufacturers would be required to declare on the label the amount of added sugars in a food item. Manufacturers would also be required to provide dual-column labels on packages that contain between two and four servings to indicate both "per serving" and "per container" nutrition information. For a 20 ounce soda, for example, the Nutrition Facts label would have to list the amount of calories (and other nutrition information) for both the 8 ounce serving and for the entire 20 ounce bottle.

The FDA's proposed rules aim to provide consumers with up-to-date and easy-to-understand nutrition information; they may also prompt food manufacturers to reformulate their products to make them healthier and more attractive to consumers. Policies that increase awareness about the nutritional content of various foods may promote healthier eating behaviors among consumers, resulting in lower calorie intake and eventually, lower rates of obesity.

These proposals have generated some opposition, as evidenced by public comment from members of the food and beverage industry. Among the concerns cited in industry comments, consumers may be dissuaded from purchasing food and drink items containing high amounts of added sugar or larger serving sizes upon seeing the nutrition information. By undertaking their voluntary initiative to reduce consumption of sugar-sweetened beverages, soda companies that implement reduced portion sizes may be exempt from the mandatory dual-column labeling of those products since they will be smaller in size. And by providing no- and lower-calorie options, the beverage companies may encourage consumers to purchase their bottled water and diet soda instead of full-calorie, sugar-laden drinks.

What Are the Public Health Implications?

Public health stakeholders have generally been supportive of this effort and agree that it could serve as a blueprint for future initiatives that address obesity. However, it is worth noting that [sales of sugar-sweetened beverages have declined](#) over the past decade, and this drop has been, in part, attributed to greater consumer awareness about the relationship between diet and health. Some suspect that beverage companies are following the trend of consumers' changing preferences for lower-calorie beverages. It remains to be seen how quickly any reductions in sugar-sweetened beverage consumption may occur due to this voluntary initiative, and whether this effort by the beverage industry can positively affect the public's health.