Sent to Issue(s):

Civil Rights,Consumer Affairs,HealthCare

Former Coke executive speaks out

From: The Honorable Dennis J. Kucinich
Sent By: vic.edgerton@mail.house.gov
Date: 6/8/2012

"Former Coke executive speaks out"

Stop Subsidizing Childhood Obesity

111th Cosponsors: Christensen; Clay; Conyers; Costello; Cummings; D. Davis; DeFazio; Ellison; Filner; Grayson; Grijalva; Gutierrez; Hare; Holt; Honda; J. Jackson; Jackson-Lee; EB Johnson; Kagen; Kaptur; Kennedy; Moore; Moran; Sablan; Li. Sanchez; Waters; Watson; Woolsey

June 8, 2012

Dear Colleague:

I commend to your attention an article in today's Washington Post in which a former marketing executive from Coca Cola sheds light on his role in the childhood obesity epidemic. I will be reintroducing my bill to remove the tax deduction for advertising and marketing fast food and junk food to kids. According to the Institute of Medicine, "Aggressive marketing of high-calorie foods to children and adolescents has been identified as one of the major contributors to childhood obesity." The bill is gaining support rapidly with endorsements like the American Heart Association and the Center for Science in the Public Interest. To cosponsor the Stop Subsidizing Childhood Obesity Act or to ask questions, please contact Vic Edgerton of my staff.

Sincerely,

/s

Dennis J. Kucinich

Member of Congress

Former Coke executive speaks out

N.C. Aizenman
Thursday, Jun 7, 2012

Todd Putman stepped up to a podium Thursday ready to break with his past.

Stretched before him was a ballroom full of public health officials and community activists, gathered in Washington for a “National Soda Summit” on how to loosen the soda industry’s grip on the American appetite.

The conference marked the latest salvo in a barrage of recent attacks on makers of unhealthy food and beverages, especially sodas.

New York Mayor Michael R. Bloomberg (I) has announced plans to ban super-size sodas from his city’s restaurants, movie theaters, sports arenas and bodegas. Disney will no longer run junk-food ads with its children’s programming. First lady Michelle Obama’s book about the White House vegetable garden, released Tuesday, notes that the only drinks offered during family meals at home are milk and water.

The logic behind these moves has been repeated so often it is practically a mantra: The nation is in the throes of an obesity crisis and sodas account for an outsize share of the sugar pouring into American bellies.

Putman, 51, shares that view. But he is also driven by another motive: From 1997 to mid-2000, he was a top marketing executive at Coca-Cola.

“It took me 10 years to figure out that I have a large karmic debt to pay for the number of Cokes I sold across this country,” he said.

On Thursday, he came to settle it.

He wanted to give an inside account of what he contends has been a drive by Coca-Cola to replace not just its direct competitors but all beverages in the American diet — a campaign for what the company called “share of stomach.” He wanted to warn about the industry’s particular focus on young people and minorities.

But mostly he wanted to level the playing field.

“I’m not against soft drinks per se,” he began carefully. “What I am for is balance of power. And I think the power has shifted in the wrong direction. The resources, the scale, the intelligence, the strategy these companies use is intense.

“We need to take all that thinking ... all that strategy and convert it — jujitsu it — to healthy products.”

Such a mission would have been inconceivable to the man who joined Coca-Cola back in 1997, Putman said during an interview before the speech.

A Midwesterner with boyish looks, Putman had already made a name for himself at two other corporate heavyweights: Proctor & Gamble had recruited him straight out of Purdue University and given him his first taste of the profession that has become his life’s passion. Disney brought him to Los Angeles to help brand the company’s movie-inspired merchandise.

Still, Coke was an even bigger league.

“It’s one of the great marketing machines of the world. You’ve got so many tools at your fingertips. ... You’re dealing with Michael Jackson, the NFL, multimillion-dollar decisions,” he said. "If you're interested in moving consumers, then you're most happy when you move millions of consumers. ... It's exciting, intoxicating, even. I felt like the king of the world."

For all the range and reach of Coke's marketing operation, Putman said he quickly learned it was built around one goal: per capita consumption. "How can we drive more ounces into more bodies more often?"

The term of art among company executives was one Putman had never heard before: "share of stomach."

"It was a mind-bending paradigm shift for me. We weren't trying to get share of market. We weren't about trying to beat Pepsi or Mountain Dew. We were about trying to beat everything."

Putman embraced the challenge with gusto. In the interview, he recalled giving a presentation in which he showed a chart illustrating how consumption of milk had dropped over time while consumption of a sugary soda — he can no longer remember which product — had risen.

When he pointed to the place where the two lines crossed — the moment in which soda surpassed milk — Putman remembers swelling with pride.

"I did not have any reaction beyond, 'We are winning,' " he said. "It's shocking to me now. But it was not shocking to me then in any way, shape or form. ... We were really uninformed relative to the health issues."

Contacted for a response to Putman's comments, a spokesman for Coca-Cola, Ben Sheidler, said share of stomach is no longer "part of our company's strategy."

"Todd Putman left Coca-Cola over 12 years ago after working here for only three years," Sheidler said. "Since Putman left, our business has changed dramatically."

As an example, he said that 41 percent of the total volume of Coca-Cola trademark products sold in North America is now low- or no-calorie — up from 1 percent in 1982 and 32 percent in 1999.

The company has also voluntarily removed full-calorie carbonated drinks from schools, and voluntarily lists calorie information on its packages, Sheidler said.

"Coca-Cola is committed to working with everyone ...to develop solutions to obesity," he said. "We offer a wide variety of beverages and provide information to help people make decisions that are right for their lives."

Putman, whose positions at Coca-Cola included U.S. head of marketing for carbonated drinks, said in the interview that among his achievements was tailoring the company's national advertising campaigns to specific groups. The approach helped Coca-Cola intensify marketing to target audiences such as African Americans and Hispanics.

"It was just a fact that Hispanics and African Americans have higher per capita consumption of sugar-based soft drinks than white Americans," he said. "We knew that if we got more products into those environments those segments would drink more."

Today that work is one of Putman's greatest regrets. Statistics consistently show that the incidence of obesity is highest among minorities. The higher price and relative scarcity of many healthier alternatives to soda in low-income communities — as well as the lack of marketing to promote those that are available — effectively mean that low income minorities have fewer choices, Putman said. "The game is rigged by the power of the soft drink industry and how much money they put against all the competition in that space."

Sheidler said that "in an effort to be respectful and culturally relevant, imagery is sometimes tailored to the people and communities we serve." But he said that Coca-Cola's marketing is aimed at all consumers.

In the interview, Putman said he is also unsettled by the thought that he contributed to soda drinking among young people.

It is long-standing Coca-Cola policy not to directly market any of its products to children younger than 12. The company has never advertised on weekend cartoon shows, for example, and Putman said he was never given data on consumption rates among children 11 or younger.

Still, he said, "magically, when they would turn 12, we'd suddenly attack them like a bunch of wolves."

Company research indicated that brand loyalty starts young, and once formed it is hard to break. "I would say 90 percent of all soft drink marketing is targeted at 12- to 24-year-olds. . . . It was how we spent all of our time."

According to Putman, he left Coca-Cola for personal reasons — his wife was eager to return to her native California — and he remained on "excellent" terms with his former colleagues.

It wasn't until years passed, and national awareness of the obesity problem spread, that he started to feel uncomfortable about his role.

When he formed his own marketing company, Future Pull Group, he made a vow never to take clients whose products are unhealthful.

Still, broadcasting that decision felt like a more daunting step.

Putman said he finally decided to go public with his views out of dismay at what he considers the abysmal marketing being done to promote healthful foods.

At the Soda Summit, sponsored by the Center for Science in the Public Interest, an advocacy group, he displayed a slide with a classic example: An ad that New York City has been running showing various sizes of soda, with the cubes of sugar they contain piled next to them.

"I don't want to be told this. I know that message and it does not connect with me," he told the group. "Don't tell me what to do. Lead my heart. Connect with the emotional and I am yours forever."

Then Putman played a video illustrating the approach he advocates — a spot his firm recently created for a carrot company.

Heavy-metal music boomed through the ballroom, while onscreen a sexy redhead shot baby carrots out of a machine gun. "Baby Carrots," a deep-voiced announcer intoned, "eat 'em like junk food."

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