

Cities Seek Restrictions, Taxes To Curb Obesity

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ATLANTA (AP) — Unlike Las Vegas, what happens in New York City doesn't always stay in New York City.

It spreads.

Just months after the Big Apple made it illegal to serve sugary drinks larger than 16 ounces in restaurants, movie theaters and delis, other cities also are considering putting restrictions on soft drinks, part of a multi-front effort to address American's growing obesity problem.

It's a move that, if it picks up steam, could rock the multi-billion-dollar industry that's led by Atlanta-based Coca-Cola. Carbonated drinks — for the most part, sodas — constitute almost half of the industry's business and almost 24 percent of drinks in movie theaters and restaurants.

That's left the beverage industry scrambling, sinking millions into media campaigns that portray the measures as Big Brother interfering in personal choice. The industry also has filed a lawsuit challenging New York's law and is stepping up its efforts to put calorie counts on vending machines and to offer sodas in smaller cans.

"The reality is the decision in New York that affirmed Mayor (Michael) Bloomberg probably gives mayors in other cities a way to make a statement like that," said Tim Mescon, an economist and president of Columbus State University. A check with local officials found no such moves being considered in metro Atlanta or Georgia.

Since 2009, municipalities across the nation and around the world have launched efforts to either tax or limit sugar-sweetened drinks in some public buildings, schools and even churches, according to the Yale Rudd Center for Food Policy and Obesity.

On any given day, about half of the population over the age of 2 consumes a sugary drink, according to a Centers for Disease Control report. At the same time, Americans are heavier now than ever. A recent report by Trust for America's Health found that, by 2030, the U.S. could have an adult obesity rate above 44 percent. The group said Georgia's obesity rate could be 53.6 percent by 2030.

Members of Washington, D.C.'s City Council said in October that they may soon follow New York's lead with restrictions of their own. And Henrietta Davis, the mayor of Cambridge, Mass., the home of Harvard University, proposed restrictions similar to New York's in June.

Leaders at Coca-Cola declined to comment on the latest efforts to curb the

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consumption of sodas, referring all questions to the American Beverage Association, the industry's lobbying arm. But in June, when Bloomberg announced the restrictions, Coca-Cola was quick to comment.

"New Yorkers expect and deserve better than this," the company said. "They can make their own choices about the beverages they purchase. We hope New Yorkers loudly voice their disapproval about this arbitrary mandate." Company representatives have met with Washington, D.C. officials to discuss their concerns about Coke products and its role in obesity.

Already, Coca-Cola had been taking steps to better diversify its portfolio with less sugary products. The beverage giant has seen sales of its carbonated drinks drop over the past decade as Americans have become more conscious about what they drink and attempted to eschew sugar.

For the past five years, the company has offered more teas, waters and reduced sugar drinks. Now, Coca-Cola has 800 low- or no-calorie options, said a global sustainability report released Wednesday.

At the same time, the Coca-Cola Foundation has donated millions to organizations that promote exercise, including most recently the Association of C5 Youth Programs in Atlanta, which received \$50,000, and the Center Helping Obesity in Children End Successfully in Kennesaw, which was given \$25,000.

That doesn't mean the company has given up on sugary drinks.

Coca-Cola is still said to be interested in buying Monster, the mega-energy drink brand whose products can have as much sugar as a regular Coke or more. And it has introduced smaller-sized cans for regular Coke lovers who want to reduce their sugar consumption.

But, in the third quarter, sales for Coca-Cola's no-calorie Coke Zero line increased while numbers for its popular regular Coke and Diet Coke were flat.

The impact New York's size limitation could have on Coca-Cola's bottom line is unknown because it hasn't gone into effect. Once it does, the company will know how the public will react, whether they'll now buy two soft drinks instead of one, or adapt and settle for drinking less.

Meanwhile, there are those who disagree with government restrictions on how much sugar the public is allowed to drink. Beverage Digest Publisher and Editor John Sicher called the measures misguided, and he said he doesn't think they will become a trend because cities "will not follow a bad idea."

This past Tuesday, two California cities voted on measures to raise revenues by taxing sugary drinks, but voters in El Monte and Richmond overwhelmingly rejected those proposals. The ABA is reported to have spent about \$4 million opposing the taxes with yard signs, media campaigns and direct appeals to residents.

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Still, since 2009, 19 states and eight cities have proposed excise taxes on sugary drinks, according to the Rudd Center. Thirteen cities and counties have banned the drink sales on municipal property, and nine countries have levied sales or other taxes on the drinks.

Michael F. Jacobson, in an October editorial for The Huffington Post, said Coca-Cola's marketing, as well as rival Pepsi's, has made their products indispensable.

"Soda might have been a source of happiness when it was served occasionally in 6.5- or 10-ounce bottles," wrote Jacobson, executive director for the Washington, D.C.-based Center for Science in the Public Interest. "But in its current form — the default, everyday drink at dinner, lunch and, increasingly, breakfast for so many people and in 20-ounce bottles or 32- or 64-ounce vats — soda is actually a powerful promoter of obesity, tooth decay, diabetes, heart disease and other problems."

Supporters of the sugary drink taxes say such proposals often lose because backers can't compete with the industry's deep pockets.

The National Restaurant Association joined the ABA and other beverage groups in filing a lawsuit against New York City, charging that its board of health does not have the authority to approve the measure. The city's restrictions do not go into effect until March.

Feeling the pinch, the beverage industry has tried to show that it is listening to its detractors. It announced last month plans to launch a "Calories Count Vending Program" in 2013 that will focus on promoting lower-calorie products at vending machines. It also reduced the number of sugary drinks it puts in school vending machines by 90 percent between 2004 and 2010.

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