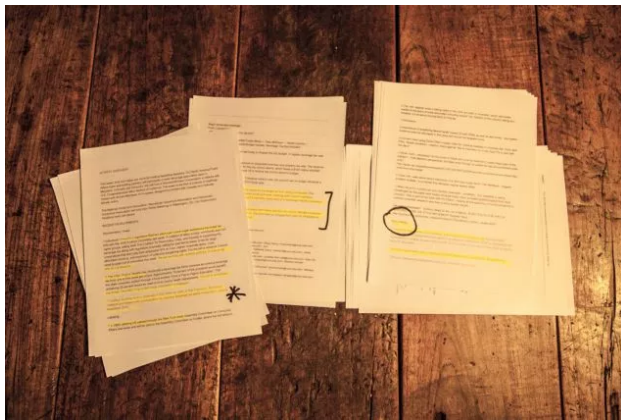


Leaked: Coca-Cola's Worldwide Political Strategy to Kill Soda Taxes

By [Kyle Pfister](#) • 10/14/16 4:32pm



The emails describe a wide-range of Coca-Cola actions [Kyle Pfister/Medium](#)

Internal emails recently leaked to “DCLeaks” give the public new insight

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defeat public health policies at the local, state, national, and international levels.

The leaked emails are exchanges between Coca-Cola VP Michael Goltzman and Capricia Marshall, who is a communications consultant working (the emails disclose) for both Coca-Cola and the Clinton campaign

simultaneously. While we didn't ourselves hack any private emails nor condone that political tactic—this information is now publicly available.

We already knew the huge amounts of money spent by Coca-Cola and the American Beverage Association to lobby against health policies, but these new leaked emails illuminate the inner-workings of the soda industry's coordinated political strategy. They confirm many health advocates' deepest suspicions: the soda industry is a united force against public health.

The emails describe a wide-range of Coca-Cola actions: **local strategies** to

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Israel, and and Bosnia Herzegovina.

Overall, the internal documents paint a picture of an industry fighting a coordinated war against public health policy on on many fronts: coordinating messages, influencing reporters, debunking science, stalking social media

influencers, building astro-turf coalitions, and lobbying heavily at every level of government.

They're pretty bold about their intent:

*“We will be reaching out to this reporter to better understand her decision not to include our perspective, and to **build her brain around our strategy.**” —Amanda Rosseter, Coca-Cola (5/25/16)*

The soda industry appears to believe that they can convince the American public they're trustworthy enough to be invited into all levels of public policy, as high as the World Health Organization, and

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key element in our strategy to fight discriminatory legislation and to improve category perception by taking the lead on innovation, choice, transparency and balanced lifestyles.”
 —Salvatore Gabola, Coca-Cola of North-West Europe and Nordics
(6/25/15)

Behind their cheerleading of voluntary commitments, a “trust strategy”, a coordinated “transparency initiative”, and seemingly reasonable pleas for “self regulation over legislation”, these email strings help us see the soda’s industry scheming has nothing to do with our health—and everything to do with growing their profits.

“The entire Government Relations team is committed to effectively managing the national, state and local public policy issues and strengthening our social license to operate so that our business can grow.” —Kate Rumbaugh, Coca-Cola (12/18/15)

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The soda industry is a united force a Kyle Pfister/Medium

How Big Soda Fights Local and State Policy

Ok let’s dig in. A good starting place is a nice overview of this year’s local and state legislative priorities thanks to Jennifer Lemming, *Director of State &*

Local Government Relations for Coca-Cola.

She emailed this legislative update on February 15, 2016 to Senior Communications VP Mike Echols and President Sandy Douglas. It details Coca-Cola's national strategy to defeat the various local policy efforts, including soda taxes, GMO labeling, and recycling laws.

At the beginning of the year, Coca-Cola was busy building "coalitions" across California to defeat soda taxes put on November ballots by citizens concerned about local childhood obesity rates:

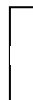
"Coalition-building work is underway in the California cities of San

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...unions, community and civil rights groups calling itself The Coalition for Democracy, Unity, and Equality is supporting the beverage tax along with legislative proposals calling for paid family leave, a fee for large corporations that don't pay their employees \$15 an hour, higher corporate taxes, more affordable housing, and expansion of collective bargaining rights. For the bill to advance it would need to pass out of committee this week. We are working with coalition partners to ensure the bills do not advance.

7 The West Virginia Senate has introduced a beverage tax bill to increase an existing beverage tax from one to five cents per ounce. Approximately 75 percent of the proceeds would benefit the state university system through a fund entitled "Give a Pop to Higher Education." The remaining 25 percent would be used to fund county health departments. This bill is considered low threat. The West Virginia Beverage Association is engaged.

7 Coalition-building work is underway in the California cities of San Francisco, Richmond, Oakland and Watsonville in preparation for potential beverage tax ballot measures in June or November 2016.

State strategies Kyle Pfister/Medium

From there, Coke focused on killing a number of state policies including:

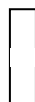
- **Connecticut's** proposed soda tax:
"We are working with coalition partners to ensure the bills do not advance."
- **West Virginia's** Senate-proposed soda tax to fund college and public health departments: *"This bill is considered low threat. The West Virginia Beverage Association is engaged."*
- **New York's** GMO Labeling bill:
"We are coordinating efforts with Grocery Manufacturers Association and coalition members on additional outreach."
- **Iowa's** Bottle Deposit Recycling Law: *"Our industry coalition is supporting a measure that would*

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Cola outlined her successful strategy for defeating an earlier soda tax proposal in 2015:

"Our coalition was actively engaged to prevent a beverage tax from being introduced. The coalition's grassroots campaign included small business

*meetings with council members. Sources in City Hall indicated that council members were wary of a beverage industry campaign against a tax. Our next steps include **furthering relationships** with newly elected city council officials to prevent discussion of beverage taxes in the future. We also have an engagement plan for Philadelphia Mayoral Democratic nominee, Jim Kenney.”—Lauren Craig, Coca-Cola Philadelphia (6/11/15)*

Of course, that strategy didn't stick. And when the next Philadelphia soda tax was introduced in February of 2016, Donna Cirolia, *Director of Local and State*

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*proposal. The coalition, having faced beverage tax proposals advanced by the previous administration, is well **coordinated and is moving quickly**. Coalition efforts include council engagement, continued research and message development, stakeholder outreach, and plans for*

proactive and reactive media.”—

Lauren Craig, Coca-Cola

Philadelphia (2/29/16)

In the weeks before Philadelphia’s vote, Coca-Cola was actively trying to “shape” media coverage in coordination with “off-the-record conversations via American Beverage Association”:

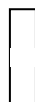
“In an effort to help shape the story and insert balance, there have been a number of conversations with Mike [Esterl, Business Reporter for the Wall Street Journal] and the local anti-tax coalition, ABA, TCCC and other local voices, including the Teamsters and small business owners. Earlier today,

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local coalition on the ground provided Mike with small business owners who oppose the tax so they can offer their perspectives.”—Ben Sheidler, Coca-Cola (5/5/16)

Their efforts did not pay off.
Philadelphia passed their soda tax in

June of 2016. Sandra Grance, *Senior Director for State and Local Affairs for the American Beverage Association*, reacted to the bad news by touting the success of the ABA's strategy in Philadelphia to help turn public opinion against the City Council's passage of the tax. Here are the tactics she suggests worked best:

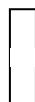
“Our industry, grocers, retailers, Teamsters, and many others launched the “Philadelphians Against the Grocery Tax”. Through the use of this coalition and an aggressive earned and paid media strategy that included print, digital, radio, and television, there was a significant shift in public attitudes away from initial majority support for the discriminatory

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as we develop our longer term strategy to repeal or legally challenge the tax.” —Sandra Grance, American Beverage Association (6/8/16)

How Big Soda Fights Infiltrates US Policy

In an email on December 18th, 2015, Kate Rumbaugh, *Vice President of Government Relations at Coca-Cola North America*, reported on Coca-Cola's newly formed "U.S. Government Relations (GR) Service Center" to "steward our engagement with national political groups to ensure alignment and consistency". Specifically, Kate cites her role as "**strengthening our social license to operate so that our business can grow**", a seemingly clear admission of Coca-Cola's overarching strategy to increasing sales of soda by building political power and appearing to the public as socially responsible.

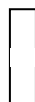
At the national level, emails reveal how Coca-Cola strategically influenced both

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"Sandy Douglas [President of Coca-Cola North America] also participated in a panel at the alongside the heads of ABA and the Alliance for a Healthier Generation; the panel focused on the beverage industry's efforts to reduce calories. Sandy and the panel addressed a

range of questions, including: the beverage industry's calorie reduction initiative, shift from volume to value, responsible marketing and serving sizes, as well as the new added sugar label. @PHAnews tweeted about Sandy's comments and we posted an internal story on Connect.”— Karyn Harrington, Coca-Cola (5/2/16)

National reporters Candace Choi (AP), Margot Sanger-Katz (New York Times), Mike Esterl (Wall Street Journal), Anahad O'Connor (New York Times) and Jennifer Chaussee (WIRED) are all discussed in the emails, with Coke intentionally nurturing relationships and attempting to shape their stories toward

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“We have reached out to the AP's editors to formally register our concerns about the story. A phone call is scheduled for later this afternoon with Candice Choi and her editor. We will continue to urge them not to run with the story.”—Ben Shieder, Coca-Cola (3/13/15)

She didn't back down.

Coca-Cola used its political influence in DC to actively fight against national public health policy like the US Dietary Guidelines. When it heard that soda taxes were being recommended to decrease soda consumption, the soda industry prepared for battle against health activists:

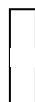
*“We should be prepared for this report to be cited frequently by **activists**, and work together to balance coverage.”— Kate Loatman, International Council of Beverage Associations (2/19/15)*

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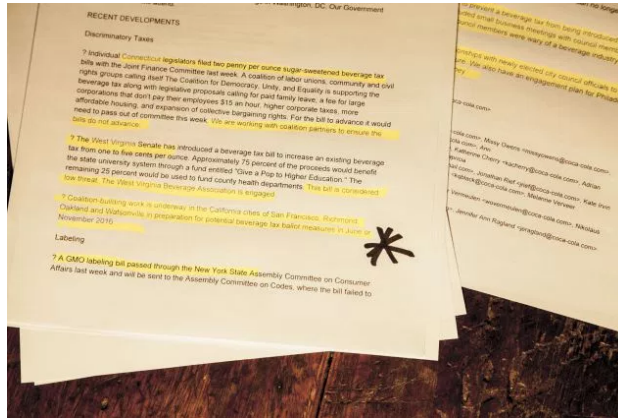


recommendation on a soda tax is not included in the final guidelines.”—Ryan Guthrie, Coca-Cola (5/28/15)

The team was also successful at achieving momentum in the Senate on Federal preemption of local GMO

labeling laws, in favor of “voluntary” labeling standards.

“This has not simply been a PAC effort, rather a cross functional team effort.” —Ryan Guthrie, Coca-Cola (3/1/16)



Ryan Guthrie, Director of the U.S. Government Relations (GR) Service Center, reported an aggressive strategy to keep soda tax strategies

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WHO for years.

When Coca-Cola heard the WHO would be recommending soda taxes to address childhood obesity, their strategy was to “stay ahead of the curve”:

*“Through the Coca-Cola system’s actions at country level we should try to **stay ahead of the curve**, demonstrating how we can help reduce added sugar intake from children.” —Wouter Vermeulen, Coca Cola Europe (5/18/16)*

When WHO Europe included soda taxes in their 7th “Health Behavior in School Children Report”, Coca-Cola scurried to find a way to deflect attention from sugar and soda:

“We are also digging into some of the data to explore how we can leverage this report to push for a more holistic view on promoting health rather

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consumption. They delusionally believe they should be seen not like the tobacco industry, but rather a public health contributor:

“Certain Member States and NGO’s wanted to treat the F&B [food & beverage] industry in a similar was as

the tobacco industry, where no engagement would be allowed. Through our trade associations and outreach with Member States we have advocated for the potential of the private sector to positively contribute to public health challenges.” —Wouter Vermeulen, Coca Cola Europe (5/18/16)

Of concern to Coke is the WHO internal accountability policy that companies (like them) who hurt public health will be treated with “particular caution”:

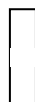
*“WHO will exercise **particular caution**, especially while conducting due diligence, risk assessment and*

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They're optimistic in their ability to poke holes in that reasonable conflict-of-interest protection:

“Negotiations continue and it is possible that the final wording can

change”.— Wouter Vermeulen, Coca Cola Europe (5/18/16)

As is stated in the emails, Coca-Cola and the International Food & Beverage Association (IFBA) is looking forward to influencing the 2018 UN Noncommunicable Disease High Level Meeting as “*the most important event ahead in the NCD field*” and playing a stronger role in the “good health and well-being” goals in the 2030 Agenda for Sustainable Development.

Watch out health regulations, here they come.

In addition to attempts to influence

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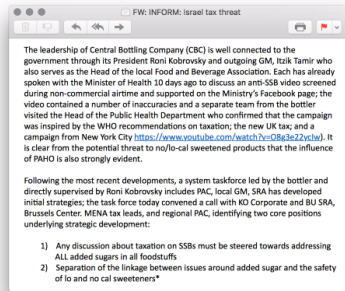


disclose how Israel's Central Bottling Company would follow two of the soda industry's “core positions” to underly their political strategy.

“I) Any discussion about taxation on SSBs must be steered towards

addressing ALL added sugars in all foodstuffs.

2) Separation of the linkage between issues around added sugar and the safety of lo-and-no cal sweeteners.” —Hamish Banks, Coca Cola Eurasia & Africa (4/18/16)



Israel's Central Bottling Company Kyle Pfister/Medium

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– They have unforeseen economic and societal impact

– The industry is already taking steps to mitigate the consumption of excessive amounts of sugar through packaging, reformulation, and active promotion of lower calorie

variants.” —Hamish Banks, Coca Cola Eurasia & Africa (4/18/16)

In **France**, emails reveal that Coca-Cola was confident it could defeat a soda tax but were “not taking it lightly”. They shared hurt feelings that soda taxes were discriminating against the soda industry. How ironic.

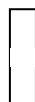
*“Politicians are starting to use unorthodox legislative processes (ie outside the normal budget bills) to **discriminate** against us.” —Salvatore Gabola, Coca-Cola of North-West Europe and Nordics (3/27/15)(Note: Salvatore is now deceased)*

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the party, and 4) Reaching out to all key local members of parliament and other supportive stakeholders.

Factors that contributed to their success included meetings with the Prime Minister, a “Made in France” campaign,

voluntary commitments by the soda industry (again, politically motivated).

Leave it to France to bring the *glitter* while trampling on public health.

In **Poland**, Coca-Cola worked with the **Polish Food Producers Federation** to defeat a health policy that would restrict junk food companies from advertising to children under 16.

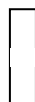
“Our local PAC team was instrumental in rallying local industry to defend the self-regulatory approach of the EU Pledge over this restrictive law. By successfully engaging with the Ministry of

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Cola Europe (5/29/15)

Coca-Cola's Michael Goltzman actually called this action to allow junk food marketing to kids “good progress”.

In **Bosnia Herzegovina**, a Coca-Cola representative brags about their success

at stopping a soda tax increase in 2013, and outlines their successful messaging strategy focused on debunking how the funds would be used:

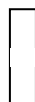
*“Given that the tax is purely financially driven, our communication will focus on the fact that increasing the excise **tax does not benefit the state budget**, quite the opposite; we will locally investigate the government’s elasticity on the tax proposal and make calculations to support our arguments.” —Melina Androutsopoulo, Coca-Cola of Central and Eastern Europe (4/1/16)*

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how Coca-Cola lobbied to defeat the proposed UK soda tax that was earmarked to fund sport programs and expand breakfast clubs in 1600 schools:

*“We will actively campaign to register that a soft drink tax is **discriminatory, regressive and will***

*not address the challenge of obesity” —Joana Price, Coca-Cola
(3/16/16)*

The British Soft Drink Association, Food and Drink Federation and the Company all provided statements and interviews to the media. They also expressed internal disdain for “health campaigners” including Jamie Oliver:

*“It is widely noted that the tax has been welcomed by **health campaigners**, describing it as “bold” and “brave.” Key influencers have been quoted as supporting the move, including Jeremy Corbyn, Jamie Oliver and the National Health*

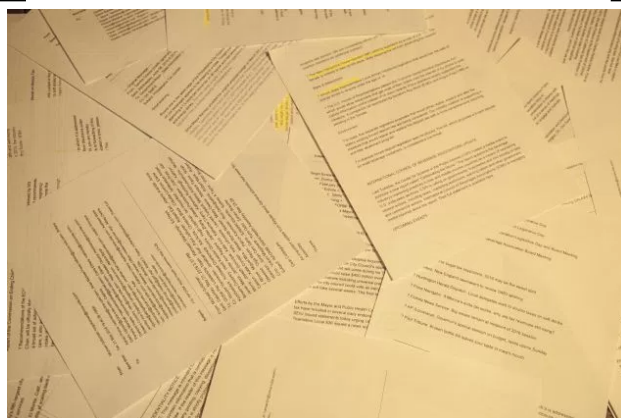
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How hip to be slapped by a reality TV star Kyle Pfister/Medium

What Can We Learn from This?

So the soda industry is against soda taxes, and they're lobbying to stop them across the country, and the world. So they're cozying up with the Partnership for Healthier America and infiltrating the World Health Organization to ensure sugar has a seat at the tables where public health policy is written. So they're lying about research and creating messages to confuse and scare the public. So what?

This confirms what many health advocates already know. The soda industry is not just harming our health

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If you have any doubt, dig into the emails yourself. This is what real transparency looks like. And we've only scratched the surface.

As health advocates, we must put a spotlight on the fact that anti-tax coalitions aren't "local" but built from a national playbook, show how their talking points are manufactured instead of earnest, laugh in the face of their track record "self regulating" the health of their products, and most importantly— not sit back and let the sugar industry shape our health policy. The stakes are too high and we've let it go on too long.

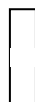
When a canvasser for "NO on the soda tax" knocks on your door this fall, remember they're paid by Coke, and their words are pure sugar industry PR. Tell them you support public health. And offer them a glass of water.

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