

Alan L. Hoffman

Senior Vice President
Global Public Policy and Government Affairs

November 6, 2013

The Honorable Richard J. Durbin
The Honorable John D. Rockefeller IV
The Honorable Richard Blumenthal
The Honorable Edward J. Markey
United States Senate
Washington, D.C. 20515

Dear Senators Durbin, Rockefeller, Blumenthal and Markey:

Thank you for your interest in the advertising and marketing practices for energy drinks in the United States. As a leader in the food and beverage industry, PepsiCo's first concern is the well-being of its customers and to this end we have a long history of responsible advertising and marketing practices across all of our brands. While our market share in the category is small, only 5 percent for AMP, I hope our response to your questions demonstrates our commitment and I hope that you will encourage other manufacturers with a more significant share of the energy market to employ similar responsible advertising and marketing practices.

- 1. PepsiCo does not market AMP to children under the age of 12 or adolescents under the age of 18. In fact, AMP products are specifically targeted at male consumers between the ages of 25 and 35.
- PepsiCo does not promote, encourage or condone the rapid or excessive consumption of AMP and does not intend to do so in the future.
- 3. PepsiCo does not promote, encourage or condone the rapid or excessive consumption of AMP on social media posts or other promotional messages or images. PepsiCo is willing to monitor all future content created by or at the direction of AMP on sites under PepsiCo's control.

Bus: 914-253-3600

Fax: 914-249-8159

- 4. PepsiCo does not use language implying that consumption of larger volumes of energy drinks or energy drinks with higher concentration of caffeine produces a more desirable effect and does not intend to do so in the future.
- 5. PepsiCo does not directly promote, encourage or condone the mixing of energy drinks with alcohol and does not intend to do so in the future. Additionally, we do not make any claims that the consumption of alcohol together with our energy drink counteracts or otherwise positively impacts the effect of alcohol consumption.
- 6. PepsiCo does not promote, encourage or condone mixing energy drinks with sleeping pills or other drugs. Furthermore, we do not make any claims that the consumption of our energy drink in any way counteracts or otherwise positively impacts the effect of sleeping pills or other drugs.
- 7. PepsiCo does not market AMP in K-12 schools, including at any school-related events or activities and does not intend to do so in the future.
- 8. PepsiCo does not sell AMP to K-12 schools. And while we do not condone the selling of AMP in vending machines or concessions stands at K-12 facilities, we do not have control over these venues and what they sell.
- 9. PepsiCo does not provide samples of AMP in or within the immediate vicinity of K-12 schools and does not intend to do so in the future.
- 10. PepsiCo does not condone the marketing, promoting, selling or sampling of AMP in K-12 schools. As summarized in our Global Policy on the Sale of Beverages to School, PepsiCo only supports the sale of water, juice, milk and low-calorie beverages in schools, and specifically discourages the sale of Energy Drinks in schools. We have informed our bottlers and third party distributors of PepsiCo's Policy and will continue to encourage compliance with it.
- 11. PepsiCo presently discloses on the label of each AMP product the total amount of caffeine present by serving and by container.
- 12. PepsiCo is committed to cooperating with this Committee as well as FDA in the evaluation of energy drinks in the U.S. PepsiCo is continuing to evaluate the Committee's proposal on additional reporting and is seeking FDA's advice on this issue.
- 13. As part of a larger industry initiative, PepsiCo is willing to restrict access to users under the age of 18 to AMP focused social media sites that are owned, operated or managed by PepsiCo, to the extent those sites provide the capability to do so.

- 14. PepsiCo currently does not purchase any advertising for AMP where 35% or more of the target audience is projected to be under 12 years of age. In fact, this restriction is true for all products that don't meet or exceed established nutrition criteria based on authoritative statements from FDA, the National Academy of Sciences, as well as standards that the Children's Food and Beverage Advertising Initiative finds acceptable. PepsiCo is willing to extend its current restrictions on AMP to advertising where 35% or more of the target audience is under the age of 18, to the extent media outlets have the capability to measure audiences along these parameters.
- 15. Labels for AMP Energy products already contain the following statement "not recommended for children, pregnant women or people sensitive to caffeine." PepsiCo is willing to expand the statement to the following as part of a larger industry effort: "this product is not intended for individuals under 18 years of age, pregnant or nursing women or those sensitive to caffeine."
- 16. PepsiCo does not feature, recruit or sponsor children under the age of 18 in AMP marketing campaigns and does not intend to do so in the future.
- 17. PepsiCo will not market AMP as a sports drink, but remains committed to its longstanding partnership with athletes and its general endorsement of active lifestyles.

I appreciate the opportunity to provide further information about AMP. Should you have any additional questions, please feel free to contact me at (914) 253-3600.

Sincerely,

Senior Vice President Global Public Policy

and Government Affairs