The New York Times

Is the Food Industry the Problem or the Solution?

Dale Buss

August 29, 2004



Retrieved 08/30/04 from http://www.nytimes.com/2004/08/29/business/yourmoney/29kid.html?th

IET trends aren't just for adults anymore. A new obsession of America's food, beverage and restaurant companies is thwarting childhood obesity. With more nutritious products, healthier menus and new activity programs, the companies have begun a big push aimed at the youngest generation.

Frito-Lay is offering reduced-fat Doritos in school lunch rooms. Oscar Mayer has added apple sauce and other healthy choices to its Lunchables meal-kit line. Kraft has come out with a sugarless Kool-Aid that is being marketed in magazines like Diabetic Cooking and Diabetes Forecast.

Among restaurant chains, <u>Wendy's</u> has slipped orange slices into children's meals, and <u>Denny's</u> has made French fries much harder to find on its menu than new side dishes of fruits and vegetables.

And, this fall, <u>Coca-Cola</u> is helping finance a new after-school fitness program. "The big idea is to give kids education, motivation and access to ways to change," said Brock Leach, the chief innovations officer at <u>PepsiCo</u>, which owns Frito-Lay. "The food business can play a very constructive role in that, making these foods available to kids and marketing them in ways that make a healthier lifestyle more attractive."

For decades, of course, the industry has been known for serving up sugary or fat-laden products, promoted with ceaseless advertising. And despite all the new, healthier options, that will not change. "If they stop, their competitors are right there and will fill the void," said Dr. Walter Willett, chief of the nutrition department at the Harvard School of Public Health.

This document is available on the Education Policy Studies Laboratory website at http://www.asu.edu/educ/epsl/CERU/Articles/CERU-0408-233-OWI.pdf

Critics say these companies are taking a new direction only to escape or mitigate possible court verdicts that could blame the food industry for the fact that about 15 percent of American youth now are plumper than they should be, more than double the proportion of 25 years ago. "There are hordes of lawyers looking at the industry's marketing practices in a way that's never happened before," said Marion Nestle, a nutrition professor at New York University.

Food, drink and restaurant executives are quick to place blame on video games, television watching and the recent decline of physical education programs in schools.

"Blaming industry is not going to get us any closer to a solution," said Richard Martin, a spokesman for the Grocery Manufacturers of America. "The only way to get there is to work collaboratively, not by pointing fingers."

Even more important, according to nutritionists and child psychologists, is the confounding truth that parents - whether distracted, oblivious or both - are ultimately to blame for what their children eat. "Parents were created for that function," said Dan Jaffe, executive vice president for government relations at the Association of National Advertisers, an organization based in Washington whose members include food companies. "I don't know of any little child who jumps in the car and drives to a supermarket and buys their own food."

So the industry is trying to shake up both generations. Subway restaurants, for example, have new 30-second commercials, aimed at adults, that highlight the weight-loss success stories of three real children. The \$20 million national campaign does not mention Subway products and refers to the chain primarily with shots of the children with Jared Fogle, who lost 250 pounds while eating mostly Subway sandwiches.

But there were obstacles along the way for Subway, which is based in Milford, Conn. Critics inside the company found the background choral music too ponderous and reminiscent of political advertising, so the advertising agency Fallon Worldwide changed to a lighter, more inspirational tone. At first, the ads mentioned the actual number of pounds each youngster had shed, but officials of the American Heart Association, which was consulting on the project, balked and suggested that the spots focus more on the fact that the children felt better.

Then standards executives at two networks refused at first to broadcast the ads. "They felt as though Jared represented an extreme weight loss and that we shouldn't teach kids that they needed to have an extreme loss like that," said Chris Carroll, senior vice president for marketing at Subway's franchise-marketing group. "I didn't think we should back off, though, because kids' obesity is a real issue. And we didn't." Instead, it added disclaimers that spelled out the complexity of children's weight loss.

Innovative Candy Concepts Inc., based in Atlanta, has gone further, replacing its entire main product line, Too Tarts, with a new brand called Too Tarts Smart Choice, which contains only fruit juice as sweeteners and up to 60 percent fewer calories than the

original. The company's chief executive, Armand Hammer (not related to the oil company executive of the same name), said he was motivated in part by a twinge of guilt last year at distributing sugar-laden products to his own grandchildren.

"For us to make that kind of statement, we thought, was responsible and would be well accepted," said Mr. Hammer, whose company is donating 5 percent of net earnings from the new line to the American Diabetes Association. "And we were hoping that by doing so, we would make sort of a mission statement for the industry."

PepsiCo has also changed focus. Some 56 percent of the growth in its North American revenue in the first half of this year came from fare that PepsiCo defines as healthful, like Quaker Oats cereals, Gatorade sports drinks, Aquafina bottled waters and baked and reduced-fat Frito-Lay snacks. The company has started a program called Smart Spot, in which healthier products across all its brands carry a green logo.

Yet the way some critics see it, PepsiCo has a lot to change, considering the role that soft drinks and high-calorie salty snacks have played in childhood obesity. And while the practice has declined recently, they also note that some Pepsi bottlers still make big cash payments to win exclusive on-campus vending contracts from school districts that may be short on money.

Mr. Leach said Pepsi had embraced the idea that "it's in our interest for kids to be able to make sustainable health choices." Last year, Pepsi introduced 30 reduced-calorie products that are sold at schools, like SoBe Synergy, which is 50 percent fruit juice and has fewer calories than all-juice alternatives. The Quaker Oats division is test-marketing a flavored-milk product called Chillers that is sweetened without sugar and has vitamins and minerals added. Frito-Lay has reformulated its snack-food recipes to eliminate nearly all trans-fats, which contribute to coronary problems like blocked arteries. And PepsiCo said it had placed 17,000 new Aquafina and Gatorade vending machines in schools last year.

Like Coca-Cola, Kraft, McDonald's and others, PepsiCo is also aiming to make children more active. Gatorade, for example, is working with the University of North Carolina on ideas that include simple things like promoting construction of more sidewalks where children can play. And PepsiCo has committed \$2 million a year for three years to an inschool program beginning this fall called Balance First, whose goal is to have 2.5 million students eat 100 fewer calories each day and burn off 100 calories more, mainly through walking; several hundred elementary schools around the country have committed to introducing the program through science or health classes.

"The idea is to prevent kids from accumulating that excess one or two pounds each year," said James O. Hill, a professor at the health sciences center of the University of Colorado, who developed Balance First. "We can look at the industry as the enemy," he added, "but we're only going to change this problem with kids if we actually engage the private sector in helping."

STILL, skeptics say all this can be a smokescreen for food, beverage and restaurant companies.

"Their role first and foremost should be producing and promoting only healthy-aspossible kinds of foods, especially when it comes to children," said Dr. Willett of Harvard.

Even with the new products, it remains difficult for the industry to resist the profits offered by the status quo. As part of an effort called Kids Smart Eating that it introduced in June, <u>Ruby Tuesday</u>, a restaurant chain based in Maryville, Tenn., took grilled-cheese sandwiches and macaroni-and-cheese casserole off its new children's menu in favor of entrees like whole-grain tortillas with turkey and cheese.

But by mid-August - thanks to popular demand - grilled cheese and mac-and-cheese were back on the menu.