

ACCESS TO NUTRITION INDEX

U.S. SPOTLIGHT INDEX 2018



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Acknowledgements

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ACCESS TO NUTRITION INDEX

U.S. SPOTLIGHT INDEX 2018

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Welcome

It is with great pleasure that I introduce the first edition of the U.S. Spotlight Index. The publication of the U.S. Access to Nutrition Index is groundbreaking as it is the first national assessment of the contribution of America's ten largest food and beverage manufacturers to addressing nutrition challenges.

The Access to Nutrition Foundation started evaluating food and beverage companies worldwide with our first Global Access to Nutrition Index in 2013. Over time, we have seen improvements in companies' nutrition strategies and reporting, the affordability and accessibility of healthy products, and product labeling. With the launch of the first U.S. Index, we now have a tool that can be used to track what food and beverage companies are actually doing in the United States to help people make healthy choices about what they eat and drink and we hope, encourage them to go further.

The U.S. Index is unique in that it provides comprehensive, independent, comparable and objective information about companies' products, policies, practices and disclosure within the specific health and nutrition context of the United States. It assesses the extent to which food and beverage manufacturers in the United States are working to address the nation's high rates of obesity and diet-related diseases.

With nearly 40% of adults and 18.5% of children in the United States affected by obesity, this pressing health concern does not only have myriad of consequences for individuals, but also for the nation's healthcare system and economy. Moreover, almost one in eight people living in the United States is affected by food insecurity, i.e. low food quality, variety or even inadequate intake at some time throughout the year.

And though the causes of the health and nutrition context in the United States are complex, all stakeholders can and should play a role in ensuring that people living in the United States can live a healthy life, including the food and beverage industry.

This Index ranks companies in two ways. The Corporate Profile assesses the policies, practices and disclosure of the manufacturers to examine their contributions to increasing people's access to affordable, healthy foods and beverages. This includes companies' efforts to improve the nutritional quality of their products; how they price and distribute their healthy products; as well as their marketing, product labeling and support for public health education programs. In addition, the Product Profile uses the independent Health Star Rating Nutrient Profiling System to assess how healthy companies' product portfolios are.

I thank the seven companies that actively engaged with ATNF during the research phase for this Index and hope all companies assessed will engage for the next edition. I hope that the findings of this report will be useful to all stakeholders, from investors to advocates, policymakers to academics and that it will be used as a basis for dialogue with the food and beverage industry on diet, health and nutrition issues and will stimulate industry action.

I would like to thank the Robert Wood Johnson Foundation, as the U.S. Spotlight Index 2018 would not have been possible without their generous support. I would also like to thank the members of the Access to Nutrition Foundation Board, the Independent Advisory Panel, the U.S.-based Expert Group, and the ATNF team.

Inge Kauer
Executive Director
Access to Nutrition Foundation





Executive summary



Overview

Obesity is a pressing health concern that affects nearly 40% of adults and 18.5% of children in the United States¹, putting them at risk for Type 2 diabetes, high blood pressure, heart disease, stroke and other serious diseases.² It threatens the nation's healthcare system and economy.³ While the causes of obesity are complex, ranging from environmental and economic influences to policies and individual factors⁴, the nutritional quality of foods and beverages offered by America's major manufacturers and how those products are labeled, marketed, priced and distributed contribute to the obesity epidemic. Moreover, almost one in eight people living in the United States is affected by food insecurity, i.e. low food quality, variety or even inadequate intake at some time throughout the year.⁵ The food and beverage industry can contribute to addressing America's nutrition challenges and play its part in finding solutions.

The U.S. Access to Nutrition Index is unique in that it provides comprehensive, independent, comparable and objective information about companies' products, policies, practices and disclosure for all stakeholders to use from investors to advocates, policymakers to academics. The Access to Nutrition Foundation (ATNF), the not-for-profit organization that has developed and published this and other Indexes, hopes that it can be used as a basis for dialogue with the food and beverage industry on diet, health and nutrition issues and to stimulate industry action. The Index systematically assesses the extent to which the ten largest food and beverage manufacturers in the United States are working to address the nation's high rates of obesity and diet-related diseases. In 2016, the food and beverage companies assessed by this U.S. Spotlight Index had combined sales of around \$160 billion, and accounted for more than 30% of total sales of packaged foods and beverages in the United States.⁶ Given their significant influence on consumers' diets, ATNF believes these companies can and should play an active and substantial role in addressing nutrition challenges in the United States.

Approach and methodology

The first-ever U.S. Spotlight Index expands on the assessment of major food and beverage manufacturers worldwide in the Global Access to Nutrition Indexes. The U.S. Index focuses on the specific health and nutrition context in the United States. The Index ranks the manufacturers in two ways. The Corporate Profile assesses the policies, practices and disclosure of the manufacturers to examine their contributions to increasing people's access to affordable, healthy foods and beverages. This includes companies' efforts to improve the nutritional quality of their products; how they price and distribute their healthy products; as well as their marketing, product labeling and support for public health education programs. How rigorously companies define products' healthiness, and whether their definitions are based on dietary guidelines, is part of the assessment. In addition, the Product Profile uses the independent Health Star Rating (HSR) Nutrient Profiling System (NPS) to assess how healthy companies' product portfolios are. Manufacturers, as well as advocates, public health practitioners and others, can use the findings to identify areas for improvement.

The ten food and beverage manufacturers in the Index were selected based on total U.S. sales of packaged food, hot drinks and soft drinks in 2016. They are: Coca-Cola, ConAgra, Dr. Pepper Snapple, General Mills, Kellogg, Kraft Heinz, Mars, Nestlé, PepsiCo and Unilever. The U.S. Spotlight Index also assesses the marketing policies related to breast-milk substitutes (BMS) – i.e. formula, and any complementary food marketed as suitable for infants younger than six months of age – of each of the three largest baby food companies in the United States. One of these (Nestlé) is included in the Index rankings. The other two – Abbott Laboratories Inc. (Abbott) and RB/Mead Johnson Nutrition (RB/MJN) – are not included because they are not food and beverage manufacturers. As this is the first U.S. Index and due to the limited application of these companies' policies in the United States, the BMS-related findings are not presented as a ranking.

Overall score and ranking

In the U.S. Spotlight Index, all companies are given two separate scores and ranks. One is for the Corporate Profile, reflecting their performance on nutrition policies, practices and disclosure, and one is for the Product Profile, reflecting the nutritional quality of products in their best-selling categories.

Findings

The U.S. Spotlight Index 2018 finds that overall America's ten largest food and beverage manufacturers lack comprehensive strategies, policies and action to effectively address the nation's high levels of obesity and diet-related diseases. The average Corporate Profile score is only 3.0 out of 10, and the Product Profile shows that only 30% of products assessed are healthy, contributing to less than a quarter of 2016 sales across the companies.

Nestlé leads the Corporate Profile ranking with a score of 5.3 out of 10, followed by Unilever and PepsiCo. ConAgra leads the Product Profile ranking with a score of 5.8 out of 10, and then Kraft Heinz and General Mills. Both scores are provided in Figure 1, which illustrates that the companies with the highest scores on the Corporate Profile do not have the highest scores on the Product Profile. The separate Corporate Profile and Product Profile rankings are shown in Figure 2 and 3, respectively.

Nine of the ten companies were also assessed in the Global Index 2018. Despite the United States being their largest single market in the world, these nine companies disclose less information about their initiatives and activities to support customers' health and nutrition in the United States than they do globally. While this is also reflected in lower scores in the U.S. Index compared to the Global Index, the finding of lower levels of disclosure may not be restricted to the United States and could apply to other countries as well.

Recommendations

While the ten largest food and beverage manufacturers in the United States have made some efforts to tackle obesity and diet-related disease in the market, they must make their product portfolios healthier and ensure their healthy products are accessible to all, particularly to those whose access to healthy food is constrained by low income or geographic factors (See ATNF's definition of priority populations in the Scope of the U.S. Index chapter, [Box 2](#)). They must also place greater effort on marketing healthy products.

EXECUTIVE SUMMARY

Companies' nutrition strategies should encompass comprehensive sets of well-defined targets for improvement in the following areas: product innovation and reformulation, affordability and accessibility of healthy products, responsible marketing, employee health and wellness, consumer education, nutrition labeling, lobbying and stakeholder engagement. Additionally, the companies should be more transparent in their reporting on all key issues and in particular on their progress in meeting their targets.

FIGURE 1 Companies' performance on the two key elements of the U.S. Spotlight Index: The Corporate Profile and the Product Profile

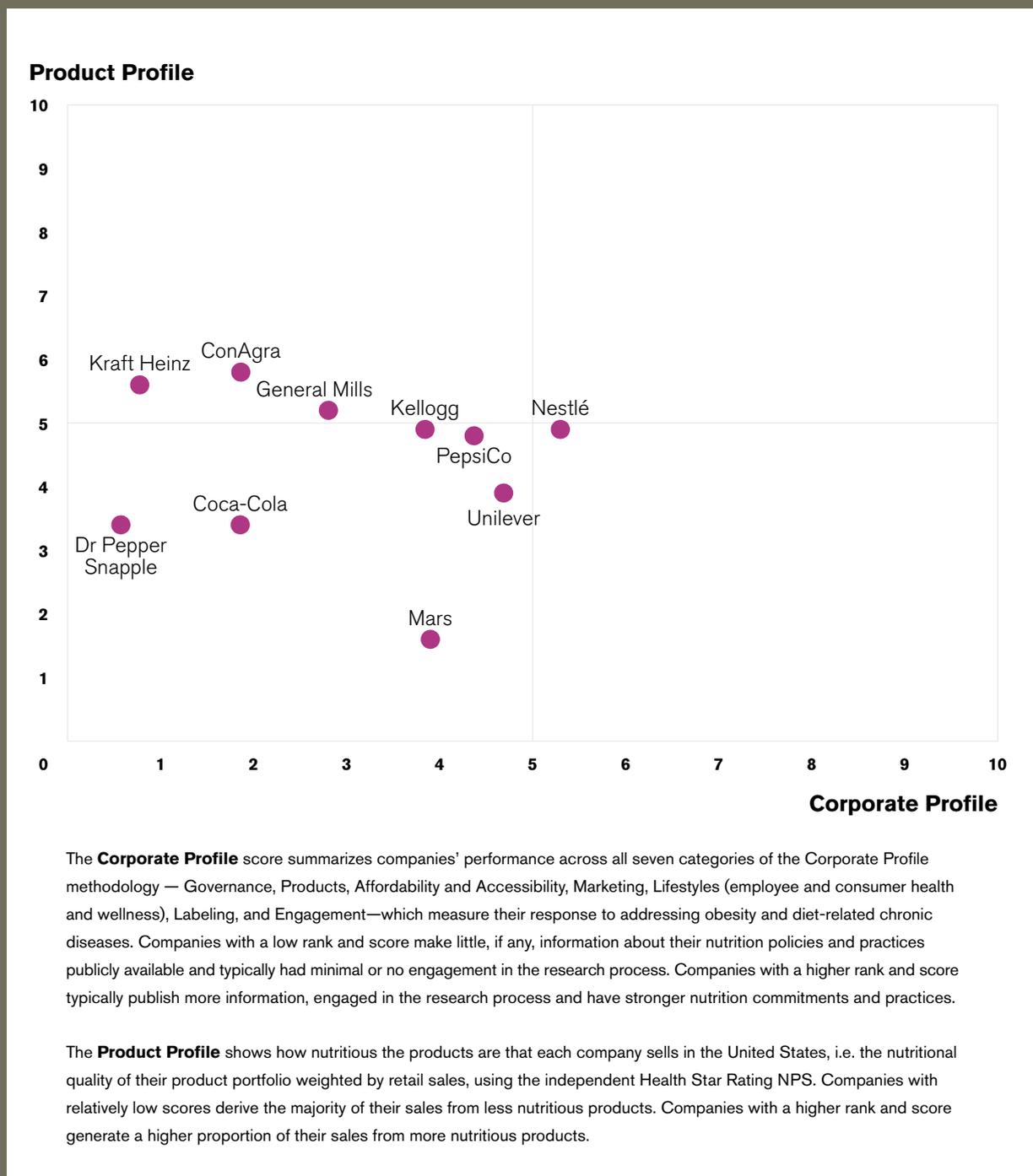


FIGURE 2 U.S. Index 2018 Corporate Profile ranking

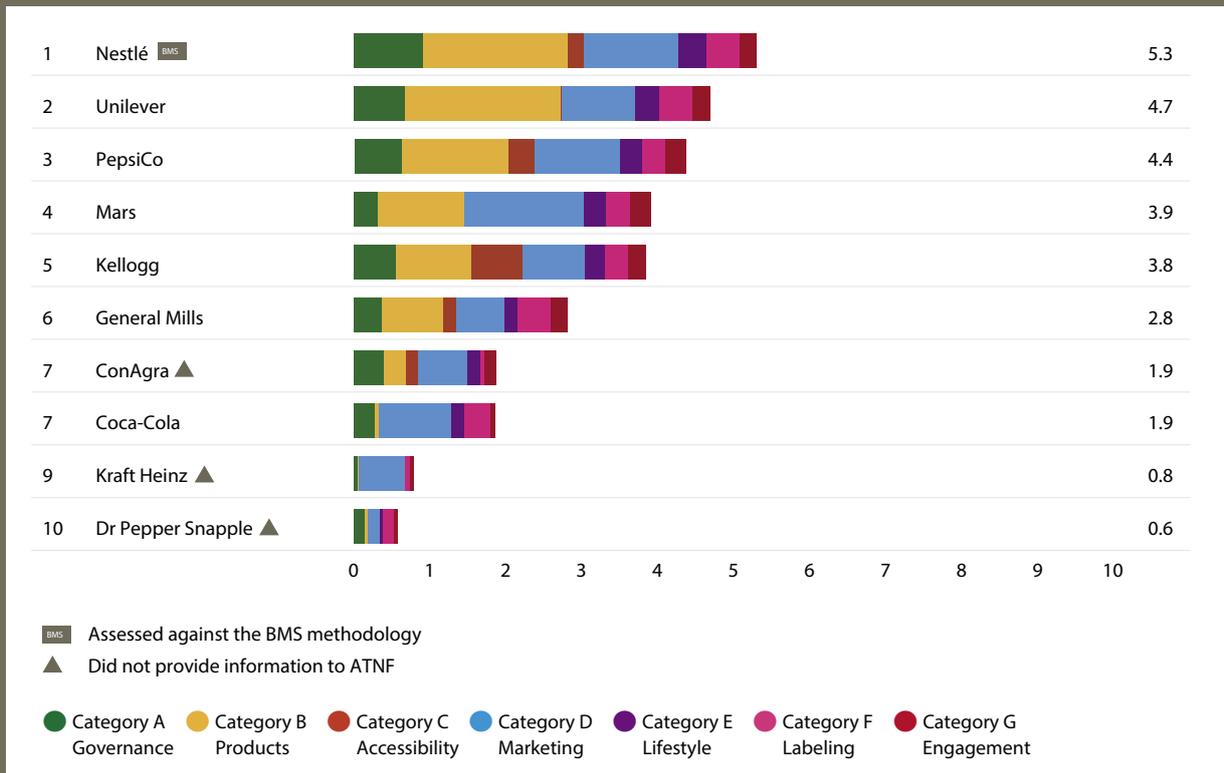
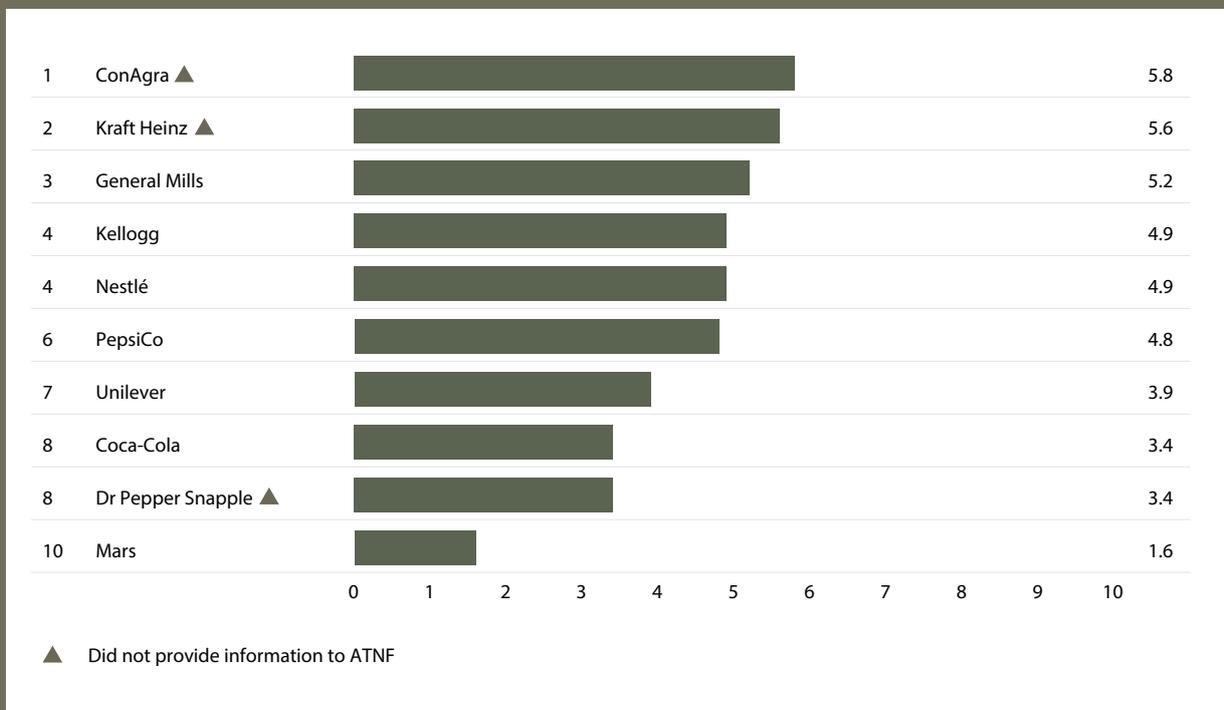


FIGURE 3 U.S. Index 2018 Product Profile ranking



Governance

Within the Governance category, the Index assesses the extent to which a company's nutrition strategy includes specific elements to contribute to a healthy diet for everyone, particularly populations at high risk of obesity and/or food insecurity, including those from priority populations whose access to healthy, affordable food is constrained by low income or geographic factors. It also assesses the extent to which this approach is embedded within its governance and management systems, and is formally reported on.

Findings

- Though seven out of ten companies claim to focus on improving health and nutrition (all except Coca-Cola, Dr Pepper Snapple and Kraft Heinz), as expressed in their mission statements or corporate growth strategies, the objectives they defined related to health and wellness are mostly limited to product development, product reformulation and responsible marketing. Only two companies (Nestlé and Unilever) have defined a more comprehensive set of objectives within their nutrition strategy.
- Only Unilever publishes the percentage of sales generated by healthy products, and only two companies (ConAgra and Nestlé) report formally and regularly on their approach, targets and progress toward addressing nutrition issues in the United States. This is in stark contrast with companies' global plans; 18 of the 22 companies assessed in the Global Index 2018 published formal reports that address their approach and progress to help tackling nutrition challenges.

Recommendations

Based on these findings, companies should:

- Specify how their commercial nutrition strategy aims to address priority populations in the United States, whose access to healthy food is constrained by low income or geographic factors.
- Substantially improve their transparency in relation to their corporate strategy on nutrition in the United States. For example, by publishing their sales generated from healthy products, and reporting formally and regularly on their approach, targets and progress toward addressing nutrition issues in the United States.
- Define a comprehensive set of objectives to improve health and nutrition and their strategy for achieving them, specifically adapted to the cultural and political landscapes in the United States. Lastly, companies should define a set of SMART targets (Specific, Measurable, Achievable, Relevant and Time-bound).

More details on the findings, recommendations and best practices can be found under [Category A](#).

Products

The U.S. Index assesses the nutritional quality of companies' product portfolios in the Product Profile. Within the Corporate Profile, it assesses companies' stated efforts to improve the nutritional quality of the foods and beverages they make - through research and development (R&D), new product formulation and reformulation of existing products. The Corporate Profile also assesses companies' use of a good quality NPS that analyzes a company's products according to nutritional make-up, to guide these efforts. Overall, this aspect of the Index evaluates whether companies can identify which products are healthy (using to their own definition), which products are suitable for marketing to children and whether healthy options are available across their portfolios.

Findings

- The Product Profile found that only 30% of the companies' products assessed are healthy according to the independent HSR criteria. HSR is an Australian nutrient profiling system that is internationally recognized and applicable to any market, which can be used to determine the healthiness of food and beverage products. Additionally, only 22% of the combined companies' 2016 sales are estimated to be generated by these products. Further, only 14% of the products assessed met nutrition criteria for marketing to children, according to the World Health Organization's Regional Office for Europe Nutrient Profile Model (WHO Euro). The nutritional quality of products within the same category made by different companies varied substantially, for example in the savory snacks and dairy categories.
- Three companies (Coca-Cola, Dr Pepper Snapple and Kraft Heinz) did not provide evidence of reformulation targets to improve the nutritional quality of their products. None of the ten companies have defined a comprehensive set of reformulation targets, covering all of their products and all relevant nutrients, including salt/sodium, saturated fat, added sugar, fruits, vegetables and whole grains. Only two companies report data about their progress in meeting their product reformulation targets in the United States (ConAgra, although to a limited extent, and Unilever).
- Only two companies (Nestlé and Unilever) have clearly defined what they consider to be 'healthy' products based on publicly disclosed nutrition criteria embedded within their NPS. For many companies, it is not clear how they define a healthy product, nor do they appear to use an NPS to do so.
- None of the companies publish a commitment to addressing the copy-cat issue - making the same products, or products with very similar branding and 'look and feel', sold on the wider U.S. market, to the same nutritional standards as those sold under the Smart Snacks in School regulation. However, Nestlé and Unilever provided evidence to having such commitments and applying them in practice.

Recommendations

Based on these findings, companies should:

- Invest more in increasing the nutritional quality of their products and their product portfolios overall.
- Adopt a clear definition of healthy products, based on nutrition criteria that are embedded within a well-designed NPS and are aligned with internationally recognized systems.
- Define a comprehensive set of targets such as reducing salt, sugar and saturated fat and increasing ingredients such as fruits, vegetables and whole grains, covering all relevant products. Companies should also increase the percentage of products in their portfolio that meet nutritional criteria for marketing to children, especially for products often consumed by children.
- Increase their transparency related to healthy products, specifically their progress in meeting their U.S. reformulation targets. For comparability, and to create a level playing field, companies and industry associations should report standardized statistics, annually, on the healthiness of their portfolios and by product category, using an internationally recognized system, such as the HSR system.

More details on the findings, recommendations and best practices on product reformulation can be found under [Category B](#), while more information on the Product Profile can be found [here](#).

Accessibility

The U.S. Index assesses manufacturers' efforts to make their healthy products more accessible through their approaches to pricing and distribution to create a 'level playing field' between healthy and less healthy options. The basis for identifying healthy products are companies' own definitions of healthy products, which should be linked to their NPS (as assessed in Category B: Products).

Findings

- U.S. food and beverage manufacturers do not appear to have embedded within their commercial strategies clear substantive approaches to improving the affordability and accessibility of their healthy products, particularly compared with their efforts to do so globally. The average score of the companies in the U.S. Index in this category is lower (0.6 out of 10) than their average score in the Global Index 2018 (2.5 out of 10). None of the ten companies have a formal policy in this area nor do they appear to define concrete targets, such as specific price targets for healthy products or to lower the pricing difference between healthy and other products. Only two companies (Kellogg and PepsiCo) have commitments to donating healthy products to food assistance programs such as food banks.

Recommendations

Based on these findings, companies should:

- Define approaches to improving the affordability and accessibility of their healthy products as part of their commercial strategy, which include setting well-defined targets related to pricing and distribution that can be tracked.
- All companies should commit to donating a high percentage of healthy products, to ensure that their donations contribute to improving the diets and health of those that rely on food pantries or other charitable food sources.

More details on the findings, recommendations and best practices can be found under [Category C](#).

Marketing

Within the Marketing category, companies are assessed on the scope and strength of their corporate marketing policies, specifically how they align with best-practice marketing guidance and standards, and their systems for auditing compliance with their policies. It assesses corporate marketing with respect to two audiences: One focuses on general aspects of responsible marketing that apply to all consumers regardless of age; the second focuses on responsible marketing to children only.

Findings

- All companies except Dr Pepper Snapple and General Mills (eight in total) publish a policy on responsible marketing to all consumers or pledge to support the Consolidated International Chambers of Commerce Code of Advertising and Marketing Communication Practice (ICC Code), which is the foundation of most national self-regulatory marketing codes. Companies' responsible marketing to children commitments are based to a large extent on U.S.-based industry initiative commitments, which include the Children's Food and Beverage Advertising Initiative (CFBAI) and the Children's Advertising Review Unit (CARU).⁷ These voluntary commitments are not comprehensive and omit commitments particularly related to covering all relevant media and channels (e.g. in-store marketing / point-of-sales marketing, outdoor marketing, sponsorship), and marketing in or near schools or other places popular with children.
- All companies commit to refrain from marketing in elementary schools but only General Mills and Kraft Heinz commit not to market in K-12 schools.
- None of the companies commit to developing and delivering marketing strategies for healthy products tailored to reaching priority populations who often lack access to healthy, affordable foods.
- With the exception of Mars, no other company commissions independent, third-party auditing of its compliance with its responsible marketing policy. Mars' auditing expands on the CFBAI auditing by focusing on more media channels and by extending the auditing to responsible marketing to all consumers, including adults.

Recommendations

Based on these findings, companies should:

- Commission independent, third-party audits of compliance with their policies or commitments to all consumers and to children, to complement auditing through industry initiatives or pledge organizations.
- Commit to developing and delivering marketing strategies and quickly take steps to understand and reach priority populations in the United States with healthy products.
- Substantially strengthen their commitments on responsible marketing to children. The two key industry initiatives - CFBAI and CARU - should expand their programs to plug the gaps that currently exist. Companies and these initiatives need to ensure that their commitments are comprehensive, as specified in the ATNI methodology, and explicitly cover all relevant media.
- Put extra emphasis on reducing their marketing in and near schools. To have the biggest impact, this commitment should be extended to include middle and high schools, and other places popular with children, such as YWCA-YMCAs, after-school clubs, Boys and Girls Clubs, etc. In addition, companies should explicitly list the types of marketing covered by their commitment.

More details on the findings, recommendations and best practices can be found in [Category D](#).

Lifestyle

Within the Lifestyle category, companies are assessed on their approach and efforts to support employee health and wellness, breastfeeding mothers in the workplace and consumer-oriented healthy diet and active lifestyle programs.

Findings

- Of the ten companies assessed, three make their employee health and wellness program available to all employees and to family members (Mars, Nestlé and Unilever). In addition, most companies run or support nutrition, diet and activity initiatives within their employee health and wellness programs, as well as health and nutrition programs for the public. However, for both types of programs, companies do not define the specific expected outcomes and do not commission independent evaluations to determine whether these programs have delivered the health impacts they were intended to. Moreover, companies' public disclosure is poor in relation to how they support better nutrition, diets and more active lifestyles through their wider employee health and wellness programs, their support for breastfeeding mothers and the public health and nutrition programs they fund or otherwise support.
- While paid maternity leave is one way in which employers can support mothers to breastfeed, only two companies (Nestlé and Unilever) provide more than three months paid maternity leave for employees.

Recommendations

Based on these findings, companies should:

- Make the aspects of their employee health and wellness programs that aim to improve diets and nutrition, and encourage active lifestyles available to all employees and to family members. Moreover, all companies should define specific expected outcomes and commission independent evaluations to determine whether their employee health and wellness programs have delivered the intended health impacts.
- Increase their disclosure on public health and nutrition programs and publish the principles that underpin the design, implementation and evaluation of such programs.
- Aim to align with the International Labor Organization (ILO) recommendation to provide a minimum of 14 weeks of paid leave, as the United States does not currently have regulations which mandate any paid leave.

More details on the findings, recommendations and best practices can be found in [Category E](#).

Labeling

The U.S. Index assesses whether companies provide nutrition label information to consumers beyond legal requirements. Specifically, it assesses whether companies provide nutrition information on the front of packs and whether an interpretive format that involves some form of color-coding, like a traffic light system, or a star rating system, to indicate a product's healthiness is applied. It also assesses whether companies provide nutrition composition information for all products online.

Findings

- Analysis showed that none of the companies commit to implement or support the development of interpretive Front-Of-Pack (FOP) labeling in the United States despite their use of interpretive FOP labels in other markets. For example, Mars and Nestlé apply interpretive FOP systems voluntarily in the United Kingdom and Australia, and a consortium of companies including Coca-Cola, Nestlé, PepsiCo and Unilever have developed a new interpretive FOP system in Europe called the Evolved Nutrition Label scheme. All of the companies provide only numeric information on the FOP in the United States; Seven do so through the Facts Up Front system.

Recommendations

Based on these findings, companies should:

- Make a commitment or set an ambition to support the development and implementation of an interpretive FOP labeling system in the United States, which makes it easier for consumers to understand the healthiness of a product.

More details on the findings, recommendations and best practices on labeling can be found in [Category F](#).

Engagement

The U.S. Index assesses companies' transparency on lobbying and influencing government and policymakers on nutrition matters. In addition, it assesses how companies engage with a variety of stakeholders to inform the development of their nutrition policies and programs on corporate nutrition practices and nutrition-related issues.

Findings

- The U.S. Index found that only Nestlé and PepsiCo make a commitment to engage with policymakers in support of measures designed to improve public health. However, from an analysis of federal lobbying activities and expenditure reported through the Senate Office of Public Records, it is difficult to judge what these commitments mean when comparing these companies with others. The ten companies combined were responsible for a total of \$18 million in federal lobbying expenditures in 2017, which is 10% of the total spending within relevant industries, while representing less than 2% of the number of companies within those industries. Moreover, companies' disclosure beyond legal requirements on lobbying or engaging with policymakers is limited.
- Seven companies commit to engage with stakeholders in the United States to inform their nutrition policies and programs (all except Coca-Cola, Dr Pepper Snapple and Kraft Heinz); however, the disclosure of the majority of the seven companies about stakeholder engagement globally is more extensive than that related to stakeholder engagement in the United States.

Recommendations

Based on these findings, companies should:

- Commit either not to weigh in on legislative proposals about nutrition issues or to support only those measures designed to prevent or address obesity and diet-related chronic diseases. In respect of federal nutrition assistance programs that include nutrition standards, all companies should commit to not undertake efforts to weaken or abolish the standards.
- Increase their transparency around the positions they adopt when seeking to influence nutrition and public health policies, providing the information on their own corporate website and linking directly to their reports filed on the Senate Office of Public Records.

More details on the findings, recommendations and best practices can be found in [Category G](#).

For more detailed information about the performance of individual companies, see the [company scorecard pages](#).

Marketing of breast-milk substitutes

The World Health Organization (WHO) recommends that mothers worldwide exclusively breastfeed their infants for the first six months to achieve optimal growth, development and health. Thereafter, they should be given nutritious complementary foods and continue breastfeeding up to the age of two years or beyond.⁸ The U.S. Index includes an assessment of the nature and extent of BMS marketing in the United States and whether the three major BMS manufacturers market their products in line with the International Code of Marketing of Breast-milk Substitutes (The Code⁹) and subsequent relevant World Health Assembly (WHA) resolutions. The companies' BMS marketing policies, management systems and disclosure are assessed, as applied in the United States.

Findings

- Although each of the three largest U.S. baby food companies commits to supporting the aims of The Code, none applies its BMS marketing policy, within which it commits to market its products according to some of the recommendations of The Code, in the United States, even though each does so in low-income countries.

Recommendations

- Each BMS manufacturer in the United States should demonstrate its support for exclusive breastfeeding for the first six months, and for continued breastfeeding for two years or more, by unilaterally bringing its BMS marketing policies into line with the recommendations of The Code and subsequent relevant WHA resolutions. Alongside other stakeholders such as government, health professionals and non-profit organizations, each of the BMS manufacturers should intensify its efforts to support breastfeeding by unilaterally curtailing its BMS marketing that does not align to the recommendations of The Code and subsequent relevant WHA resolutions.

More details on the context, findings, recommendations and best practices on the marketing of BMS can be found in the [BMS Marketing chapter](#).

Future opportunities

The U.S. Access to Nutrition Index is designed to serve as a private sector accountability tool. It aims to fill critical knowledge gaps about the performance of the ten largest food and beverage manufacturers in contributing to addressing the high rates of obesity and diet-related disease in the United States. It is also intended to spur 'healthy competition' among companies to improve their scores and ranking in each Index – which may in turn create healthier businesses and healthy returns to investors.

ATNF intends to publish a U.S. Spotlight Index every two years, to drive change in the U.S. food and beverage manufacturing sector. The companies included in the Index are encouraged to engage actively with ATNF in order to learn from the analysis and, for future Indexes, to provide as much information as possible so that their scores accurately reflect the full range of their actions to address obesity, diet-related diseases and food insecurity in the United States.

NOTES

- ¹ Hales, C., Carroll, M., Fryar, C. and Odgen, C. (2017). Prevalence of Obesity Among Adults and Youth: United States, 2015-2016. *NCHS Data Brief*, [online] 288, pp.1-8. Available at: <https://www.ncbi.nlm.nih.gov/pubmed/29155689>
- ² The U.S. Burden of Disease Collaborators (2018). The State of US Health, 1990-2016: Burden of Diseases, Injuries, and Risk Factors Among US States. *JAMA*, 319 (14), pp.1444-1472.
- ³ The State of Obesity. (2018). *The Healthcare Costs of Obesity*. [online] Available at: <https://stateofobesity.org/healthcare-costs-obesity>
- ⁴ Centers for Disease Control and Prevention. (2018). Adult Obesity Causes & Consequences | Overweight & Obesity | CDC. [online] Available at: <https://www.cdc.gov/obesity/adult/causes.html>
- ⁵ U.S. Department of Agriculture, Economic Research Service (2017). *Household Food Security in the United States in 2016*. Economic Research Report Number 237. [online] Available at: <https://www.ers.usda.gov/publications/pub-details/?pubid=84972>
- ⁶ Euromonitor International (2017). *Packaged Food, Soft Drinks and Hot Drinks*.
- ⁷ Updated CFBAI Uniform Nutrition Criteria were published in September 2018, including stricter sodium and added sugar limits. These criteria define which foods or beverages can be advertised to children by participating companies. The revised criteria will be implemented by January 1, 2020.
- ⁸ World Health Organization (2011). *Exclusive breastfeeding for six months best for babies everywhere*. [online] Available at: http://www.who.int/mediacentre/news/statements/2011/breastfeeding_20110115/en/
- ⁹ World Health Organization (1981). *International Code of Marketing of Breast-milk Substitutes*. [online] Geneva: World Health Organization, pp.1-24. Available at: http://www.who.int/nutrition/publications/code_english.pdf

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Context

The U.S. Spotlight Index 2018

Introduction

Obesity is a pressing health concern that puts millions of people living in the United States at risk of serious diseases. It threatens the nation's healthcare system and economy.¹ Moreover, almost one in eight people living in the United States are affected by food insecurity, i.e. lower food quality, variety or even inadequate intake at some time throughout the year.² The U.S. Access to Nutrition Index is designed to assess the extent to which the ten largest food and beverage manufacturers in the United States are working to reduce the number of people who are overweight, have obesity or are living with other diet-related diseases. While the causes of obesity are complex, ranging from environmental and economic influences to policies and individual factors,³ the nutritional quality of foods and beverages offered by major manufacturers in the United States, and how those products are labeled, marketed, priced and distributed, contribute to the epidemic. As such, these companies have a substantial role to play in addressing these alarming health trends.

Overweight and obesity

Prevalence

In the last 35 years, obesity rates in the United States have increased significantly. They have more than doubled among adults (aged 20 and up) and children (aged two to 11), and quadrupled among adolescents (aged 12 to 19).^{4 5 6} By 2015, 71% of the U.S. population was overweight or obese, the highest rate among all high-income countries.⁷ Currently, nearly 40% of adults and more than 18% of youth aged two to 19 are obese, as shown by Figure 1.⁸ The high prevalence among youth is particularly concerning. Children are becoming obese at a young age and experts warn that the current generation of young people may be the first to be more sick and die younger than their parents' generation. It is not surprising then, that obesity has been called a public health issue of monumental importance to the nation.⁹

Obesity rates vary from state to state, but similar to national trends, rates of obesity are higher now in each state than they were a generation ago as illustrated by Figure 2. The most recent data shows that adult obesity rates are 30% or higher in 31 states. In 1985, no single state had an adult obesity rate higher than 15%.¹⁰

BOX 1 THE CONCEPTS OF OBESITY AND BMI

Overweight and obesity are defined by the World Health Organization (WHO) as a physical condition of abnormal or excessive fat accumulation that presents a risk to health. The Body Mass Index (BMI) is a simple index commonly used to measure whether adults are obese or overweight, based on weight-to-height proportions. To calculate the BMI, the person's weight in kilograms is divided by the square of their height in meters (kg/m²); or the following formula can be used to measure it in pounds and inches:

$$\text{BMI} = \left(\frac{\text{Weight in pounds}}{(\text{Height in inches})^2} \right) * 703$$

Overweight is defined by a BMI greater than or equal to 25; while obesity translates to a BMI greater than or equal to 30. When the BMI is greater than or equal to 40, it indicates severe obesity or morbid obesity. Despite its limitations as a measure of healthy weight, BMI is generally used as a reference measure, since a high BMI score is often strongly associated with the same detrimental health effects as high body fat.

In the case of children (aged two to 11) and adolescents (aged 12 to 19), age and gender are also considered in the calculation of the BMI, as their body is constantly growing, and it is often referred to as BMI-for-age. It is therefore determined using age- and gender-specific percentiles for BMI instead of the BMI categories used for adults. Overweight is defined as a BMI at or above the 85th percentile and below the 95th percentile for children and teens of the same age and gender. Obesity is diagnosed when the child's BMI is at or above the 95th percentile for children and teens of the same age and gender.

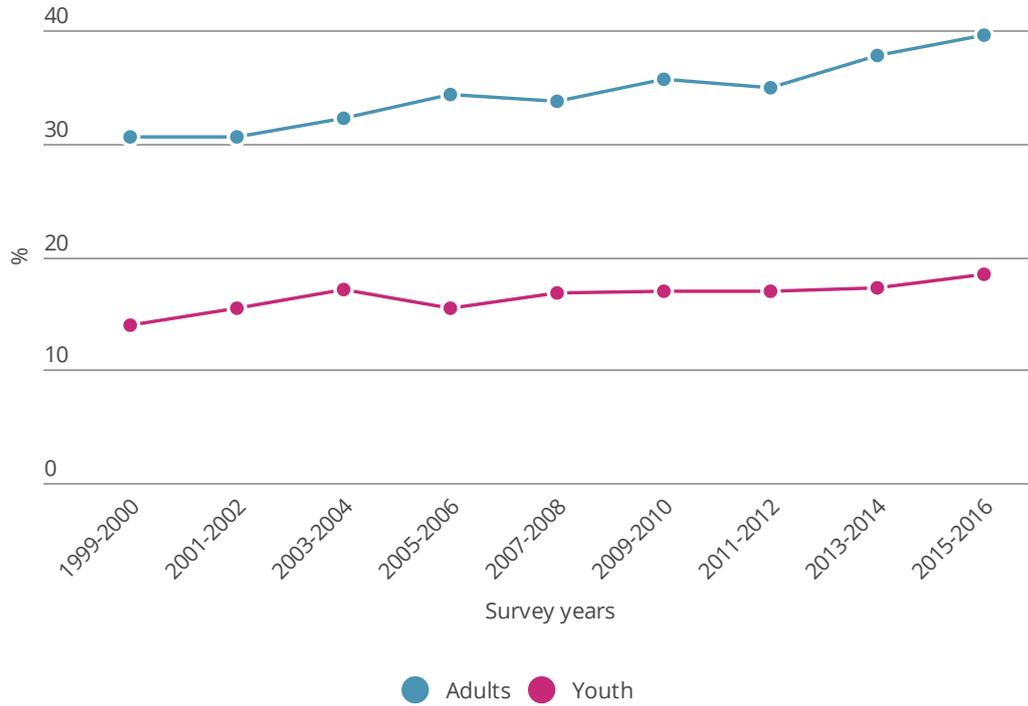
Sources:

WHO (2018). Obesity and overweight.

CDC (2017). About Adult BMI.

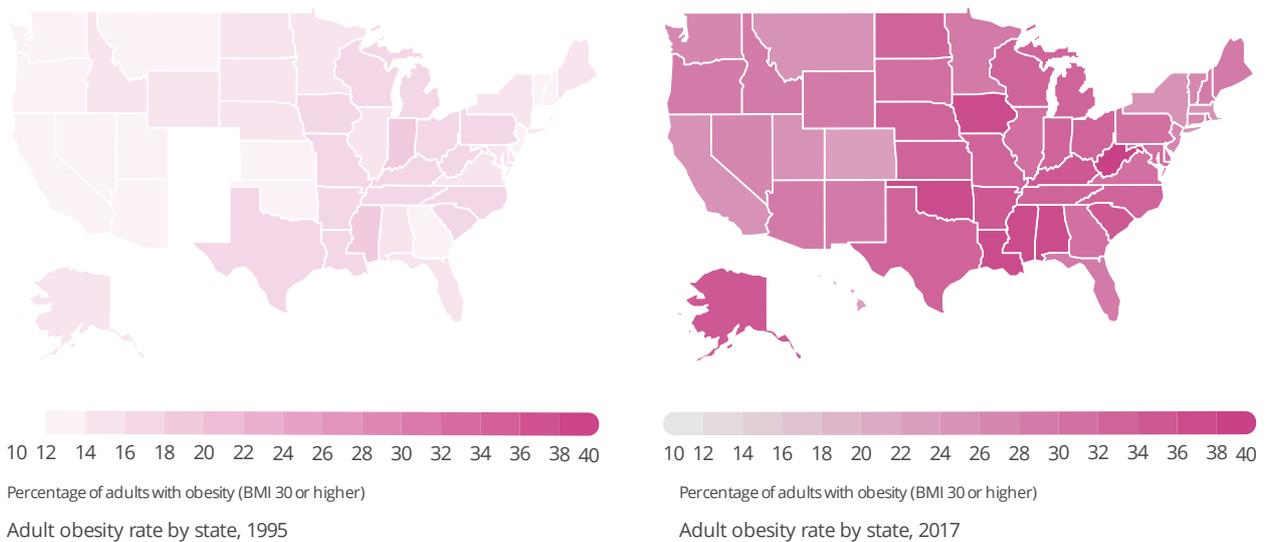
CDC (2016). Defining Childhood Obesity.

FIGURE 1 Trends in obesity prevalence among adults aged 20 and over (age adjusted) and youth aged two to 19 years: United States, 1999-2000 through 2015-2016



Source: Derived from National Center for Health Statistics, 2017. Data are based on direct measurements of height and weight.

FIGURE 2 Adult obesity prevalence by state



Source: CDC's Behavioral Risk Factor Surveillance System (2018). Data are based on self-reported height and weight

Racial and ethnic disparities

Obesity is disproportionately prevalent among certain racial and ethnic groups in the United States, with Hispanics and blacks having significantly higher rates than whites and Asians. This is true among both children and adults. Broken down by gender and race/ethnicity, black women have the highest obesity rates at 54.8%, while Asian-American men have the lowest rates at 10.1%.¹¹ Figure 3 shows adult obesity rates by gender and race/ethnic origin. Further, based on self-reported data, 39.1% of adults are obese among American Indians and Alaskan Natives.¹²

Various types of inequity contribute to higher rates of obesity and related illnesses in different racial/ethnic groups. For black communities, inequities in income, stable and affordable housing, access to quality education and disparate access to affordable, healthy food or safe places to be physically active are central factors.¹³ In addition, inequities in access to healthcare, the quality of care received and opportunities to make healthy choices also contribute, as do relatively higher rates of hunger, food insecurity and targeted marketing of less nutritious foods.¹⁴ Poverty rates are also highest in these populations.¹⁵

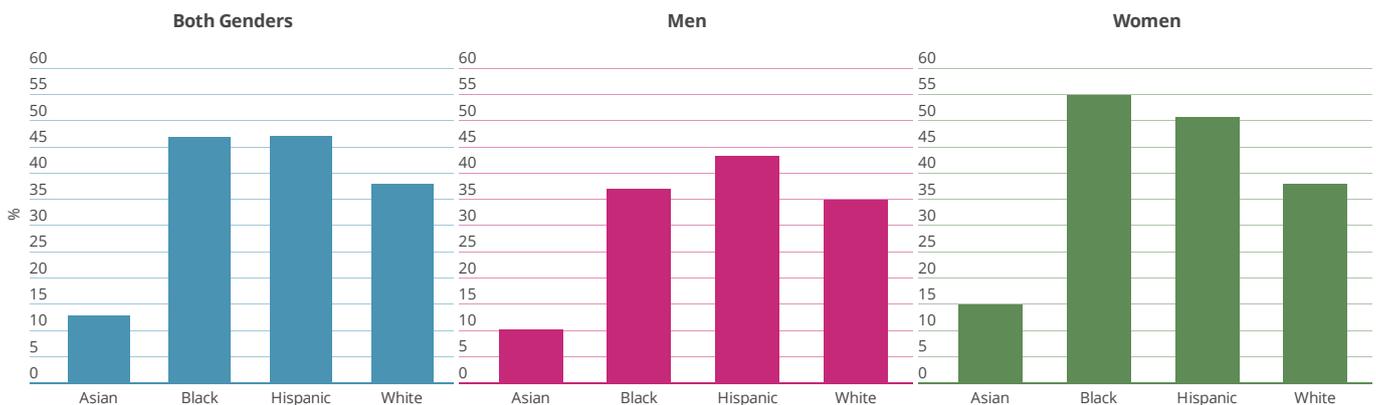
Income disparities

Obesity rates are generally inversely correlated with income. Individuals with low incomes are far more likely to be obese than individuals with higher incomes, as shown by Figure 4. Children from low-income families are also more likely to be obese. In 2011-14, 21.5% of children aged six to 11 living in households with incomes below the federal household poverty level were obese, compared to only 12.2% of children living in households with incomes exceeding 400% of the federal poverty level.¹⁶

Urban vs. rural disparities

Urbanization is considered to contribute to the high rates of obesity and overweight in many developing countries, but in the United States and other developed countries, people living in rural areas are more likely to be obese.¹⁷ For example, in 2016, 34.2% of adults in non-metropolitan areas were obese compared with 28.7% of adults living in more urban areas.¹⁸

FIGURE 3 Age-adjusted prevalence of obesity among adults aged 20 and over, by sex and race and Hispanic origin: United States, 2015-2016



Source: NCHS (2015-2016). National Health and Nutrition Examination Survey.

FIGURE 4 Obesity among children and adolescents aged 2-19 years by poverty level, 2011- 2014

Source: CDC (2016). National Center for Health Statistics.¹⁹

The financial costs of obesity

Individuals, and the nation as a whole, bear the considerable financial costs of being overweight or obese, or living with diet-related diseases. It is estimated that treating obesity alone costs the U.S. healthcare system between \$147 billion and \$210 billion each year.²⁰⁻²¹ Further, while the U.S. has much higher total spending as a share of its economy, its public expenditures alone are in line with other countries. In 2016, the U.S. spent about 8.5% of its Gross Domestic Product (GDP) on health out of public funds - essentially equivalent to the average of other comparable countries. However, private spending in the U.S. is much higher than any comparable country: 8.8% of GDP in the U.S., compared to 2.7% on average for other nations.²² Spending on obesity and diet-related chronic diseases is a large contributor to the overall costs. By 2025, it is estimated that the costs of treating diseases linked to obesity in the United States will be \$555 billion.²³

These costs have the potential to become catastrophic and unaffordable unless all sectors of society take the need for obesity prevention seriously and act responsibly.²⁴

Studies suggest that investment in prevention could pay off. Researchers estimate that only a 1% reduction in diet-related health risks such as weight, blood pressure, glucose and cholesterol risk factors could save \$83 to \$103 per person

per year in medical costs.²⁵ It was also found that reducing the average adult BMI by only 5%, would prevent serious health problems for millions of people living in the United States, and save the nation \$158 billion over the next ten years.²⁶

Additionally, the workforce and employers are heavily affected. Absenteeism of employees with obesity is estimated to cost businesses approximately \$4.3 billion per year,²⁷ while lower productivity costs employers on average \$506 per employee per year.²⁸ There is specific concern around military service and recruiting qualified candidates who are physically fit and able to perform their required duties. For example, one in three young people living in the United States is too overweight to serve in the military and more than 60% of non-deployed active duty service members experience a sprain, stress fracture or other musculoskeletal injury each year attributed in part to years of low calcium intake, lack of long-term exercise habits and/or excess weight.²⁹

It is estimated that the Department of Defense spends \$1.5 billion each year on obesity-related medical costs.³⁰ First responder services also struggle to recruit workers and face operational challenges in relation to employees that are overweight and obese.³¹

Diet-related chronic diseases

Diet-related diseases are a sub-set of non-communicable diseases (NCD) which are 'chronic diseases that tend to be long in duration and progress slowly, and the result of a combination of genetic, physiological, environmental and behavioral factors'.³² Three of the four main types of non-communicable diseases are diet-related: Cardiovascular diseases (heart attacks and stroke), cancer and diabetes.³³ A major study released in 2018 found that an unhealthy diet is the leading risk factor for death in the United States.

All told, in 2016 more than 500,000 deaths in the United States were caused by or contributed to by one or more diet-related diseases.³⁴

Table 1 shows which risk factors were associated with all deaths in the United States in 2016. As multiple factors can be associated with one individual's death, figures cannot be summed.

TABLE 1 Diet- and/or physical activity-related risk factors associated with deaths in the United States, 2016

Rank of risk factor out of 17	No. of deaths in 2016	% of total deaths
Rank 1. Dietary risks (other than BMI)	529,299	19.1
Rank 3. High blood pressure	481,501	17.4
Rank 4. High BMI	385,965	13.9
Rank 5. High fasting plasma glucose ³⁵	376,498	13.6
Rank 6. High total cholesterol ³⁶	233,233	8.41
Rank 10. Low physical activity	91,670	3.31
Rank 15. Child and maternal malnutrition	11,019	0.4

Source: Derived from Institute for Health Metrics and Evaluation (2016).

The numbers of those living with, and needing treatment for, diet-related diseases and obesity are also substantial: Today, around half of the adult U.S. population (i.e. 117 million people) suffer from one or more preventable chronic diseases, many of which are associated with poor eating habits or lack of

physical activity.³⁷ Table 2 shows an overview of the number of people affected by some of these conditions, compiled from various data sources. Note that many people live with more than one condition.

TABLE 2 Number of people living in the United States with diseases related to diet and inactivity, 2012-2014

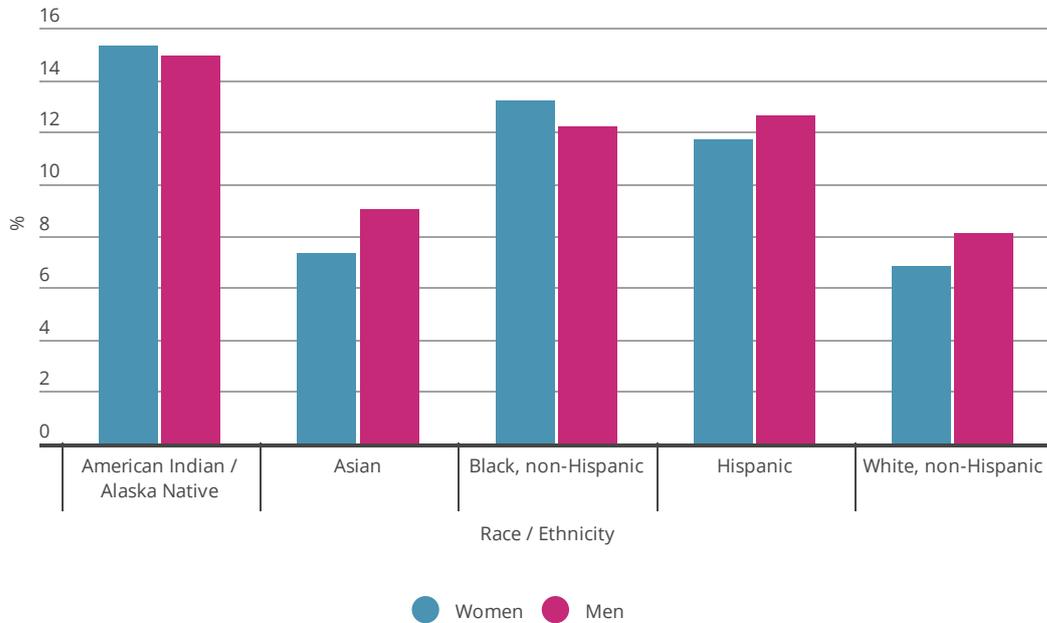
Condition	Number of people living with the condition (in millions)
Obesity ³⁸	78.1
High blood pressure ³⁹	66.9
Diabetes ⁴⁰	29.1
Heart disease ⁴¹	26.6
Cancer ⁴²	20.1
Osteoporosis ⁴³	9.9
Stroke ⁴⁴	6.4

Source: Data compiled from various data sources as indicated per condition.

The prevalence of many of these health conditions also varies by ethnic group and geographic region. As examples,

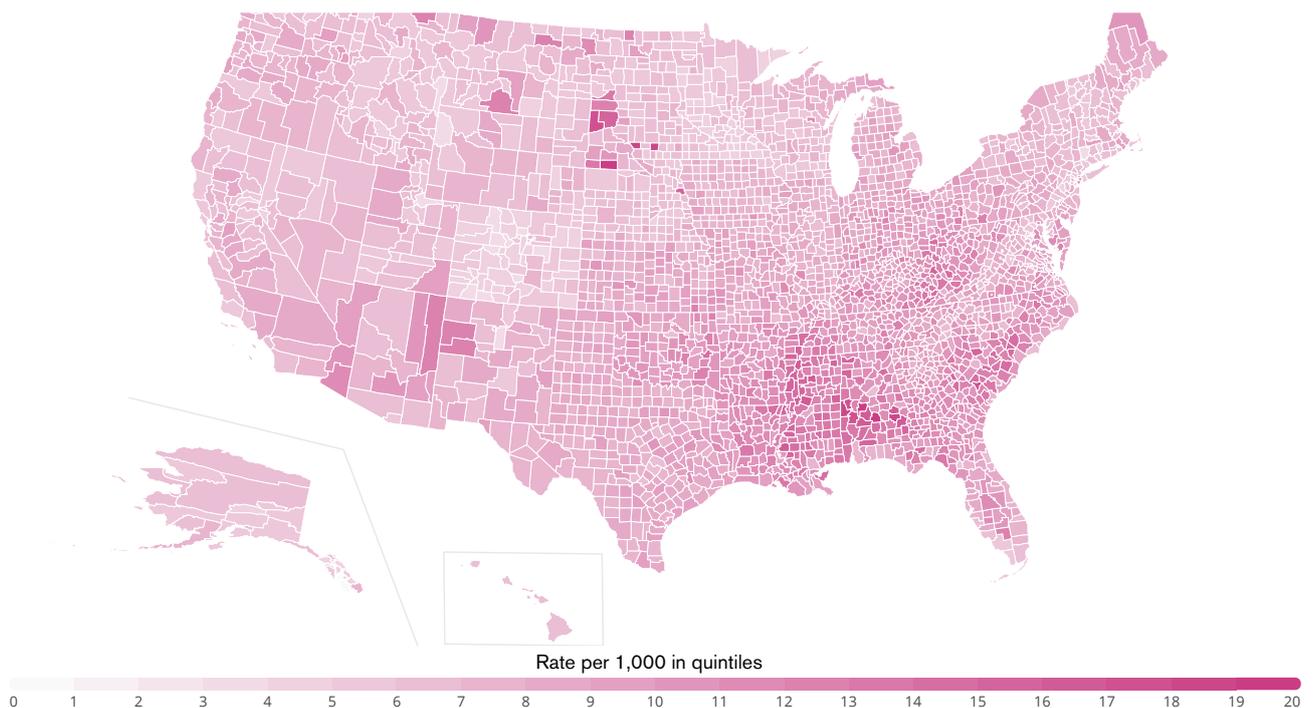
Figures 5 and 6 highlight the prevalence and incidence of diabetes, respectively.⁴⁵

FIGURE 5 Estimated age-adjusted prevalence of diagnosed diabetes by race/ethnicity and sex among adults aged ≥ 18 years, United States, 2013-2015



Source: CDC (2017). National Diabetes Statistics Report, 2017: Estimates of Diabetes and its Burden in the United States.

FIGURE 6 Age-adjusted, county-level incidence of diagnosed diabetes among adults aged ≥20 years, United States, 2013



Source: CDC (2017). Diabetes.

Contributors to obesity and diet-related diseases in the United States

Many factors contribute to the high rates of overweight and obesity globally, and across the United States. These include the food environment, food marketing, individual factors and genetics.⁴⁶ However it is important to recognize that the decisions people make about eating and physical activity are influenced by where they live, learn, work and play. For example, in many disadvantaged communities, neighborhoods often lack grocery stores and healthy foods are often more expensive and less available than unhealthy foods. Some communities lack safe sidewalks and accessible places to walk, bike, and be active. Adults and children are inundated by advertising for unhealthy foods and beverages. Research links many of these factors with persistent, disproportionately high obesity rates in low-income communities, rural areas and communities of color.⁴⁷

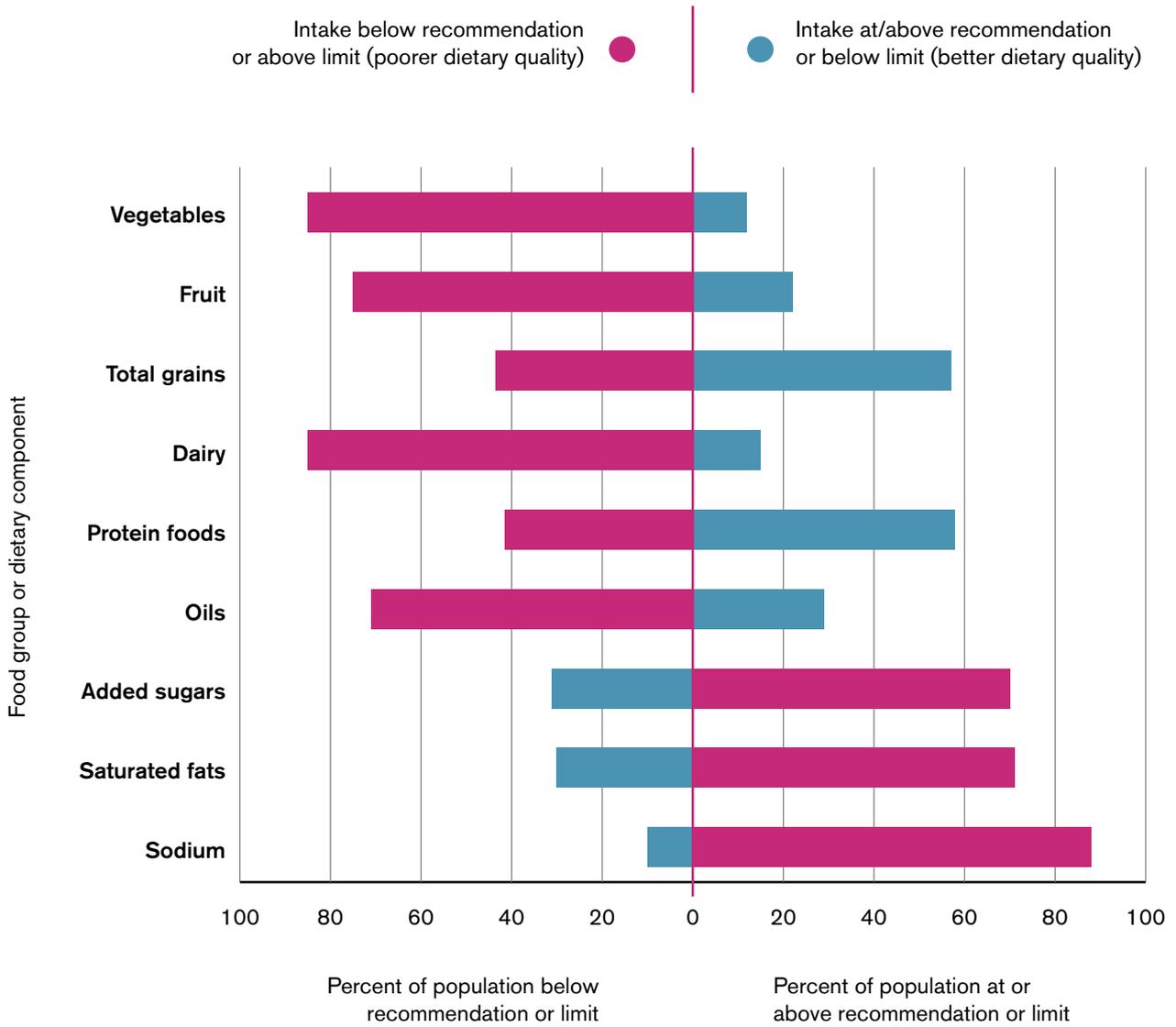
The combination of these factors has resulted in many people being less active, eating too few fruits and vegetables and consuming too many calories from highly processed foods. These trends are summarized below.

Dietary quality

Development of obesity and diet-related diseases is closely linked to poor dietary quality, defined as having a dietary pattern that deviates from the recommended dietary pattern, as defined by the Dietary Guidelines for Americans.⁴⁸ For example, consuming a lot of sodium can lead to hypertension (high blood pressure), which is a leading cause of stroke. Overconsuming certain foods and beverages and not consuming enough of others also can lead to deviations from recommended consumption patterns for macronutrients (e.g. proteins, carbohydrates, fats) or micronutrients (i.e. vitamins and minerals) critical to health. Figure 7 illustrates how much current U.S. dietary intake diverges from the recommended intake.

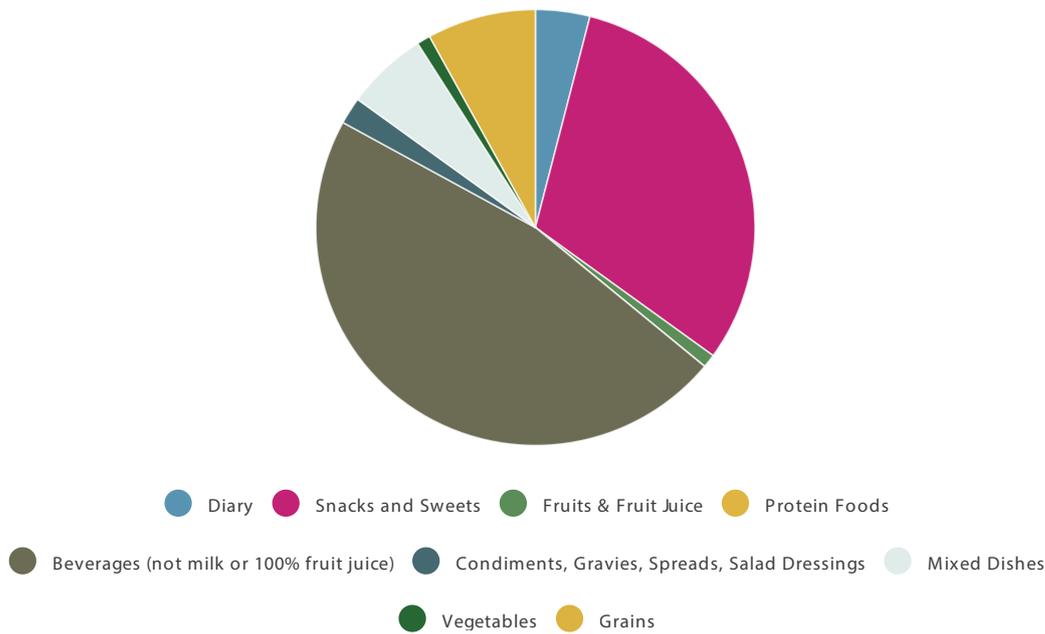
Added sugars are one illustrative example of overconsumption. They account on average for almost 270 calories, or more than 13% of daily caloric intake, in the U.S. population. Intake as a percentage of calories is particularly high among children, adolescents and young adults. The major source of added sugars in typical U.S. diets (47%) is beverages, which include soft drinks, fruit drinks, sweetened coffee and tea, energy drinks, alcoholic beverages and sweetened flavored waters. The other major source of added sugars is snacks and sweets, which includes grain-based desserts such as cakes, pies, cookies, brownies, doughnuts, sweet rolls, and pastries; dairy desserts such as ice cream, other frozen desserts, and puddings; candies; sugars; jams; syrups; and sweet toppings. Together, these food categories account for more than 75% of all added sugars consumed.⁴⁹ Similar analysis of intakes of salt, saturated fats and other food components is available from the same source, *What We Eat in America*.⁵⁰

FIGURE 7 Dietary intake compared to recommendations, U.S. population aged one year and older



Source: Derived from USDHHS and USDA (2015). 2015-2020 Dietary Guidelines for Americans. 8th Edition.

FIGURE 8 Food category sources of added sugars in the U.S. population aged two years and older



Source: What We Eat in America (WWEIA) Food Category analyses for the 2015 Dietary Guidelines Advisory Committee. Estimates based on day 1 dietary recalls from WWEIA, NHANES 2009-2010.

For some individuals underconsumption of specific nutrients is of concern. In the 2015-2020 Dietary Guidelines it was identified that calcium, potassium, dietary fiber and vitamin D are underconsumed nutrients causing public health problems. For young children, women of child-bearing age and women who are pregnant, low intake of iron also is of public health concern. Shifts in eating patterns away from high-calorie, nutrient-poor foods and toward more nutrient-dense foods can help address shortfalls of these nutrients.⁵¹

Caloric intake

If individuals consistently eat more calories than they expend, over time they will become overweight or obese. Analysis of the total U.S. food supply estimated that between 1971-1974 and 2005-2008, males' total calorie intake increased by 8%, from 2,450 kcal/day (around the recommended daily calorie intake for men of 2,500 kcal) to 2,656 kcal/day. For women, the increase was higher, at 17%, from 1,542 to 1,811 in the same time period. A 10% increase was seen among children and adolescents (two to 18 years of age) from 1,842 kcal/day in the late 1970s to 2,022 kcal/day between 2003-2006. Portion sizes also increased substantially from the late 1970s to the mid-1990s for a range of products, from soft drinks and fruit drinks to burgers and fast food.⁵²

Physical inactivity

Physical activity is not a dietary variable as such but is considered important for overall health and has implications for how many calories a person can typically consume without gaining excess weight. Of adults living in the United States, 80% do not meet the federal government's national physical activity recommendations for aerobic activity and muscle strengthening. Around 45% are not sufficiently active to achieve health benefits.⁵³ Among children and adolescents (from six to 19 years old), only 21.6% have attained 60 minutes or more of physical activity in at least five days per week in 2016.⁵⁴ This is below the current Physical Activity Guidelines for Americans recommendations for children and adolescents to engage in physical activity for an hour each day.⁵⁵

This has been attributed to decreases in active transportation (walking or cycling), decreases in the availability of physical education classes for school-aged children and displacement of active pursuits with sedentary behaviors such as screen time. Moreover, it is increasingly difficult for people to keep fit as the current work and school environments often do not prioritize physical activity.

Research has also found that adults living in rural areas are less physically active and less likely to meet physical activity recommendations than those living in urban areas.⁵⁶

The built environments in rural areas may play a part, for example, in communities that lack sidewalks and access to recreation centers and other facilities that foster healthy behavior.^{57 58} Also, low-income communities are less likely to have parks and green spaces available to them and are four and a half times less likely than other communities to have recreational facilities such as pools, tracks, tennis courts and sports fields.^{59 60}

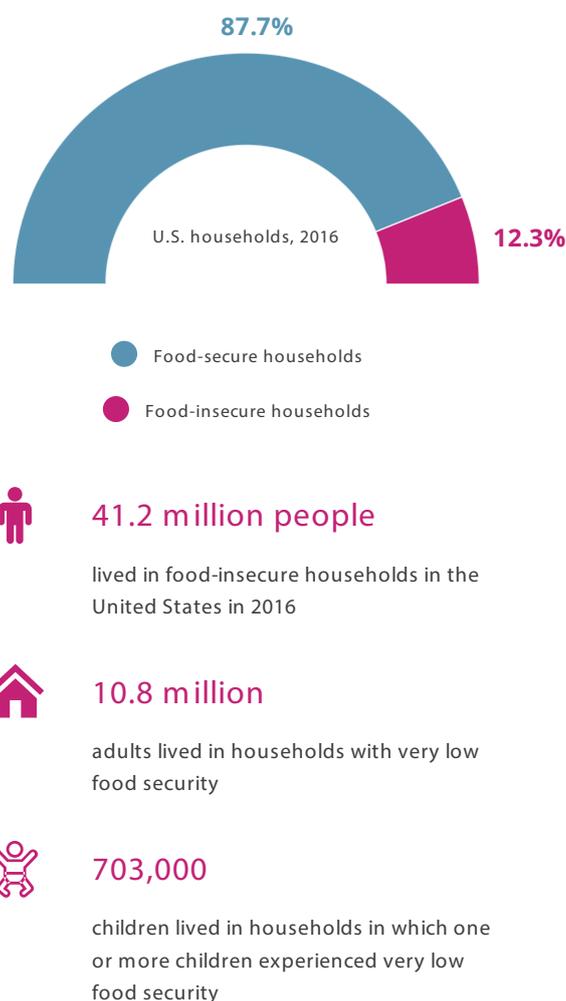
The role of food and beverage manufacturers in shaping the food environment

In addition to the factors already described that contribute to people living in the United States becoming overweight and obese, food and beverage manufacturers have an influence too. The lack of access to affordable, healthy products, particularly among priority populations, is an important factor that companies can have an effect on (detailed in the introduction to [Category C](#)). High levels of food marketing, including advertising and promotion (detailed in the introduction to [Category D](#)), have also been shown to play a substantial role in influencing consumer choice. Food marketing directed to both adults and children of all ages often promotes snacks and drinks high in saturated fat, sugar, calories and salt. For example, most food and beverage products in television ads seen by children do not meet the Interagency Working Group's nutrition guidelines.⁶¹ Researchers have also found that food and beverage companies disproportionately target advertising for many of their least nutritious brands, including fast food, candy, sugary drinks and snacks to black and Latino youth.⁶² In relation to advertising around food stores, a higher prevalence was found for all food and beverage ads, including those for unhealthy products such as soda in low-income communities.⁶³

Food insecurity

Almost one in eight people in the United States (12.3%) is food insecure at some time throughout the year, as shown in Figure 9.⁶⁴ Food insecurity is defined as the inability to meet the food needs of all household members. Of these 15.6 million food insecure households in the United States, 7.4% were able to avoid eating less by adjusting the variety of their intake or by utilizing a food aid program. However, 4.9% of the households faced very low food security, resulting, at some times of the year, in the disruption of eating habits and a reduction of food intake.

FIGURE 9 Number of people living in food-insecure households, 2016



Source: USDA (2017). Household food security in the United States in 2016.

The prevalence of food insecurity varies by race and disproportionately impacts black and Hispanic communities. For example, food insecurity was higher than the national average in non-Hispanic black households (22.5%) and Hispanic households (18.5%), and also in households with children (16.5%). Additionally, more food insecure households are found in rural areas and in the South.⁶⁵

Breastfeeding to promote health

The health benefits of breastfeeding are well recognized for both mothers and children all over the world, including in high-income countries such as the United States.⁶⁶ Breastmilk is uniquely suited to the human infant's nutritional needs and protects both children and mothers against a host of illnesses and diseases.⁶⁷

In 2007, the U.S. Agency for Healthcare Research and Quality (AHRQ) published a summary of systematic reviews and meta-analyses on breastfeeding and maternal and infant health outcomes in developed countries.⁶⁸ The AHRQ report linked breastfeeding with lower risk of obesity, Type 1 and 2 diabetes, severe lower respiratory tract infections, asthma and other illnesses. It also found that formula-feeding is associated with increases in common childhood infections, such as diarrhea and ear infections.⁶⁹

Similar to the findings in 2007, the 2018 update of the AHRQ report states that breastfeeding can also have positive health benefits for the mother, including lowered risk of ovarian and breast cancer, hypertension and Type 2 diabetes.⁷⁰

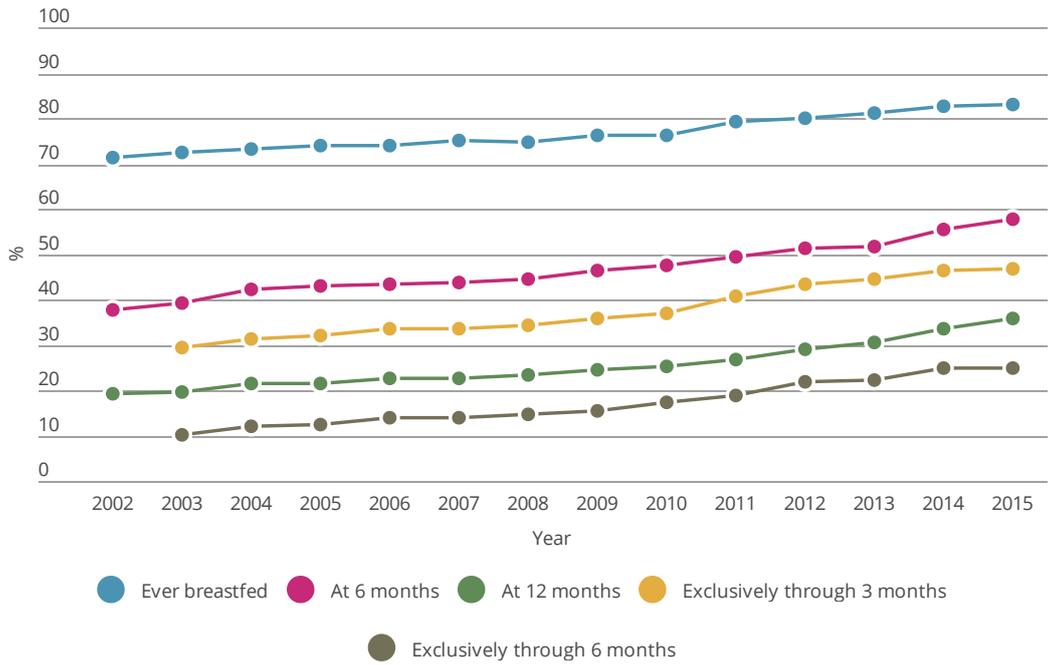
Breastfeeding recommendations, rates and trends in the United States

The American Academy of Pediatrics (AAP) recommends that infants be exclusively breastfed for about the first six months (at which time complementary foods can be introduced) with continued breastfeeding for at least one year.⁷¹

In the United States, about 25% of infants less than six months of age are exclusively breastfed, which is lower than the global average of 41%.^{72 73} Moreover, 17% of babies in the United States are never breastfed.⁷⁴ However, as shown by Figure 11, breastfeeding rates have been increasing over the last ten years, and encouraged by programs that promote breastfeeding run by the Centers for Disease Control and Prevention (CDC) and other organizations.⁷⁵ The percentage of babies that start out breastfeeding increased from 73% among babies born in 2004 to 83% among babies born in 2015. Babies are also being breastfed for longer. In total, 58% of U.S. babies born in 2015 were breastfed at six months, up from 42% in 2004.⁷⁶ Despite the increases in recent years, there are complex underlying factors that affect breastfeeding in the United States, including, but not limited to, short paid maternity leave, the lack of supportive corporate policies, insufficient access to breastfeeding education and lactation support, and the marketing practices of infant formula companies.⁷⁷

In line with the increasing rate of children exclusively breastfed in their first six months of life, supplementation with infant formula before two days, three months and six months has been decreasing.⁷⁸

FIGURE 11 U.S. breastfeeding rates, 2002-2015



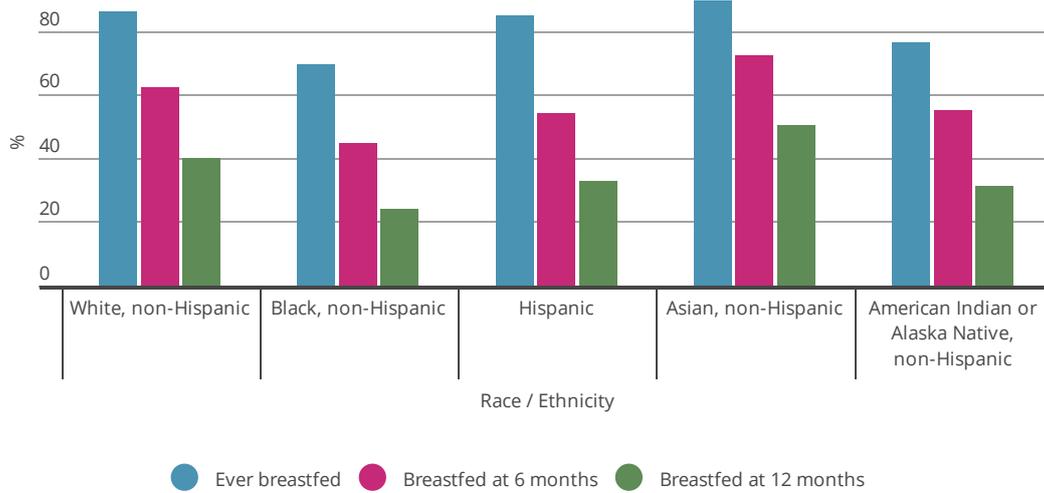
Source: CDC (2018). National Immunization Survey.



Breastfeeding rates vary by race and ethnicity, income and education level. According to National Immunization Survey data for children born in 2015, rates of breastfeeding were lower among infants born to black mothers at birth, after six months and after 12 months in comparison with non-Hispanic white, Hispanic, Asian, and American Indian ethnic groups (see Figure 13).⁷⁹

Previous analyses of CDC data show a marked increase in the percentage of black women who initiated breastfeeding – from 47.4% in 2000 to 69.4% in 2015. Nevertheless, this remains the lowest rate of initiation among the five ethnic groups.^{80 81}

FIGURE 13 Percentage of mothers breastfeeding their infants, by ethnicity, 2015



Source: CDC (2018). National Immunization Survey.

Maternal income and education are also linked to the likelihood of breastfeeding. One study found that the higher the mother's income above the poverty line, the higher the likelihood of her breastfeeding and that the differences in

duration rates are even more acute when accounting for poverty levels.⁸² Children born to mothers with more formal education are also more likely to be breastfed, as shown in Table 3.⁸³

TABLE 3 Percentage of mothers breastfeeding their infants, by education level

	Any breastfeeding			Exclusive breastfeeding	
	Ever breastfed	Breastfed at six months	Breastfed at 12 months	Exclusive breastfeeding through three months	Exclusive breastfeeding through 12 months
Less than high school	73.3	42.4	26.6	34.0	18.0
High school graduate	72.9	40.9	22.9	38.3	21.0
Some college or technical school	83.4	51.7	29.9	44.6	21.8
College graduate	92.1	72.5	46.2	58.6	32.2

Source: CDC (2014). Breastfeeding data.

National policies and programs related to preventing and reducing obesity

Preventing and reducing obesity in the United States requires a multi-faceted, long-term approach involving policymakers, state and local organizations, schools, businesses, including food and beverage manufacturers, healthcare professionals and individuals. In recent years, the Federal Government has put in place several key strategies, policies and guidelines.⁸⁴ They include dietary and physical activity guidance, nutrition labeling, nutrition programs, nutrition monitoring, research and training and are anchored in the aforementioned Dietary Guidelines for Americans and the Healthy People Initiative. The Dietary Guidelines for Americans are a source of information to help people two years and older living in the United States achieve a healthy diet, and provide the policy underpinning for nutrition actions.⁸⁵ The Healthy People Initiative is a framework that establishes and tracks science-based ten-year national quantitative targets in a range of health areas to measure progress and stimulate collaboration across communities and sectors.⁸⁶

Other actions to prevent and reduce obesity include mandatory nutrition labeling and extensive nutrition assistance programs: The U.S. Department of Agriculture (USDA) administers numerous federal programs⁸⁷ that aim to increase food security and reduce hunger. They aim to provide children and people with low incomes, living in the United States, with access to food, a healthy diet and nutrition education.



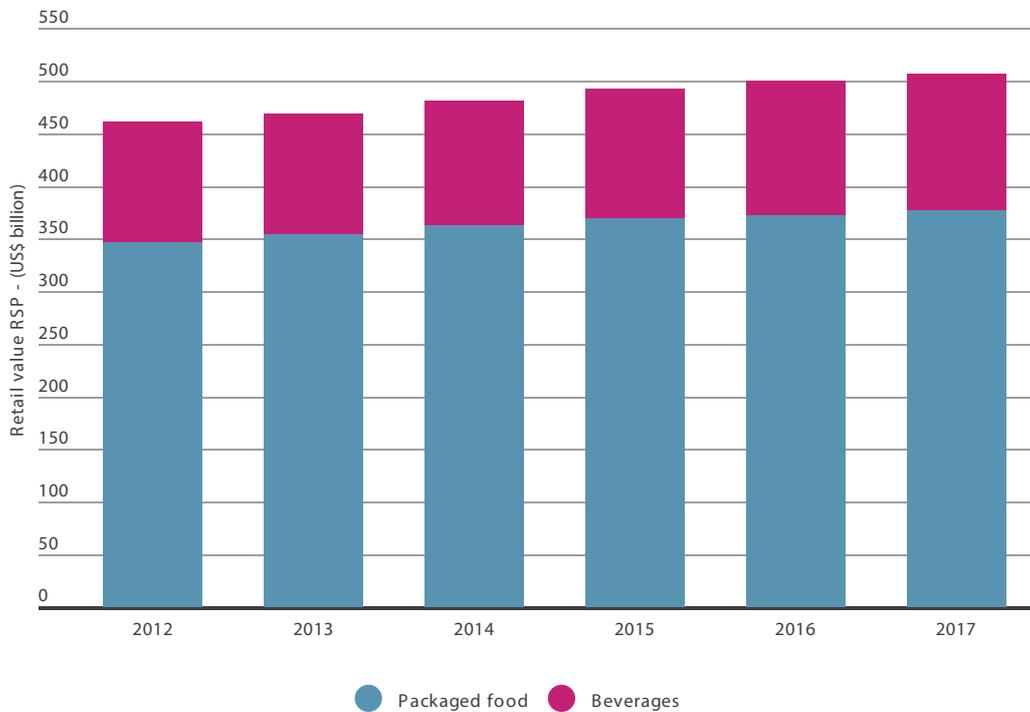
The U.S. packaged food and beverage industry

Packaged food and beverage sector scale and sales trends

With just over \$500 billion in retail sales in 2017, the packaged food and beverage sector in the United States is a significant component of the economy.

Sales of packaged foods and beverages have grown over the last fifteen years, according to data from Euromonitor International. As shown in Figure 14, growth rates have slowed down recently. For packaged foods, year-on-year growth has decreased by more than 2 percentage points between 2011 and 2017, resulting in sales growth of 1.2% in 2017.⁸⁸ Even so, the annual growth rate is expected to increase to around 3% in the next few years.⁸⁹ Private label products, which are not within the scope of the U.S. Index 2018, had a fairly stable market share in recent years. In 2017, private label products accounted for just under 15% of packaged foods sales.⁹⁰

FIGURE 14 Trend of retail value sales in the United States for packaged foods and beverages, 2012-2017



Source: Derived from Euromonitor International, Packaged Food, Hot Drinks, and Soft Drinks, 2018

The beverage category comprises various types of drinks. Hot drinks' sales doubled between 2003 and 2014 but growth in sales has been slowing down considerably since 2011. In 2017, the total market value equalled almost \$17 billion and is expected to increase by 3-4% annually over the next few years.

Similarly, while overall volume has steadily increased, market growth for soft drinks has been fluctuating around the 1% point for the last seven years. In 2017, retail sales increased to a total of around \$110 billion.⁹¹ Particularly notable are the divergent trends of the three categories that together account for nearly 90% of this market: Carbonates (carbonated soft drinks), juice, and bottled water.

Bottled water sales have more than doubled since 2003. In contrast, carbonates and juice saw an overall reduction in sales, reflected by negative compound growth rates of around -2% in that same period. This downward trend is exemplified by sodas: Their sales volume decreased by 1.3% in 2017, falling for the 13th year running.⁹² This negative trend is predicted to continue for both product categories (carbonates and juices). Conversely, sales of bottled water (i.e. carbonated and non-carbonated bottled water, and flavored water and plant-based water) are expected to maintain around 5% growth for the foreseeable future, thus keeping the soft drinks market afloat.⁹³

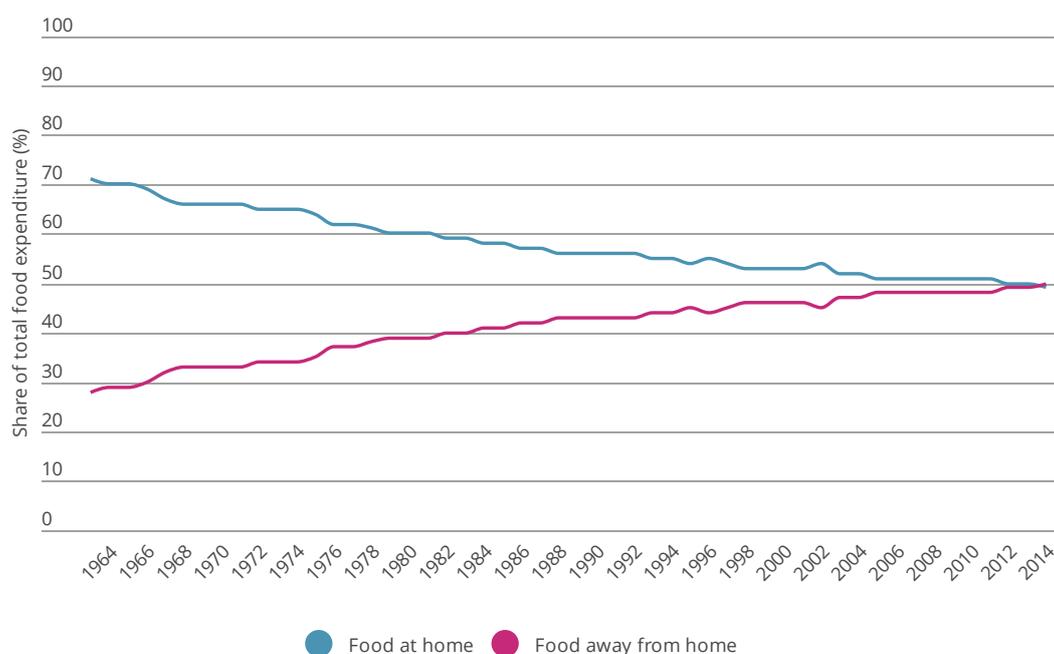
The baby food category, which includes all types of formula and foods and beverages intended for infants and young children, represents less than 2% of the overall packaged food and beverage market. Sales of this category have been growing slowly but steadily in recent years, with 2017 sales slightly above \$7 billion.⁹⁴ Three companies generated close to 80% of the 2016 sales: Abbott Laboratories Inc. (Abbott), RB/Mead Johnson Nutrition (RB/MJN) and Nestlé. Further detail on the size of sales of baby food in the United States and on these three companies is presented in the [BMS Marketing](#) chapter.

Changes in eating habits and consumer demand in the United States

Although marketing plays an important role in shaping consumer choice, consumers shape the demand of any market through their willingness to purchase certain products. Therefore, considering consumers' behavior is key to understanding the evolution of the food and beverage market, as it has a direct impact on the industry - the supply side. This section describes how food consumption patterns are shifting towards products that are perceived as healthier, based to a large extent on industry and investor analyses.

Not only has the frequency of eating at home decreased over time, people also tend to spend less time preparing their meals: In the 1960s men and women combined spent approximately 150 minutes per day cooking, which dropped to 110 minutes in the mid-2000s.⁹⁵ Also, instead of eating at home, between 1964 and 2014, people living in the United States increased their expenditure at fast food outlets, cafes and restaurants.⁹⁶ By 2014 the share of food expenditure on eating out and food away from home reached 50%, as shown in Figure 15.

FIGURE 15 Shares of total food expenditure, U.S., 1964-2014



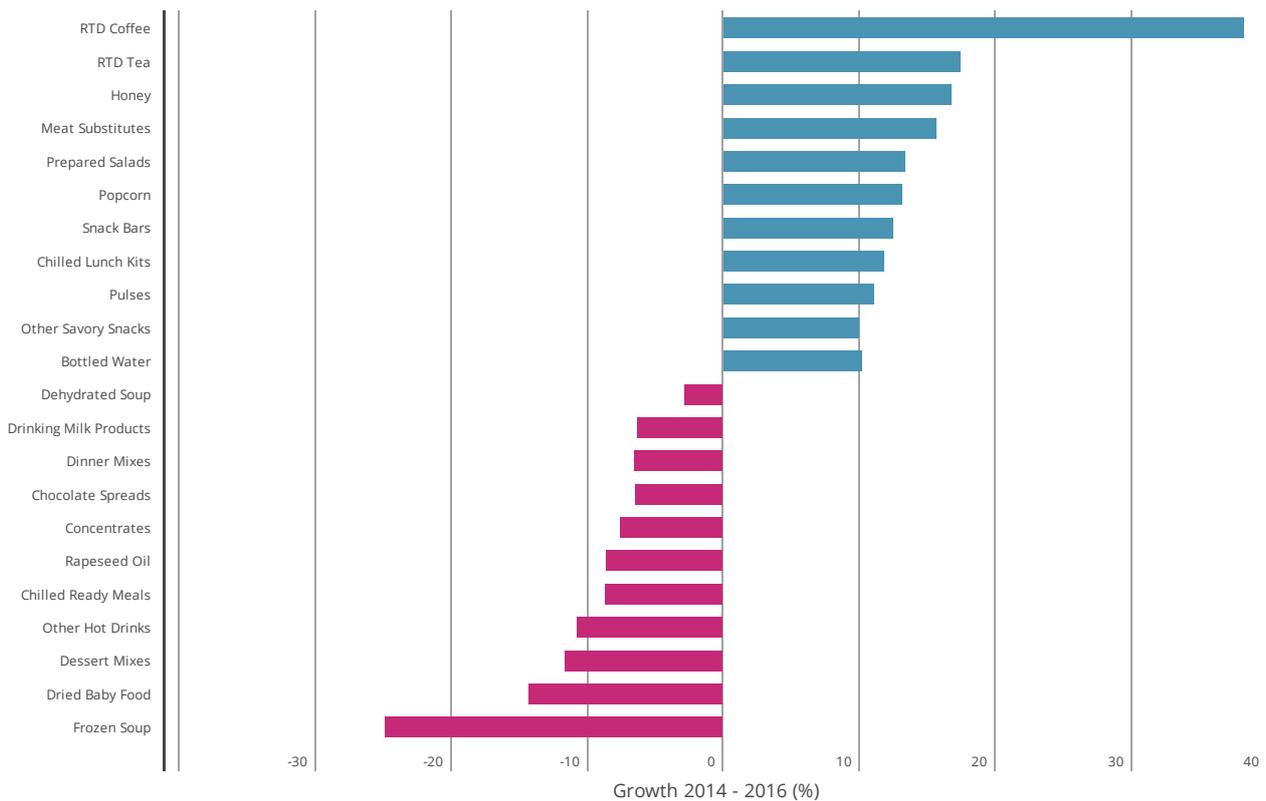
Source: USDA (2018). Economic Research Service Food Expenditure Series.

In recent years, many consumers have become increasingly concerned with the healthiness of food. Awareness of the increasing industrialization and globalization of food production, and the perceived risks associated with it, have made consumers more skeptical of the methods used to produce their foods, and the potential associated adverse health, social and environmental effects.⁹⁷ A tendency of distrust towards large food manufacturers is reported among U.S. millennials,⁹⁸ while baby boomers have driven the focus on healthier options, considering food as a quasi-health care instrument.⁹⁹

As a result, many of today's consumers tend to make food choices based on how foods are grown, produced and the characteristics the final products possess.¹⁰⁰

Foods that are perceived as more natural (for instance, organic foods) are gaining prominence compared to those that contain components seen as unhealthy or that are unrecognizable, such as artificial additives.¹⁰¹ Although this phenomenon is not necessarily related to objective measures of healthiness related to the nutrient content of products, consumers are also increasingly demanding nutritious products. Industry analysts believe that these changes represent a lasting shift in consumer values and tastes.¹⁰² This is mirrored by developments in the marketplace as shown in Figure 16, which depicts which products and segments are growing more than others.

FIGURE 16 Changes in consumers' food preferences in the United States



Source: Derived from Kepler Chevreux (2017). Food and Nutrition Security. Thematic and Impact Investment.

Manufacturers' efforts to address these trends by offering alternative, healthier versions of the same products to the consumer are not always effective. For instance, according to Euromonitor International, in 2017, light (i.e. reduced fats and sugars) packaged foods and carbonated drinks' sales declined by 5% in the United States.¹⁰³ The shift in consumer values has been reported to affect the food market: The leading packaged food companies in the United States are losing market share.¹⁰⁴ For bigger packaged foods companies alone, analysts foresee a decline of about 1.6% in sales over the next ten years if trends continue.¹⁰⁵

Public commentary by large food and beverage company executives in recent years has demonstrated an awareness of trust and image issues. "Big has become bad", as a ConAgra executive puts it, is an example that illustrates this point.¹⁰⁶ Several industry trends have been described that may address these issues. For instance, following the example of smaller mission-driven brands, bigger food and beverage manufacturers have started working with independent certification schemes to stimulate consumer trust in their products.¹⁰⁷

The food and beverage industry can address issues of consumer perception and trust by objectively improving the nutritional quality of its products, in addition to making a more positive impact on diets, nutrition and health by doing so.

How the food and beverage industry influences diets, nutrition and health

The U.S. food value chain is complex and varied, encompassing life sciences, farmers, agriculture and agri-processing companies, manufacturers, retailers, restaurants and food service companies. However, given their particularly direct and influential role in people's diets, the U.S. Index focuses on the role food and beverage manufacturers play in making healthy foods and beverages more affordable and accessible to consumers living in the United States, particularly priority populations – those from communities whose access to healthy food is constrained by low income or geographic factors.

The Access to Nutrition Index focuses on the most relevant aspects of food and beverage manufacturers' activities in addressing the high and increasing levels of diet-related diseases in the United States and in tackling the persistent food access challenges faced by many. An important focus of the Index is to assess manufacturers' efforts to improve the nutritional quality of their products. Companies also have an impact on people's diets by influencing their product choices and consumption behavior. They do so directly through their marketing, support for public education programs, product labeling and use of nutrition content and health claims, as well as indirectly through their lobbying activities and engagement with stakeholders. The Index therefore also reflects how comprehensive and informative constituent companies' reporting is about their efforts to tackle America's nutrition challenges. The methodology used to assess these areas of business practice is described in the [Scope of the U.S. Index 2018](#) chapter.

One way in which food and beverage producers have responded to the changing food, health and nutrition landscape is by setting up or participating in highly visible initiatives and partnerships designed to demonstrate that they are committed to taking action, and contributing to solving America's nutrition challenges, usually working with other companies and other stakeholders. Four such initiatives are outlined in Boxes 2, 3, 4 and 5.

BOX 2 PARTNERSHIP FOR A HEALTHIER AMERICA

Partnership for a Healthier America (PHA) is a non-partisan, non-profit organization, founded in 2010, that leverages the power of corporate America to bring lasting, systemic changes that improve the food supply and increase physical activity.

With leadership from its honorary chair, former First Lady Michelle Obama, PHA has partnered with more than 225 organizations, and today, is focused on three core objectives: to transform the marketplace; to cultivate healthier environments for children and young adults; and to both showcase and accelerate scalable work that improves food quality and/or increases physical activity.

PHA has established connections in the private and non-profit sectors, and with public institutions, to promote initiatives both at state and national levels.

To date, these efforts with food manufacturers have resulted in removing trillions of calories from the marketplace and partners have invested more than \$125 million in opportunities for increased physical activity for children and families nationwide.

PHA's founders include the Alliance for a Healthier Generation, Kaiser Permanente, Nemours, The California Endowment, the Robert Wood Johnson Foundation, and the W.K. Kellogg Foundation.¹⁰⁸

BOX 3 THE HEALTHY WEIGHT COMMITMENT FOUNDATION

The Healthy Weight Commitment Foundation (HWCF) was created in 2009 as a non-profit organization by several U.S. food manufacturers with the aim of reducing obesity in the United States, especially among children. In 2010 its members voluntarily pledged to participate in reducing the total calories sold collectively in the United States by 1 trillion by 2012, against a 2007 baseline; and to further reduce calories by 1.5 trillion by 2015. An independent evaluation reported that the Foundation had already surpassed its goal by 2012. Possibly resulting from a trend that had already set in prior to the initiative, around 6.4 trillion calories (or -10.6%) were sold less in 2012 than those sold in 2007.^{109 110}

The Foundation's 300 corporate members include 16 of the largest food and beverage manufacturers in the United States (including nine of the ten companies covered in the Index), as well as more than 250 non-governmental organizations (NGOs) and public stakeholders. The Foundation is currently focused on addressing childhood obesity in schools, including by offering a free wellness curriculum and funding to improve food service equipment and build playgrounds.¹¹¹



BOX 4 THE BALANCE CALORIES INITIATIVE

The Balance Calories Initiative, also referred to as the Beverage Calories Initiative, is a joint effort of the Alliance for a Healthier Generation¹¹² and the American Beverage Association (ABA) with its three members Coca-Cola, Dr Pepper Snapple and PepsiCo.¹¹³ Its goal is to reduce beverage calories consumed per capita in the United States by 20% by 2025. For this purpose, the program contains the following elements:

- Using marketing, innovation and distribution activities to increase interest in and expand access to water, no- and lower-calorie beverages and smaller-portion sizes, focusing on communities with low interest in and/or access to such products;
- To provide ‘Calorie Awareness and Balance’ advice to consumers, through messages on the manufacturers’ controlled points-of-purchase (e.g. vending machines, retail coolers, restaurants); and engaging trade associations and retail partners to do so as well;
- Launching the nation-wide program ‘Mixify’, aimed at increasing teenagers and parents’ awareness on calorie balance, by means of targeted marketing campaigns and social media engagement.¹¹⁴

BOX 5 THE SUSTAINABLE FOOD POLICY ALLIANCE

The Sustainable Food Policy Alliance is a new trade association launched in July 2018 by the U.S. divisions of Danone, Mars, Nestlé, and Unilever. Founded on the principle that ‘Food companies can and should be doing more to drive positive action’,¹¹⁵ the Alliance aims to promote progressive food policies and impactful climate guidelines. It prioritizes advocacy in five key areas: Consumer transparency, environment, food safety, nutrition, and people and communities.

The areas of consumer transparency and nutrition appear to be most relevant in relation to the ATNI methodology. Aims include to improve the quality and accessibility of information available to consumers, and to develop and advocate for policies that help people make better-informed food choices that contribute to healthy eating. The Alliance plans to work and interact on many aspects with the Food and Drug Administration (FDA). The two policy areas it immediately wants to target are nutrition labeling and carbon emissions.¹¹⁶



NOTES

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Scope of the U.S. Index 2018

Food and beverage manufacturers play a direct and influential role in the diets of people living in the United States. Therefore, the first U.S. Index focuses on the role that food and beverage manufacturers play in making healthy food more affordable and accessible to all consumers in the United States.

The U.S. Index 2018 aims to improve nutrition in the food and beverage sector

Since the launch of the first Global Access to Nutrition Index in 2013, the biennial Access to Nutrition Foundation (ATNF) Global Indexes have become critical tools to assess the role that food and beverage manufacturers play in addressing the global nutrition crisis, and how they can improve their performance.

As evidenced by the scores of the third Global Index published in 2018, several companies have made considerable progress in improving their policies, practices and disclosures. However, there is still much food and beverage companies can do to help to address the many challenges linked to various forms of malnutrition.

As well as publishing Global Indexes, ATNF publishes Spotlight Indexes that focus on the role that manufacturers play in a particular country, taking into account its specific context and nutrition challenges. In 2012, the Spotlight Index concept was tested in three countries: India, Mexico and South Africa. In 2016, the first Spotlight Index was published, for India. The U.S. Index 2018 is the second Spotlight Index that ATNF has published. Similar to the other Indexes, it aims to assess the role that food and beverage manufacturers play in addressing the major nutrition challenges in the United States and to encourage them to improve their policies, practices, disclosure, as well as their products over time. More information about ATNF is provided in Box 1.

BOX 1 AIM AND VISION OF THE ACCESS TO NUTRITION FOUNDATION

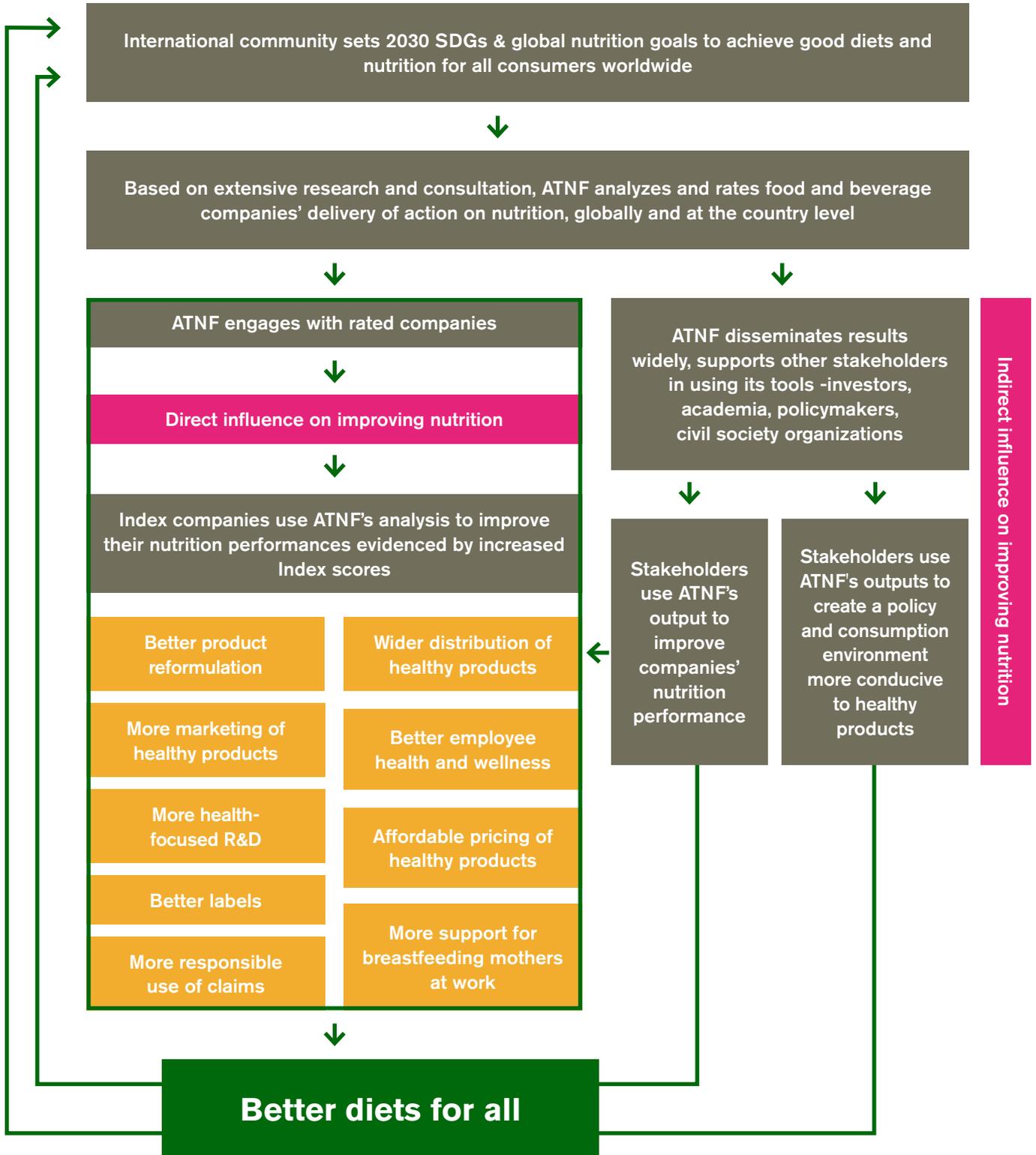
ATNF's vision is a world where everyone eats a healthy, balanced diet that enables optimal physical and mental development and where, as a result, deaths and illness from diet-related diseases are eradicated.

The aim of the Foundation is to develop and deliver tools that track the contribution of the food and beverage industry to addressing the twin global nutrition challenges of overweight and undernutrition, and related diseases, and to hold companies to account for delivering on their commitments to tackle these challenges. ATNF uses the Indexes – its flagship tools – to encourage food and beverage companies to do as much as they can to improve the diets of adults and children around the world, as depicted in ATNF's Theory of Change (Figure 1).

Given their scale and reach, including in the United States, food and beverage companies have a major influence on the lives of consumers and employees and so must play their part in improving diets and health. The Indexes, including the U.S. Index 2018, provide companies with a means to benchmark their performance on nutrition against that of their peers, and offer stakeholders a systematic, independent assessment of companies' contributions and objective analysis of the nutritional quality of their products.

The Access to Nutrition Indexes are not only used by the rated companies themselves, but also by many civil society organizations and initiatives, as well as by policymakers, particularly the individual Spotlight Indexes. Beyond this, over 60 investment organizations around the world with assets under management of over \$5 trillion have pledged their support for the Indexes through ATNF's Investor Statement. They use the Indexes to encourage the companies in which they invest to improve their performance on nutrition because they believe that doing so is critical to delivering long-term shareholder value.

FIGURE 1 ATNF Theory of Change



U.S. Index methodology

The U.S. Index methodology is based on the Global Index 2018 methodology. It uses the same structure, and the same approach to assessing companies and to scoring and ranking. A full description of the U.S. Index methodology is available [here](#).

The Global Index methodology is based on international standards, guidelines and frameworks developed by organizations such as the World Health Organization (WHO), Food and Agriculture Organization (FAO) and others. It was developed and fine-tuned through multiple iterations, based on stakeholder consultations and expert input during early 2017 on both the content and the approach to scoring and weighting. The Global Index methodology was adapted to arrive at the U.S. Index methodology by taking into account the specific legal, regulatory and business context in the United States, and the specific nutrition challenges the country faces. This means that national guidelines and standards are applied in the U.S. Index methodology, supplemented by international guidelines, standards and frameworks for aspects that are not covered by relevant national guidance or where national guidance is less strict. The applied guidelines, standards and frameworks do not constitute legal requirements for companies, but describe best practice or provide recommendations for companies to follow voluntarily. The key adaptations are described in the section [Corporate Profile](#).

There are two separate scored elements to the U.S. Index methodology: The Corporate Profile and the Product Profile. The Corporate Profile assesses what companies say they will do (commitments), what they do (practices), and how they share this information publicly (disclosure). The Product Profile assesses the nutritional quality of their products.

Data collection

Between June and November 2017, ATNF gathered all information for the assessments on its online data-gathering platform for the Corporate Profile assessment. New information and source documents were accepted if published before the research deadline of October 1, 2017 (see section 'Engagement process with companies' for more details later in this chapter).

ATNF research analysts first gathered public information from corporate websites and third-party sources that were referred to by companies. The information, source documents and preliminary assessments were saved on the online platform. ATNF then provided companies with access to this platform and proactively asked them to provide additional relevant information and supporting evidence, under a

Non-Disclosure Agreement (NDA) if requested. All relevant information gathered in the company interaction process and the analyst interpretation stages were recorded on the data-gathering platform. The same approach to data collection was used for the breast-milk substitutes (BMS) Marketing assessment, although the results were not used to score and rank the three companies involved.

For the Product Profile, five major product categories by sales value were selected based on Euromonitor International data for each company. Based on the selected product categories, lists of all corresponding company products on the U.S. market were selected from the FoodSwitch USA database, including nutrient content information based on nutrition label information. These lists were shared with companies via email interaction, with the request to provide ATNF with corrections or missing information. The company-corrected product lists were the basis for the Product Profile.

The completeness and correctness of the data collected for the Corporate Profile, BMS Marketing assessment and Product Profile is a particularly important aspect of ATNF's quality control process. The companies are the relevant sources of this type of information and, therefore, the interactive process of collecting data and obtaining clarification from them is designed to ensure that the data used for the assessment is complete and correct. Of the ten companies assessed in the U.S. Index 2018, seven actively engaged with ATNF during the research process by providing information through ATNF's online data gathering platform. The three companies that did not engage are marked in graphs showing rankings and on company scorecards.

BOX 2 DEFINITION OF PRIORITY POPULATIONS

For the purposes of this report, priority populations are those whose access to healthy food is constrained by low income or geographic factors. This refers to those on low incomes, and people who live in communities in rural areas, a long way from grocery stores that sell a wide range of products, including fresh foods. It also refers to those who live in communities in urban areas who only have easy access to smaller stores with very limited ranges of foods and beverages, which are often those high in fat, salt and sugar, and that stock few fresh or healthy packaged foods. People from certain racial or ethnic minority groups may have a higher chance of being part of one of these communities, or of having a lower income, which may be an important consideration in striving for food and health equity for all.^{1 2} Those who have limited mobility may also have difficulty accessing healthy foods and beverages.

Corporate Profile

Companies' policies, practices and disclosure related to promoting good nutrition for all, i.e. preventing and tackling obesity and diet-related chronic diseases, are assessed using the U.S. Index Corporate Profile methodology. The Corporate Profile scores and ranking provide one of two the main outcomes of the U.S. Index 2018.

The methodology of the U.S. Index 2018 Corporate Profile is organized into sections, categories, criteria and indicators. There are 19 criteria in all, grouped into seven categories (A-G) across the following three sections: 1) Governance, 2) Delivering products, and 3) Influencing consumer choice

and behaviors. Each criterion comprises multiple specific indicators. Companies are assessed on these indicators, using predefined answer options. An overview listing the sections, categories, criteria and the weights assigned to each category is in Table 1. For a full description of all indicators, including predefined answer options, within each of the criteria, please refer to the U.S. Index methodology, available [here](#). Category B, Products, within the Section 2, Delivering products, focuses on self-reported company information related to the nutritional quality of their products. This is not the same as the data presented in the Product Profile, which is an objective assessment of nutritional quality, based on the Health Star Rating (HSR) system, presented separately.

TABLE 1 Overview of the categories and criteria of the ATNI 2018 Corporate Profile methodology

Category (weight in total score)	Criteria
Section 1: Governance	
A Governance (12.5%)	A1 Nutrition strategy
	A2 Nutrition management
	A3 Nutrition reporting
Section 2: Delivering products	
B Products (27.5%)	B1 Formulation
	B2 Nutrient Profiling System
C Accessibility (22.5%)	C1 Affordability
	C2 Accessibility
Section 3: Influencing consumer choice and behavior	
D Marketing (22.5%)	D1 Responsible marketing policy (all consumers)
	D2 Auditing compliance
	D3 Marketing expenditure (unscored)
	D4 Responsible marketing policy (children)
	D5 Auditing compliance
	D6 Marketing expenditure (unscored)
E Lifestyles (5%)	E1 Employee health and nutrition
	E2 Supporting breastfeeding at work
	E3 Consumer health
F Labeling (5%)	F1 Labeling
G Engagement (5%)	G1 Lobbying policymakers
	G2 Stakeholder engagement

Key differences between the Global Index Corporate Profile methodology and that used here are:

- The U.S. Index Corporate Profile does not include a separate section on undernutrition, unlike the Global Index, which focuses on this aspect of malnutrition for companies with a certain proportion of sales in low-income countries, where it is relevant. Instead, indicators assessing companies' activities related to food insecurity in the United States are integrated across the categories.
- Rather than assessing what companies do to address the particular needs of 'low-income populations' as in the Global Index, in the U.S. Index 'priority populations' are defined and referred to, as described in Box 2.
- Access to Nutrition Indexes do not assess compliance with the law. Thus, Category F – Labeling, was adapted substantially by removing indicators that are already covered under extensive U.S. regulations in this area, including all indicators of the original Criterion F2 on nutrition and health claims. Because the U.S. Index Category F only contains some of the indicators used in the Global Index, the weight in the overall score has been reduced to 5% (as compared to 15% in the Global Index). The remaining 10% has been divided between Category B, C, D and E. This adaptation of category weights in the Corporate Profile score was based on consultation and agreement with the U.S. Expert Group.
- In Category G, specific indicators were removed in relation to companies' engagement with policymakers, as disclosure on lobbying issues and expenditure is required by U.S. law.
- In addition, several U.S.-specific nutrition topics have been incorporated in the Corporate Profile methodology. These include:
 - What companies do to address food insecurity among priority populations whose access to healthy food is constrained by low income or geographic factors.
 - Whether companies follow U.S. dietary guidelines in formulating or reformulating their products and whether they commit to addressing the 'copy-cat' issue in relation to the Smart Snacks in School regulation.
 - Whether companies commit to donating predominantly healthy products to food banks.
 - Responsible marketing policies and performance that go beyond the commitments embodied by the main industry self-regulatory pledges.

Across the various sections and categories of the assessment, companies' global commitments were credited where they apply to and are relevant in the United States. However, measures of performance, e.g. progress against targets, and indicators related to public disclosure, were only credited if U.S.-specific data was reported or published.

BOX 3 POLICIES AND GUIDELINES IN THE UNITED STATES IN RELATION TO THE INTERNATIONAL CONTEXT

The U.S. Index methodology is based on the Global Index methodology, but adapted to the U.S. legal, business and health context. As none of the Access to Nutrition Indexes, including the U.S. Index, are designed to assess compliance with the law, some aspects were removed from the methodology because legal requirements in the United States are already on par with or exceed international guidelines. For example, unlike many other countries around the world, U.S. legislation already requires more nutrients than recommended by the international Codex Alimentarius guidelines to be shown in a Nutrition Facts Panel.³ Similarly, regulation of health and nutrition content claims in the United States is aligned with the relevant Codex Alimentarius guidelines.⁴

On the other hand, in some cases U.S. policies differ, for example in the case of paid maternity leave arrangements. The International Labour Organization (ILO) Maternity Protection Convention recommends a minimum 14 weeks of paid maternity leave.⁵ In the United States no national-level legal requirement for paid maternity leave exists. Therefore, any paid maternity or parental leave arrangement that companies offer in the United States goes beyond legal requirements, although some states do require paid sick leave. In the absence of national guidelines, the U.S. Index methodology assesses whether companies offer more than three months of paid leave based on the ILO convention. Applying the international guidance in this case was supported by the U.S. Expert Group. It is recognized that this guidance may exceed current practice of many companies in the United States.

Product Profile

An objective assessment of the nutritional quality of companies' product portfolios is presented in the element of the Index called the Product Profile. The scores and ranking of the Product Profile provide the second main outcome of the U.S. Index 2018. ATNF commissioned The George Institute for Global Health (TGI) to analyze the nutrient content of all products within the best-selling categories of the ten Index companies in the United States. The results are generated by applying the HSR,⁶ a Nutrient Profiling System (NPS) that analyzes the level of several 'positive' nutrients (e.g. fruits, vegetables and fiber) and several 'negative' nutrients (e.g. salt, added sugar and saturated fat) in products, to generate scores related to the average nutritional quality on the company level and per product category. The Product Profile also assesses whether products are suitable to be marketed to children using the World Health Organization's Regional Office for Europe Nutrient Profile Model (WHO Euro). Further details are described in the section 'Approach to scoring and ranking' below and in the Product Profile Methodology, [here](#).

BMS marketing assessment

The BMS marketing methodology is based on international standards, guidelines and frameworks, most specifically the International Code of Marketing of Breast-milk Substitutes (The Code).⁷ The U.S. Index BMS Marketing assessment is limited to only one element of that methodology, BMS 1, which focuses on BMS companies' marketing policies, management systems and disclosure (published [here](#)), but does not include an in-country assessment of marketing practices (called the BMS 2 assessment in the Global Index). BMS 1 evaluates the level of compliance with ATNI's methodology of companies' BMS marketing policies, management systems and disclosure, as the companies apply them in the United States. Analysis was undertaken parallel to the Global Index 2018 BMS Marketing assessment. The BMS Marketing assessment is based solely on publicly available policy documents. All of the companies' global policies were in the public domain. Therefore, there was no need to engage further with them to obtain more information. As this is the first U.S. Index and because of the limited application of these companies' policies in the United States, the findings are not presented as a ranking, as they are in other Indexes.

Principles and scope

The following principles guide the U.S. Access to Nutrition Index and all other Indexes published to date.

Base the assessment methodologies on prevailing international standards, norms and established best practices where possible

The U.S. Index 2018 aims to reflect the existing consensus on best practice, not to define such practices. Prevailing international standards, norms and established best practices form the starting point of the methodology. These are substituted with national norms, standards and guidelines in the methodology, as far as these are aligned with the international guidance, to adapt it to the U.S. context. Where the Index assesses companies' activities in areas that fall outside of the sphere of policy- or norm-setting bodies, the methodology is based on leading corporate practices, recommendations drawn from stakeholder consultations and input from the U.S. Expert Group.

Ensure relevance and applicability to a range of company types

The U.S. Index methodology is designed to evaluate the degree to which nutrition practices such as product formulation, marketing, distribution and product labeling are embedded in the core business functions of food and beverage manufacturers. This type of assessment is relevant to a variety of company ownership types (i.e. publicly listed and privately owned), as well as companies with different product portfolios (primarily food, primarily beverages, or a mix of both).

Identify, reward and spread good practice

The U.S. Index is not intended to be a 'name and shame' exercise. It aims to generate 'healthy competition' among the ranked companies to encourage them to do better in each future Index iteration, thereby demonstrating their increasing contribution to addressing critical nutrition challenges. The Corporate Profile therefore awards credit for good practice beyond minimum standards, rather than penalizing companies for poor practice. A low score, or a score of zero, does not say anything about whether a company follows regulations or meets minimal standards as required by law, as the Index principally does not assess compliance with the law. A score of zero means that the company did not provide evidence, publicly or under an NDA, of taking voluntary measures that are assessed in the Index methodology.

Encourage transparency as well as good practice

The U.S. Index awards credit to companies for their policies and practices, as well as the level and quality of their public reporting. High levels of transparency allow other stakeholders to better understand the extent to which companies are addressing obesity and diet-related chronic diseases in the United States, and to engage with them about their approach and effectiveness.

Utilize an inclusive approach, incorporating multi-stakeholder input

Input from relevant stakeholder groups – including governments, civil society organizations and industry – was sought throughout the original methodology development process and subsequent revisions. This applies to the Global Index methodology, which served as the basis for the U.S. Index methodology, and the same approach was applied in the development of the first U.S. Index methodology itself.

Recognize current state of knowledge and continually evolve

In recognition that knowledge and practices in the nutrition field continue to evolve, the assessment methodology will be revised for any future Indexes.

Out of scope

Products intended to address special nutrition needs

The Index focuses on company practices related to foods and beverages formulated for, sold to, and consumed by the general population, which is the principal market for most major food and beverage manufacturers. The Index is not designed to take account of companies' activities targeting people with special nutritional or dietary needs such as athletes and people whose dietary requirements are supervised by healthcare professionals.

Products that are a part of a formal weight management program

If companies in the Index sell products that are intended to be a part of (or are marketed/branded in association with) a formal weight-management program they are not included in the assessment, as there is currently no international consensus on standards for the content of such products.

Other issues

Other issues that are related to the social and environmental impact of food and beverage companies are outside the scope of the Index, as already outlined to some extent. Some of these issues are addressed by other assessment or rating systems. They include:

- Food safety
- Water management practices
- Environmental sustainability, including sourcing of ingredients
- Impact on climate change
- Fair treatment of workers and communities
- Crop breeding (e.g. hybridization and genetic modification)

Companies included in the U.S. Index 2018

The U.S. Index 2018 ranks the ten largest food and non-alcoholic beverage manufacturers. These companies were selected based on their Fiscal Year (FY) 2016 sales in the United States. Together they accounted for over 30% of the processed food and beverage market share in the United States in 2016 and generated a total of just over \$160 billion in revenues.⁸ The U.S. is the largest single market for the ten companies assessed.

Of the ten manufacturers assessed in this first U.S. Index, most sell a wide range of food and beverage products. Only two produce beverages solely or predominantly (Coca-Cola and Dr Pepper Snapple). All but two – Nestlé and Unilever – are headquartered in the United States. At the time of the research, nine of the ten were public companies; only Mars Inc was privately held. In early 2018, Dr Pepper Snapple was acquired by JAB, a Luxembourg-based investment vehicle and merged with Keurig Green Mountain, a company JAB already owned.

Companies assessed on BMS marketing

The BMS Marketing assessment focuses only on the three largest baby food companies in the United States by sales: Abbott, Nestlé and RB/MJN, which together account for 80% of sales of infant formula and baby foods and drinks in the United States.

Engagement process with companies

During the entire process leading up to the publication of the U.S. Index 2018, ATNF has interacted and sought contact with all of the companies, including company consultations during the development of the methodology, gathering data for the Corporate Profile and Product Profile and in the final reporting phase before publication. This interaction with companies, as one group of stakeholders among various other groups of key stakeholders, is part of the multi-stakeholder approach that ATNF applies to all Indexes it publishes.

In the stakeholder consultation process to define the U.S. Index methodology, food and beverage companies were informed of the plans and offered the opportunity to provide input on the methodology in May 2017. After finalization of the methodology and selection of the food and beverage companies to be included in the U.S. Index, all companies were formally invited to engage in the research process.

As part of this engagement, all companies were offered the opportunity to enter into an NDA with ATNF, which enabled them to provide information and evidence to ATNF that was not publicly available. This information, provided it was supported sufficiently with evidence, was accepted by ATNF for the assessment of commitment and performance indicators, but not for disclosure indicators, as the latter require public disclosure of information.

Companies received information on the engagement process and the U.S. Index methodology in August 2017.⁹ Between June and November 2017, all information was gathered through an online data-gathering platform for the Corporate Profile and BMS marketing assessments. All companies were provided with details to access this platform from September 2017 and offered training on how to use it. Companies could comment on the initial assessment made by ATNF based on publicly available data, respond to questions posed by ATNF via the platform, and provide additional public or NDA data using the platform. After re-assessment of the data by ATNF, all companies were again asked to provide clarification and/or additional evidence in response to further ATNF queries through the online platform. All assessed companies except ConAgra, Dr Pepper Snapple and Kraft Heinz engaged with ATNF at this stage, in this way. For the Product Profile, listings of products identified in the major product categories, combined with nutrient content information, were shared with all companies. Companies were offered the opportunity to correct and complete these product listings, which formed the basis of the Product Profile analysis. The same companies that engaged with ATNF on the Corporate Profile assessment also engaged with ATNF on the product listings. For all assessments, individual email communication and follow-up with companies occurred as needed.

After drafting the company scorecards and the report sections highlighting company examples and best practices, these were shared with companies in June and July 2018 to check that they were factually accurate and that no data that was shared under NDA was included accidentally. Of the ten, nine responded to this request, with eight providing feedback on one or more content-related issue. Of note, the documents and excerpts shared with companies did not include scores and ranks. Throughout the process, although companies were provided with opportunities to provide information and evidence, all assessments, scoring and ranking were undertaken by ATNF independently, using a research process to ensure fair and consistent interpretation and scoring across companies.

Quality assurance processes

The validity of ATNF's analysis and related scoring depend on the accurate and consistent assessment of the material submitted or published by the companies about their commitments, practices and disclosure. ATNF has a robust quality assurance process to ensure that the appropriate answer option is selected for each indicator by the analysts, consistent scoring across companies, in addition to measures to ensure that the information the assessments are based on is complete and correct (described previously in the section 'Data collection').

Analysts within ATNF's research team undertake the assessments. The complete assessment of one company, including all indicators within all criteria and categories, are undertaken by a single analyst, to ensure optimal knowledge and understanding of the company's context and way of reporting. The internal consistency of company-reported information and data was verified by cross-checking information across related indicators.

At two timepoints in the research process, full consistency checks by means of internal peer-review were performed, covering all companies and all indicators to ensure fair and consistent scoring. A single research analyst reviewed the assessment of all indicators within one Category, across all companies to ensure that a consistent approach was applied. All seven categories were reviewed in this way and assessments were revised as needed. Final cross-checking was then done by the ATNF research manager and companies were asked to check their own scorecards and best practice examples for factual accuracy (described previously in the section 'Engagement process with companies').

Approach to scoring and ranking

Overall Corporate Profile score

Several steps are followed to arrive at a company's overall Corporate Profile score. First, each applicable indicator is scored. Companies can score between ten, if they achieve best practice as defined by the methodology, and zero if they provide no information or have very poor practice. A so-called 'healthy multiplier' is applied to any scores for commitments or performance indicators that refer to 'healthy' products. The multiplier is derived from the company's score on Criterion B2 (but is not the actual score) and ranges between 1 (no multiplier) and 2 (for companies that score more than 75% on B2).

Second, indicator types are weighted using the following weights: commitment indicators (25%), performance indicators (50%), disclosure indicators (25%). Performance indicators are given twice the weight of commitment and disclosure indicators to reinforce the importance of turning commitments into practice. After adding all indicator scores within each of the 19 criteria, the company score within a single criterion is the actual score divided by the total possible score, represented as a percentage. Third, category scores are calculated as the equally weighted average of the criteria scores within each category.

Finally, the Corporate Profile score is calculated as the weighted average of the category scores. Category weights are applied as indicated in Table 1. The weights of the seven category scores within the final Corporate Profile score were determined based on consensus within the U.S. Expert Group, after careful consideration of the relative importance of the topics addressed in the categories, and adapting the weighting applied in the Global Index as described previously.

The full Corporate Profile methodology contains more detailed information on the scoring algorithm, a full listing of all categories, criteria and indicators and is available [here](#). ATNF strives for full transparency regarding its methodology and assessment results. The only information not disclosed is the possible score relating to each answer option within a single indicator. The results and scores are presented on criteria, category and Corporate Profile level and within the company scorecards. Individual Indicator scores are not published as these may directly or indirectly disclose NDA data.

Product Profile score

For the U.S. Index 2018, the largest five product categories by sales value of the ten companies are assessed, which cover the vast majority of U.S. sales and avoids including niche products that account for low levels of sales.¹⁰ Nutrition data held in the FoodSwitch USA database was used, supplemented with information submitted by the companies that engaged with ATNF. Six of those seven companies provided corrections or supplemental data. First, the average HSR score per product category is calculated. Second, the sales-weighted HSR score per company is calculated based on product category sales data.¹¹ Each company's Product Profile score is then calculated by doubling the sales-weighted HSR score (a maximum of 5) simply to arrive at a score out of ten so that it can be compared more easily to the Corporate Profile score, which also has a maximum of ten. The Product Profile methodology explains in more detail how the sales-weighted HSR score is derived. Product Profile scores and ranking are presented as a separate outcome, in parallel to the outcome of the Corporate Profile scores and ranking. The full Product Profile methodology is available [here](#).

BOX 4 PUBLIC DISCLOSURE OF COMPANY INFORMATION IN THE UNITED STATES

The U.S. methodology assesses, using a structured format, whether companies publicly disclose information regarding their nutrition-related commitments, policies, objectives and progress against objectives, reflected in the disclosure indicators. The 25% weight of these indicators in the overall Corporate Profile score reflects the importance that is assigned to company transparency in the methodology. This approach is consistent across all Indexes that ATNF publishes. It was observed that companies' disclosure of information, related to their nutrition policies and related practices and performance, increased substantially over several iterations of the Global Access to Nutrition Index. ATNF hopes the same trend will occur with future iterations of the U.S. Index.

It is acknowledged that companies in the United States, similar to many other countries, are limited in their freedom to disclose specific information in case it would limit competition between businesses. The type of information that companies are required to disclose to score well on the U.S. Index is related to the way they work to support healthy diets and to influence consumer choice and behavior. The variance in the level of public disclosure between the companies that are assessed in the U.S. Index 2018 indicates that there is substantial room for improvement.

Limitations

Corporate Profile

- **The definition of healthy products and (re) formulation targets.** The Corporate Profile methodology depends on companies' own definitions of healthy products. There is no Codex or other universally recognized guideline that can be applied in the ATNI Corporate Profile methodology to check the validity of the companies' definitions of healthy products. Similarly, the ambition level and relevance to public health of nutrition criteria underlying companies' product (re)formulation targets cannot be assessed against a universal, external standard for product reformulation by product type or category. Instead, the comprehensiveness of the reformulation targets and the process of implementation is assessed. The rigor of how companies define 'healthy' products and (re)formulation targets is assessed through analysis of companies' internal NPS. Complementary to this assessment in the Corporate Profile, the Product Profile provides an objective assessment of the healthiness of products according to validated methods, based on the HSR and WHO Euro systems.
- **Company commitments and self-reported performance.** The Corporate Profile relies to a large extent on companies' self-reported information and data. This is the case throughout the methodology, but it is particularly important in Category D, which addresses responsible marketing practices. Companies can only achieve a full score in Category D if they make public commitments, show evidence of performing in line with those commitments and if they have commissioned third-party audits of their marketing practices.
- **Company assessment.** Due to the interactive nature of the ATNF Corporate Profile research process, as described in previous sections, it is not feasible to perform company assessments *in duplo*, i.e. by two independent analysts. Instead, an internal peer review system is applied to ensure that the assessments for all indicators in the methodology are checked for accuracy and consistency across all companies.

Product Profile

The limitations of the Product Profile are set out more fully in the [TGI report for the Global Index 2018](#). In summary:

- **Nutrition data.** Some companies did not provide a full list of the products included in this study nor complete nutrition content data. If real values were missing for some nutrients, proxy values were used. The most likely impact of using these proxy values is underestimation of the real differences between products (because proxy

values were imputed at the sub-category level), and correspondingly, therefore, underestimation of the real differences between companies. It also resulted in some products having to be excluded from the analysis because data was not available for the nutrients essential to applying the nutrient profiling models.

- **Scope of products covered.** Ideally the analysis would have included all products sold by all ten companies rather than being restricted to only their top five selling categories. Nevertheless, the coverage of all companies' sales is quite high thereby providing a reasonably robust indicator of the healthiness of their entire U.S. portfolios.
- **More specific sales data.** Product-level sales data should ideally be used to calculate the sales-weighted figures, rather than the product category-level sales data that was used currently. However, ATNF was unable to obtain a data set with that level of detail from Euromonitor International or another provider.
- **Nutrient profiling models used.** The U.S. was one of nine countries included in the Product Profile undertaken for the Global Index 2018 published in May 2018. Two models were chosen for that study, with the advice of the Expert Group, that were suitable to all nine markets. Both met ATNF's selection criteria (including but not limited to being based on extensive research and validation, applicable to a wide range of foods and beverages and being publicly available). They are the [HSR system](#) to assess products' nutritional quality and the [WHO Euro model](#) to assess products' suitability to be marketed to children. Both are subject to ongoing evaluation and refinement. Had a Product Profile been undertaken separately and solely for the U.S. market, different models may have been selected, such as the WHO Pan American Health Organization (PAHO) model for marketing to children. Discussion continues about how each applies to some food categories. The HSR model does not score some 'non-nutritive' products such as tea and instant coffee; as a result, these products have not been included in the analysis. This means that the results for companies such as Unilever and Nestlé, for example, are based on their sales excluding these products. Plain water, on the other hand, is given a maximum HSR of five to encourage its consumption. Baby foods are also excluded from the study as the two selected nutrient profiling models are not designed to assess these specialized products, as are minimally processed agricultural products.
- **Serving size of products not considered.** Neither of the nutrient profiling models used takes serving size into account. Some experts consider this to be a limitation, while others believe it is a strength. One important determinant of weight gain is the quantity of food people choose to consume in one sitting (portion size). The actual amount recommended – the serving size – is designed to

limit portion size. The serving size indicated on a multi-pack or provided within a single pack can influence how much of a product is eaten. Some argue that nutrient profiling models should include consideration of serving size – and some of the companies' systems do so. However, the absence of agreed national and international standards has meant that, to date, it has not proved possible to consider serving size with the models used for this study. This may also account for the differences between the numbers of healthy foods identified by this study and by the companies themselves using their own models.

In addition to these methodological limitations, some research considerations should be taken into account:

- **NDA.** Some of the data shared by the companies was provided under NDA and therefore cannot be referenced explicitly in the report. However, it is incorporated into companies' scores.
- **Limited or no disclosure.** Some companies disclosed limited or no information at all, either publicly or to ATNF under NDA. The three companies that did not engage in ATNF's research process are marked in figures that show rankings in this report and on company scorecards to indicate that the assessments are based solely on publicly disclosed data. Scores for companies with limited or no disclosure, therefore, are lower than for those that disclose a lot of information. As such, they may not be representative of what the companies actually do. The U.S. Index aims to stimulate transparency and public disclosure of relevant information regarding nutrition and health. Based on observations of increased public disclosure across several iterations of the Access to Nutrition Global Index, increases in public disclosure by companies are anticipated for future U.S. Indexes.
- **Different financial years and time periods assessed.** Since companies often have different financial years and publishing timetables for their corporate reports, some relevant data was not published in time to be included in the research. Further, the research phase for the U.S. Spotlight Index was done in parallel with the Global Index 2018 and ended on October 1, 2017. Any information that was published or disclosed to ATNF after the deadline was not included in the scored assessment.
- **Time constraints.** Completing the Corporate Profile assessment questions and providing feedback on the Product Profile product lists requires significant time from the companies. Companies dedicate different levels of resources to engaging with ATNF during the research process, and time constraints may have limited the amount of relevant information that companies were able to share, that was not already publicly available.

NOTES

- ¹ Macartney, S., Bishaw, A. and Fontenot, K. (2013). *Poverty Rates for Selected Detailed Race and Hispanic Groups by State and Place: 2007–2011*. American Community Survey Briefs. [online] U.S. Census Bureau, pp.1-20.
Available at: <https://www2.census.gov/library/publications/2013/acs/acsbr11-17.pdf>
- ² Larson, N., Story, M. and Nelson, M. (2009). Neighborhood Environments. *American Journal of Preventive Medicine*, 36(1), pp.74-81.
- ³ *Codex Alimentarius: Guidelines on Nutrition Labelling*. CAC/GL 2-1985.
- ⁴ *The Codex Guidelines for Use of Nutrition and Health Claims*. CAC/GL 23-1997.
- ⁵ International Labour Organization (2000). *C183 - Maternity Protection Convention, 2000 (No. 183)*. [online]
Available at: http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C183
- ⁶ A description of the Health Star Rating system and scoring system is available at:
<http://healthstarrating.gov.au/internet/healthstarrating/publishing.nsf/Content/guide-for-industry-document>
- ⁷ World Health Organization (1981). *International Code of Marketing of Breast-milk Substitutes*. [online] Geneva: World Health Organization, pp.1-24. Available at: http://www.who.int/nutrition/publications/code_english.pdf
- ⁸ Derived from *Euromonitor International: Packaged Food, Hot Drinks and Soft Drinks, 2017*.
- ⁹ In August 2017, the U.S. Index Corporate Profile methodology was published on ATNFs website.
- ¹⁰ On average, the product categories covered in the U.S. Product Profile correspond to 92% of the total U.S. sales by the ten included companies.
- ¹¹ The Product Profile score calculations are based on mean HSR scores per product category. Because the Product Profile attempts to assess all company products within a given category and the datasets are rather large, this analysis is not very sensitive to outliers or skewed data distributions that may influence the results. Using means rather than medians ensures an equal contribution of each individual product to the product category HSR score. Sensitivity analyses regarding skewed data distributions or outliers were not performed on the Product Profile dataset. The analysis approach is based on The George Institute's expertise and experience in working with similar datasets.



Corporate Profile

A Governance

(12.5% of the score)

A company can better sustain and scale up its nutrition activities if its commitment starts at the top of the organization and is integrated into its core business strategy. Nutrition issues are then more likely to be prioritized as the company allocates resources, tracks performance and reports to its stakeholders.

This category assesses the extent to which a company's corporate strategy includes specific elements to contribute to healthy diets for everyone, particularly those who are obese or overweight and those who are food insecure. The extent to which this approach is embedded within its governance and management systems and is formally reported on is assessed using three criteria:

- A1** Corporate nutrition strategy
- A2** Nutrition governance and management systems
- A3** Quality of reporting

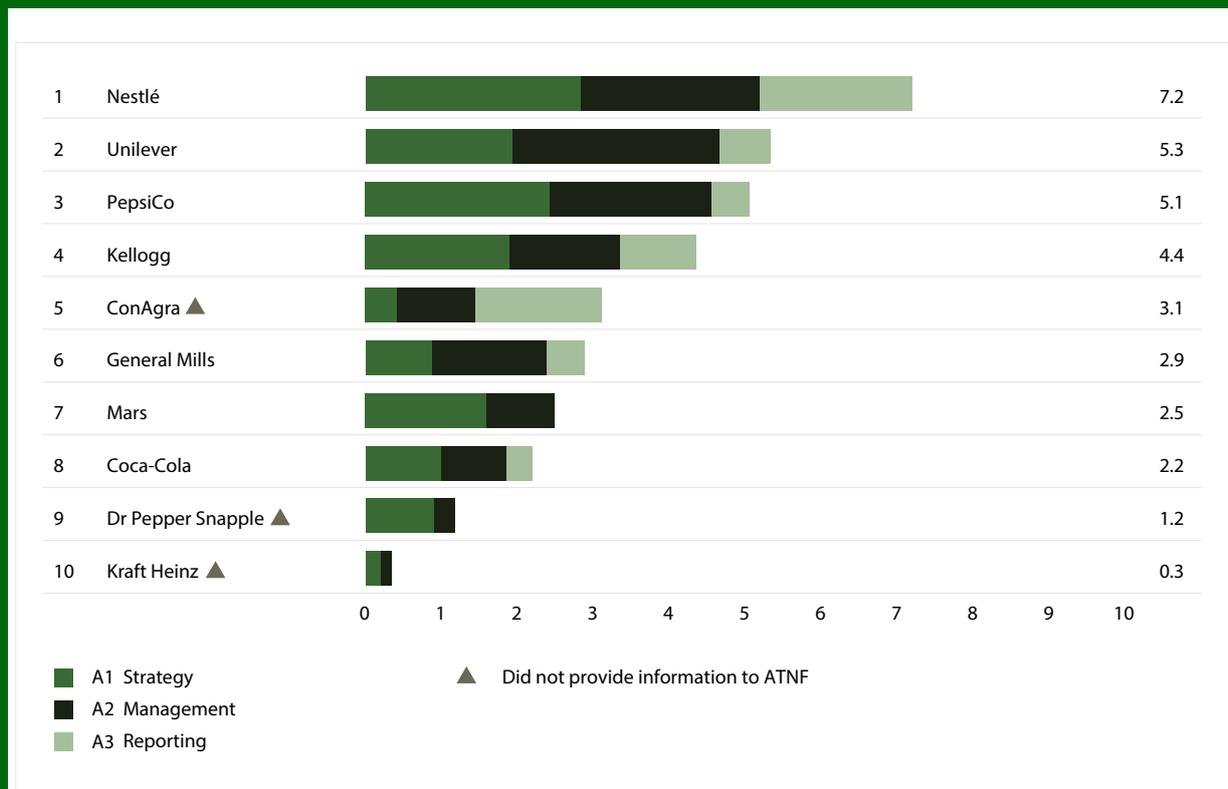
Companies' overarching nutrition strategies, which generally cover all markets they are active in, are assessed in Criterion A1. How these broad strategies are adapted and/or made relevant to the U.S. market – by having specific targets and objectives, and by being governed by clear accountability and responsibility arrangements – is assessed in Criterion A2. The regular, formal reporting on their nutrition-related strategy in the United States and progress against targets is assessed in Criterion A3.

A summary of this Category is presented first, focusing on company performance and ranking, and on key findings and recommendations. Details of the assessments within Criterion A1 on corporate nutrition strategy, A2 on nutrition governance and management systems and A3 on quality of reporting are presented in later sections.

Basis for company assessment

The approach to assessing companies in this category is similar to that used by other indexes to evaluate the quality of companies' governance and management systems on a range of environmental and societal issues relevant to their businesses. It is also informed by input from the Expert Group.

FIGURE 1 Category A ranking, based on equally-weighted Criteria A1 (Corporate nutrition strategy), A2 (Nutrition governance and management systems) and A3 (Quality of reporting)



Company performance and scores

- The average score on Category A is 3.4 out of 10. Within Category A, the score on A3 (Quality of reporting) is much lower on average than other aspects assessed in Criterion A1 (Corporate nutrition strategy) and A2 (Nutrition governance and management systems).
- The average of 3.4 on Category A is considerably lower for the U.S. Index than for the Global Index 2018, in which the average score across all companies was 4.7. (The nine companies assessed for both Indexes had an average score of 5.4 on the Global Index 2018). This indicates that companies perform more poorly on nutrition governance as it applies to the United States specifically than for their global governance arrangements.
- Nestlé is the highest-ranking company with a score of 7.2 out of 10, followed by Unilever and PepsiCo which both score more than five points.

Main findings and recommendations

- Seven of the ten companies state publicly that their business strategy includes a focus on nutrition and health, and/or make commitments to deliver more, healthy products to the U.S. market. However, no companies, except Kellogg make specific reference to addressing, as part of their commercial strategy, the needs of priority populations whose access to healthy food is constrained by low income or geographic factors. The biggest opportunity and greatest urgency to improve nutrition and health is among these priority populations. Therefore, all companies are urged to add to their commercial nutrition strategy a specific focus on reaching these populations.
- Only two companies, Nestlé and Unilever, have defined a comprehensive set of objectives to make clear how they intend to deliver their nutrition policy or strategy in the United States. All other companies need to define a similar comprehensive set of objectives that cover important nutrition-related topics such as product reformulation, the affordability and accessibility of healthy products, responsible marketing, nutrition labeling and stakeholder engagement.
- Public disclosure of managerial and other arrangements that companies use to deliver their nutrition policies or strategies, as well as about the composition of any U.S. expert panels that advise them, is lacking across the board. It is critical that all companies become more transparent about their nutrition governance as it applies to the United States specifically.
- A key metric that food and beverage manufacturers should use to demonstrate how they are delivering on their commitment to improving health and nutrition is the proportion of their U.S. sales generated by healthy products. Only one of the companies discloses this type of information publicly (Unilever).

- Similarly, formal and regular reporting on companies' overall approaches to and progress on tackling nutrition issues in the United States is limited. This is also the case when compared to their reporting on a global level. Nestlé leads in this area by publishing an annual report on its U.S. activities, approach and progress. All companies should deliver a similar level of reporting – either in a separate health and nutrition report or sustainability/corporate social responsibility report or embedded within other (global) reporting. In addition, companies should increase their public disclosure on their support of non-commercial programs to support healthy lifestyles and better diets, including those that address food insecurity.

A1 Corporate nutrition strategy

When nutrition issues are integrated into corporate strategy, they are more likely to be embedded into a company's core business functions. Companies that include nutrition as part of their core business activities are likely to have a greater and more sustainable impact on improving U.S. consumers' access to nutrition and the population's health than those that see nutrition solely as a corporate social responsibility issue or something that can be addressed simply through philanthropic giving. This criterion assesses whether companies' overarching strategies include a focus on nutrition and health, and how these relate to the U.S. market.

Companies score well if they:

- State a clear commitment to nutrition and health and incorporate it into their mission statement and corporate growth strategy.
- Make a commitment to deliver more healthy foods and reference specifically how they address the needs of priority populations in the United States.
- Recognize that they have a role to play in tackling rising numbers of people who are obese and overweight in the United States, and recognize and orientate their business strategies to contributing to U.S. public health priorities and goals.
- Conduct nutrition-related business risk assessments.
- Take nutrition issues into account in their decision-making process relating to acquisitions, disposals and joint ventures.
- Demonstrate a high proportion of sales derived from healthy products in the United States.
- Disclose their commitment to growth based on an increasing focus on nutrition and health, approach to acquisitions and quantitative information on sales of healthy products.

A1 results

To what extent have companies expressed a focus on health and nutrition as part of their business strategy in the United States?

- Companies usually set out their mission or purpose statements, and their vision for growth at the global level, which inherently applies to the U.S. market. Six companies expressed a global focus on nutrition and health, which therefore applies to the U.S. market. They also disclosed statements to indicate that their growth strategy is based on an increasing focus on nutrition and health. ConAgra, Dr Pepper Snapple, General Mills and Kraft Heinz do not appear to have nutrition and health-focused growth strategies as no evidence of the companies having them was found. Examples of the mission or purpose statements found are provided in Box 1.

BOX 1 EXAMPLES OF COMPANIES' OVERARCHING FOCUS ON NUTRITION AND HEALTH

Six out of ten companies assessed in the U.S. Spotlight Index have a focus on nutrition and health, demonstrated in their mission or purpose statements and/or in their strategic growth commitments. These statements apply to companies' global operations and therefore provide the basis for their approach to nutrition and health in the United States. Three examples of the best-scoring companies in Category A illustrate companies' performance.

Nestlé's purpose is "Enhancing quality of life and contributing to a healthier future. We want to help shape a better and healthier world. We also want to inspire people to live healthier lives. This is how we contribute to society while ensuring the long-term success of our company."

PepsiCo's mission contains this statement: "As one of the largest food and beverage companies in the world, our mission is to provide consumers around the world with delicious, affordable, convenient and complementary foods and beverages from wholesome breakfasts to healthy and fun daytime snacks and beverages to evening treats."

Unilever's purpose is to "Make sustainable living commonplace", which it connects to its Unilever Sustainable Living Plan (USLP) that includes a strong focus on improving health and well-being.

- Companies should set out additional commitments to make clear how they aim to contribute to better diets, nutrition and health: By, for example, providing more healthy products, focusing on priority populations, recognizing health issues and priorities in the United States and the role companies can and should play in addressing them. An overview of companies making these commitments is provided in Table 1.
- Table 1 makes clear that companies lack a commercial focus on priority populations in the United States in relation to improving health and nutrition. More information is provided in Box 2.

TABLE 1 Overview of companies' commitments in relation to health and nutrition

	Coca-Cola	ConAgra	Dr Pepper Snapple	General Mills	Kellogg	Kraft Heinz	Mars	Nestlé	PepsiCo	Unilever
Commits to deliver more, healthy products		●		●	●		●	●	●	●
Makes a specific reference to priority populations in the United States					●					
Recognizes it has a role to play in tackling obesity and other nutrition-related challenges in the United States	●	●		●	●		●	●	●	●
Recognizes key health priorities defined by national and international authorities	●			●	●		●	●	●	●

BOX 2 AREAS FOR IMPROVEMENT

Most companies do not focus on priority populations who lack regular access to a variety of healthy foods

Although most of the companies assessed for the U.S. Spotlight Index have a global focus on nutrition and health, and seven out of ten commit to delivering more, healthy foods, few focus on addressing priority populations in the United States whose access to healthy food is constrained by low income or geographic factors.

Kellogg is the only company that commits to focus commercially on ensuring that U.S. consumers with low and average incomes have access to its healthy foods and it describes how it addresses underserved populations in a public document (Kellogg Nutrition Milestones). However, Kellogg could improve further by placing greater focus on its healthy products, supported by a clear definition of what it considers to be healthy products.

PepsiCo commits to focusing on underserved populations globally, but in the United States its approach is mostly delivered by supporting philanthropic and corporate social responsibility programs rather than through its commercial strategy. Other companies did not provide evidence of a commercial focus on priority populations in the United States in relation to healthy foods.

Based on input from its U.S. Expert Group and other stakeholders, ATNF believes it is very important that companies commit to focusing on priority populations – where the biggest opportunity and highest urgency lie to improve health – aiming to contribute to improving nutrition and diets through commercial strategies related to healthy products. For health impact at scale, it is insufficient to address these challenges through philanthropic or non-commercial programs alone.

How are companies' commitments to focus on nutrition and health made concrete in relation to business activities and decisions?

- Leading practice in integrating a focus on nutrition and health into the commercial strategy is described for PepsiCo in Box 3. PepsiCo ranks second on Criterion A1 after Nestlé (more information on Nestlé's reporting in relation to its nutrition strategy is provided in section A3, Box 7).
- All companies provided evidence of identifying at least some nutrition-related risks in their overall regular corporate risk assessments. Only half of the companies have provided ATNF with information to demonstrate that nutrition issues were factored into important business decisions such as mergers or acquisitions.
- None of the companies publicly disclose the proportion of U.S. sales derived from healthy products except for Unilever, which discloses that 29% of its sales volume in 2016 was derived from healthy products. For only five companies do healthy products (according to companies' own definitions) contribute to more than 10% of U.S. total sales in 2016, according to information provided by the companies to ATNF under a Non-Disclosure Agreement (NDA). To demonstrate their commitment to growth through a focus on health and nutrition, companies should track and publish this information year-on-year.

BOX 3 LEADING PRACTICE

PepsiCo's integration of a heightened focus on nutrition and health into its business strategy

PepsiCo articulates its commitments to sustainable and responsible business through its overarching 'Performance with Purpose' (PwP) strategy and announced new 2025 goals in 2016. This global strategy includes a commitment and objectives to delivering more healthy products, which cover the United States, as demonstrated by its statement "With changing consumer preferences, reflecting a growing shift toward a healthier lifestyle in the United States and around the world, we needed to transform our portfolio with more nutritious options." In addition, the company acknowledges it has a role to play in tackling the obesity crisis.

It is important that companies' efforts to improve nutrition are integrated into their commercial strategy rather than being conceived and delivered as disjointed, separate corporate social responsibility or sustainability 'add-ons'. PepsiCo states that it aims to create a healthier relationship between people and food while continuing to grow its business, and it reports on its PwP strategy and objectives throughout its main business reporting. The integration is underlined further by taking considerations of nutrition and health into account in recent acquisitions, as well as by having implemented an extensive nutrition risk assessment, which it discloses publicly and which covers the United States as one of its key markets.

PepsiCo has room for improvement in its focus on health and nutrition, and in building a healthier product portfolio, but it applies appropriate principles of integrating its approach into its business strategy. All food and beverage manufacturers should apply these principles.

A2 Nutrition governance and management systems

This criterion assesses the extent to which companies have integrated approaches to delivering their nutrition commitments into their governance and management systems. It includes indicators for both obesity and diet-related chronic diseases, and food insecurity. Companies' approach to various nutrition management practices are assessed.

Companies score well if they:

- Have a comprehensive commitment and related objectives on nutrition.
- Have a clear strategy or plan outlining the company's funding of non-commercial public health and nutrition programs.
- Assign formal accountability for implementing their nutrition strategy to the executive with overall responsibility for the U.S. business, or a senior executive that reports directly to the Board, and allocate day-to-day responsibility for delivering the nutrition strategy and plan for the U.S. market to an executive manager one level below the Board.
- Link the remuneration of the executive with responsibility for the U.S. business to their performance on U.S. nutrition objectives.
- Subject their U.S. nutrition strategy to standard internal audits and regular management reviews.
- Seek the advice of a wide range of external experts on their approach to preventing and addressing obesity and diet-related chronic disease.
- Disclose information on the nutrition strategy/policy, a comprehensive set of objectives for the United States, plus accountability and management arrangements, and the names and affiliations of its expert advisors.

A2 results

To what extent have companies adopted formal nutrition policies or strategies, including objectives to deliver the policy or strategy in the United States?

- A nutrition policy or strategy is a formal document that sets out the company's approach to addressing key nutrition issues. Eight companies have provided evidence of having adopted a policy or strategy – all except Dr Pepper Snapple and Kraft Heinz. All companies that have adopted a policy or strategy disclose it publicly, except for General Mills.
- A nutrition policy or strategy is considered comprehensive when it touches on all parts of the business that need to be involved in delivering better performance on nutrition, i.e. covers all or most of the nutrition-related topic areas that matter most (reflected in the seven categories of the ATNI methodology). Kellogg, Nestlé, PepsiCo and Unilever have nutrition policies or strategies that are considered comprehensive.

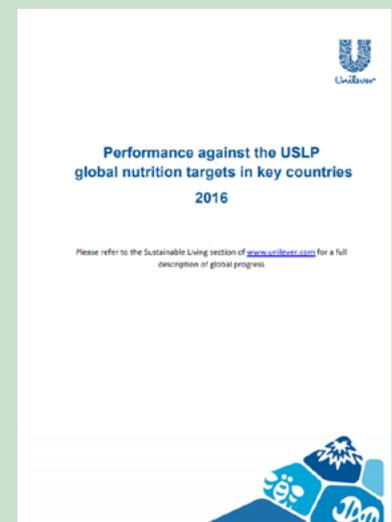
- The seven companies that disclose their nutrition policy or strategy also defined and published the objectives they intend the policy or strategy to deliver in the United States. Most companies defined only a limited set of objectives, mostly related to product development, product reformulation and responsible marketing. Only Nestlé and Unilever defined a comprehensive set of objectives. More information on Unilever's approach is provided in Box 4.

BOX 4 LEADING PRACTICE

Unilever's nutrition policy and U.S.-specific targets

Unilever publishes its global Nutrition Policy, which contains commitments to “Make the healthy choice an easy choice” and to “Help our consumers everywhere to achieve nutritional balance leading to a vital and healthy life.” In addition, it publishes its nutrition strategy on its website, which focuses on improving nutrition by increasing the sales volume of products meeting its Highest Nutritional Standards and is integrated in its overarching USLP strategy.

Unilever demonstrates leading practice by sharing evidence with ATNF of defining a comprehensive set of objectives to deliver its global nutrition strategy in the United States. Unilever applies its global objectives in the key countries it is active in, which it demonstrates by publishing its progress on product reformulation and nutrition labeling targets in a document covering its key market. This includes its progress in the United States explicitly. All companies should disclose concrete objectives to deliver their nutrition policy or strategy in the United States and report on their progress.



Do companies or their foundations apply a strategic (rather than an ad-hoc) approach to funding non-commercial public health and nutrition programs, including food insecurity and food access programs?

- All companies except Mars disclosed evidence of funding public health and nutrition programs in the United States, which may include nutrition education, healthy eating, active lifestyle promotion, food insecurity and food access programs. Six companies apply a strategic, well-structured and coordinated approach to funding such programs aimed at reaching goals to improve nutrition, health and/or food security. ConAgra demonstrates leading practice by disclosing extensive information on its strategy as well as on the programs individually – described in Box 5 in more detail.

BOX 5 LEADING PRACTICE

ConAgra’s strategy on funding non-commercial public health and nutrition programs

ConAgra demonstrates leading practice by setting out a clear strategy for addressing food insecurity in the United States. In its 2016 Citizenship Report, it disclosed that the company and its foundation are committed to finding solutions and raising awareness of food insecurity, focusing on five activities:

- Create awareness
- Build effective partnerships
- Engage people
- Support our communities
- Donate products

The company describes various programs in detail. Examples include its long-term ‘Child Hunger Ends Here’ meal donation campaign and other programs to support Feeding America, its support for smaller community initiatives in its ‘Nourish Our Community’ program and an example of involving employee volunteerism to update the taste profile of ‘Latin Rice’, a product that meets nutrition standards and is used by Kids Against Hunger programs that address food insecurity in the United States. ConAgra is commended for its strategic approach and extensive reporting on its initiatives and collaborations with non-governmental organizations (NGOs) and other partners.

What managerial and other arrangements have companies made to ensure delivery of their nutrition policies or strategies and do they solicit regular feedback from external experts on their delivery?

- Companies provided evidence of their managerial and other arrangements to a variable extent. Seven companies have a formal accountability structure for implementing the nutrition policy or strategy in the United States but only three – Nestlé, PepsiCo and Unilever – provided evidence of a comprehensive approach. However, the transparency about these arrangements is low across all companies; Some of the information was provided under NDA.
- Companies do not disclose any information publicly about seeking input on their nutrition strategy or policy from a formal panel of U.S. experts (see also Box 6).
- An overview of the companies’ performance in all areas related to managerial and other arrangements is shown in Table 2.

BOX 6 AREAS FOR IMPROVEMENT

Companies lack focus and transparency on seeking expert advice regarding their nutrition policy or strategy in the United States

Nutrition and health challenges vary around the world. To ensure that companies optimally address the U.S.-specific challenges related to obesity, diet-related chronic diseases and food insecurity, it is important that they seek regular input and feedback from independent U.S. experts with a broad range of expertise. Besides expertise on nutrition and health, experts in fields such as responsible marketing, labeling, promoting active lifestyles and food insecurity should also be consulted regularly.

Only four companies provided evidence of having a formal panel of U.S. experts in place, all with a narrow focus on nutrition and health. None of the companies disclose information about how their advisory panel is set up. All companies are encouraged to improve their performance and to disclose names and affiliations of the members of their U.S. advisory panel.

TABLE 2 Overview of companies' disclosure regarding their nutrition policy or strategy and related arrangements

	Coca-Cola	ConAgra	Dr Pepper Snapple	General Mills	Kellogg	Kraft Heinz	Mars	Nestlé	PepsiCo	Unilever
Nutrition policy or strategy	●	●			●		●	●	●	●
Nutrition-related objectives	●			●	●		●	●	●	●
Accountability arrangements										●
Day-to-day responsibility arrangements		●		●						
CEO / senior management remuneration					●			●		●
Composition of U.S. panel of experts										

A3 Quality of reporting

This criterion assesses the extent to which companies provide a clear and comprehensive narrative in their corporate reporting on their progress in implementing their nutrition-related strategies and commitments. While there are many indicators throughout the methodology that evaluate companies' disclosure on specific issues, this section looks at the regularity, scope and quality of companies' overall reporting on nutrition.

Companies score well if they:

- Publish formal, annual reports on their approach to addressing nutrition issues in the United States.
- Report the progress they have made and the challenges they have faced in implementing their nutrition strategy in the United States.
- Report in a structured way on progress on delivering their commercial nutrition-related objectives and targets and addressing food insecurity through non-commercial programs.
- Include a narrative in an annual report that covers the U.S. market that highlights how nutrition activities are adding value to their businesses.
- Subject their reporting to verification or external review.

A3 results

What is the level and quality of reporting on companies' commercial approaches to tackling nutrition issues in the United States?

- The level of formal reporting on companies' approaches to tackling nutrition issues – in the United States specifically – is low, with only three companies having a form of U.S.-specific reporting. Of these, ConAgra and Nestlé are the only companies to publish formal annual reports that focus on U.S. activities. Kellogg has published U.S.-specific information in its Nutrition Milestones document in 2017, but it is not clear whether this will be updated regularly. The overall lack of U.S.-specific disclosure is in stark contrast with global reporting, where 18 of 22 companies assessed for the Global Index 2018 publish formal annual reports that address their approach to tackling nutrition challenges and their progress.
- Nestlé's U.S.-specific reporting is most comprehensive among the companies assessed for the U.S. Spotlight Index. Its leading practice is described in more detail in Box 7.

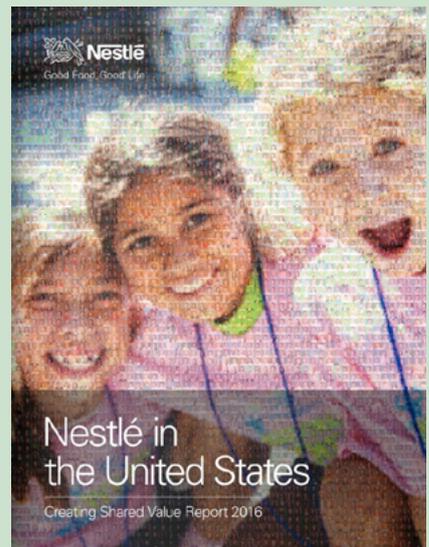
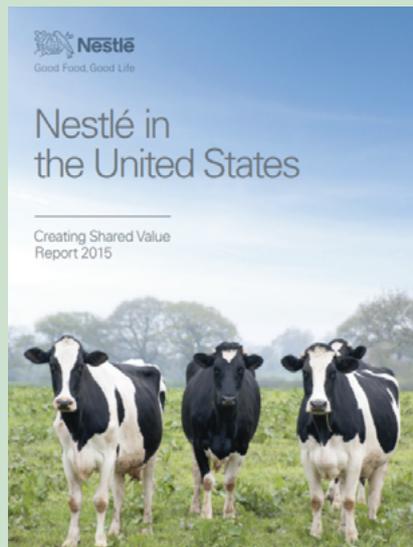
BOX 7 LEADING PRACTICE

Nestlé’s formal and regular reporting on tackling nutrition issues covering the U.S. market

Nestlé publishes its ‘Nestlé in the United States – Creating Shared Value’ report annually, making it the only company that publishes a separate report on its approach and progress in the United States. ConAgra also reports annually on its nutrition and health activities in the United States, which is its single major market, but Nestlé exemplifies leading practice by providing the most extensive U.S. reporting, covering both its commercial and non-commercial activities.

Nestlé’s report provides a clear sense of the company’s nutrition strategy and how it relates to overall business strategy. It has the most comprehensive nutrition governance approach of the companies assessed for

the U.S. Spotlight Index and has defined 14 concrete U.S.-specific objectives. These objectives, as well as progress against them, are reported. Its U.S. objectives are aligned with global targets, are adjusted to the U.S. context and refer to the long-term, providing a clear future perspective. Nestlé’s U.S. reporting was externally verified in 2014 and its current reporting draws from the same information that is verified independently for its global reporting. Although Nestlé has room for further improvement by providing more information on its non-commercial activities and having all its U.S. nutrition reporting externally verified, other companies should follow Nestlé’s example, either in a separate U.S. report or embedded within their wider (global) reporting.



Is companies' level of reporting on their support of programs to address food insecurity in the United States comprehensive?

- More companies report on their support of programs to address food insecurity in the United States (beyond their purely commercial activities) than on their commercial approach to tackling U.S. nutrition challenges, although the quality and detail of reporting is limited. Of the seven companies providing information, ConAgra was the only company to provide comprehensive reporting on its strategy as well as on the programs it runs in the United States in its 2016 Citizenship Report (see also Box 5 in section A2).



B Products

(27.5% of the score)

Food and beverage manufacturers can help consumers in the United States to make healthier choices by improving the nutritional quality of the foods and beverages they make.

This category addresses their efforts to achieve this through research and development (R&D), new product formulation and reformulation of existing products. It tests whether companies can identify which products are healthy according to their own definition, which products are suitable to be marketed to children and whether healthy options are available across their portfolios. It also assesses the quality of the Nutrient Profiling Systems (NPS) that companies use to guide their product formulation efforts, if they employ one. Category B consists of two criteria:

B1 Product formulation

B2 Nutrient profiling

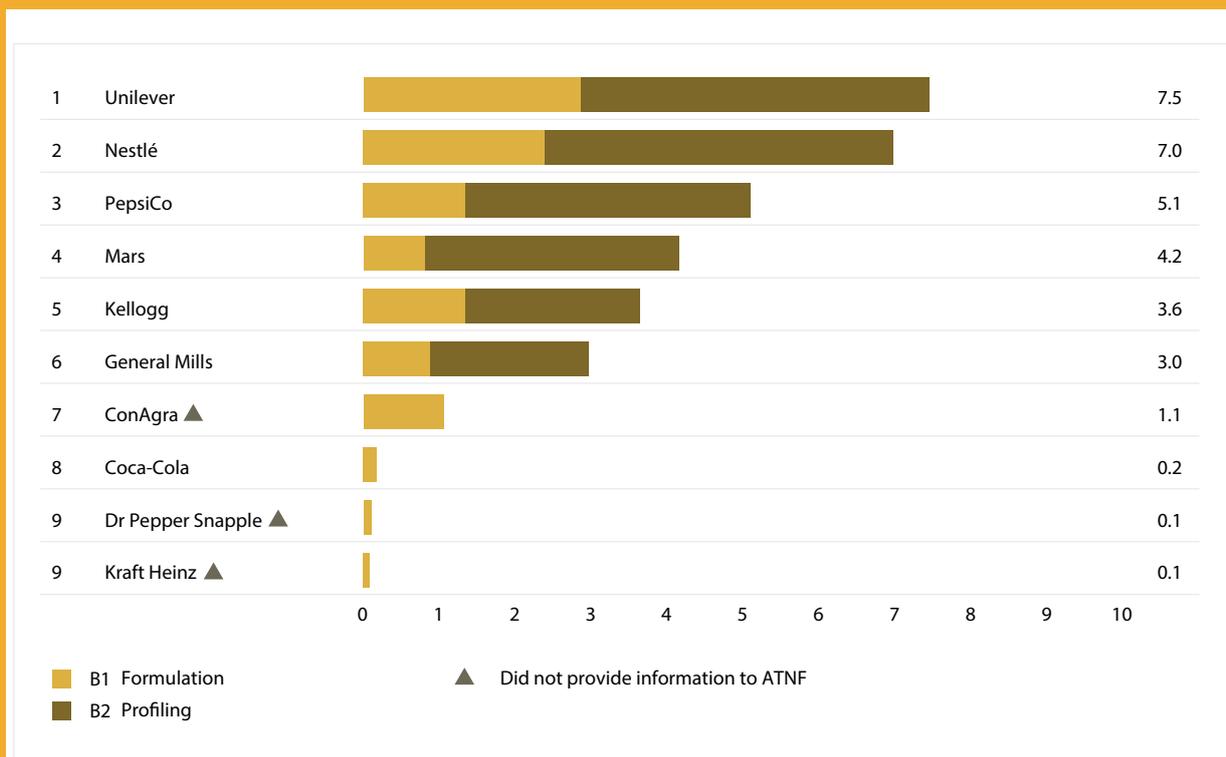
A summary of the findings in this category is presented first, focusing on company performance and ranking, and on key findings and recommendations. Details of the assessments within Criterion B1 on product formulation and B2 on nutrient profiling are presented in later sections.

Basis for assessment

The indicators used in Criterion B1 are designed to assess whether companies' approaches to formulating new products and reformulating existing products are aligned to, and informed by, the government's national diet and nutrition goals, strategies and guidelines.

Currently ATNF does not directly assess the stringency nor the nutrition criteria embedded within Index constituents' NPS in Criterion B2 due to the complexity of doing so. Instead, these systems are evaluated against a limited set of qualitative criteria agreed with the Expert Group that focus on the quality and rigor of the NPS design.

FIGURE 1 Category B ranking, based on equally-weighted Criteria B1 (Product formulation) and B2 (Nutrient profiling)



Company performance and scores

- The average score on Category B is low – 3.2 out of 10. Scores differ between Criterion B1 (Product formulation) and B2 (Nutrient profiling); the average score on B2 is higher despite more companies scoring zero than on B1.
- Unilever leads the ranking for Category B with a score of 7.5 out of 10, followed by Nestlé and PepsiCo, the only other companies to score more than 5 out of 10.
- Three companies, Coca-Cola, Dr Pepper Snapple and Kraft Heinz, score close to zero.

Main findings and recommendations

- All companies need to strengthen their commitments and performance on product reformulation. Three companies do not define any targets to reduce salt, sugar or saturated fat, nor to increase ingredients such as fruits and vegetables. None have a comprehensive set of targets covering all U.S. products. It is critical that all companies publish SMART targets (Specific, Measurable, Achievable, Relevant and Time-bound) for all relevant nutrients across all product categories.

- While six companies have adopted an NPS, only four of them have implemented a 'full' system that calculates overall scores or ratings of the nutritional quality of its products, taking into account product category-specific criteria. Two of the six have adopted more limited systems that assess whether levels of specific nutrients are above or below a general threshold. In order for consumers, other stakeholders and the companies themselves to be clear about which products are healthy products, all companies must use a well-designed NPS that aligns with internationally accepted systems such as the Health Star Rating (HSR) used in the Product Profile.
- Three out of seven companies that provided relevant information overestimated their proportion of healthy products by more than 10% compared to the independent analysis of the Product Profile. All companies should review how the Product Profile results compare to their own figures for 'healthy' products, and review and adapt the metrics they use to define healthy products as needed.
- None of the companies publish a commitment to addressing the copy-cat issue - making the same products, or products with very similar branding and 'look and feel', sold on the wider U.S. market, to the same nutritional standards as those sold under the Smart Snacks in School regulation. However, Nestlé and Unilever provided evidence to have such a commitment and apply it in practice. All companies that sell products under the Smart Snacks in School regulation should make this commitment and thereby contribute to supporting better diets among children.
- Companies are on the whole not very transparent about how many healthy products they make or sell in the United States, or about their progress in meeting their reformulation targets. All companies should publish more information of this nature to provide investors, consumers and all stakeholders with a clearer picture of their contribution to addressing America's nutrition challenges.

B1 Product formulation

The U.S. National Prevention Strategy, published by the Surgeon General in 2011, states the goal of increasing the number of people living in the United States who are healthy at every life stage.¹ Priority 3 is Healthy Eating. The overarching goal in this regard is to 'Improve the nutritional quality of the food supply'. The recommendations encompass a call to the business community to play its part. Specifically, with respect to product formulation, companies are called upon to produce healthier options for products that are high in sodium, saturated and trans fat, and added sugars, and to provide appropriate portion sizes.²

The 2015-2020 Dietary Guidelines for Americans set out specific guidance on dietary intake, grounded in the most current scientific evidence available at the time and informed by the recommendations of the 2015 Dietary Guidelines Advisory Committee.³

The key recommendations are that a healthy eating pattern limits saturated fats and trans fats, added sugars, and sodium and includes: A variety of vegetables from all of the subgroups — dark green, red and orange, legumes (beans and peas), starchy and other fruits, especially whole fruits; grains (at least half of which are whole grains); fat-free or low-fat dairy, including milk, yogurt, cheese, and/or fortified soy beverages; a variety of protein foods, including seafood, lean meats and poultry, eggs, legumes (beans and peas), nuts, seeds and soy products; and oils.⁴

More specifically, adults are recommended to:

- Consume less than 10% of calories per day from added sugars.
- Consume less than 10% of calories per day from saturated fats.
- Consume less than 2,300 milligrams (mg) per day of sodium.⁵

These dietary recommendations align closely to those set out at the international level, in, for example, the World Health Organization's (WHO) Global Action Plan for the Prevention and Control of NCDs 2013-2020.⁶

In an effort to improve children's diets, the U.S. Department of Agriculture (USDA) also implemented updated nutrition standards for school meals in 2012 and for other school foods starting in fall 2014.⁷ ⁸ The Smart Snacks in School regulation applies to foods sold a la carte, in the school store, vending machines, and any other venues where food is sold to students. Many of the largest food and beverage manufacturers supply food to schools and must therefore comply with these standards. To do so, many reformulated their products.⁹

Product reformulation efforts are important across companies' entire portfolios. These efforts may take several forms, including reducing levels of ingredients known to be harmful to health if consumed in excess (such as saturated fats, free sugars, salt and calories) and/or increasing levels of ingredients and nutrients known to contribute to health if consumed in sufficient quantities (such as fruits, vegetables, nuts, legumes and whole grains, which contain inherent natural fibers). Companies can also sell their products limited by serving size, or through improved packaging, with the aim of helping consumers better understand and limit their serving sizes.¹⁰

The scope to make improvements to product formulation varies widely among the companies assessed by ATNF. Some make a wide variety of products intended for regular and frequent consumption; others focus on foods designed for convenience or occasional consumption; and others have a mixed portfolio. Beverage manufacturers, for example, have limited scope to reformulate carbonated soft drinks. As observed in other ATNF Indexes, they therefore tend to focus on adding new low or no-calorie options to their established brands, as well as on the development of alternative sweeteners,¹¹ smaller portion sizes, and expanding their product ranges to include beverages such as juices and yogurt-based drinks. Similarly, while companies that make confectionery products have limited scope for product reformulation, they can also focus on making sure that the serving sizes of their products are limited to appropriate calorie thresholds. Companies can also ensure that their products are packaged so as not to encourage overconsumption and are appropriately labeled.

Concern has been raised by nutrition experts that while products supplied to schools meet the Smart Snacks in School nutrition standard, equivalent products with the same look and feel, sold in retailers and other outlets, do not. Children may therefore be choosing less nutritious products outside the school environment, having become used to eating them at school. Such products are referred to as 'copy-cat' or 'look-alike' products. The Rudd Center published a study in 2016 that showed that students and parents are confused by such products. Moreover, it leads to implicit marketing of the less healthy versions of products in schools.¹²

Companies should pay particular attention to ensuring that foods and beverages commonly consumed by children are of high nutritional quality. To address the concerns about copy-cat products, they should ensure that all products sold under the Smart Snacks in School regulation meet the same nutrition standards everywhere.

Companies score well if they:

- State commitments and targets on R&D spending related to improving the nutritional quality of products available in the United States.
- Demonstrate that they align their reformulation efforts with the U.S. Dietary Guidelines and commit to formulating all products sold under the Smart Snacks regulation to the same nutrition standards.
- Have introduced and are able to provide quantitative data on new healthier products available in the United States over the past three years.
- Set targets for their best-selling categories in the United States to reduce levels of saturated fats, free sugars and salt in their products, and to increase levels of fruits, vegetables, nuts, legumes (FVNL) and whole grains as appropriate to their product range, in order to increase their overall nutritional quality. Targets should have clear baselines and dates for delivering the stated improvements.
- Can provide data to show that they have met these targets and what proportion of their portfolios had met the targets by the end of Fiscal Year (FY) 2016.
- Can provide evidence of the percentage of products in the United States that meet their overall healthy standard.
- Can provide evidence of the percentage of their products in the United States that meet the standard to be marketed to children (either using their own NPS or that meet Children’s Food and Beverage Advertising Initiative (CFBAI) standards).¹³
- Offer at least one healthy option in all brands, for adults and children separately.
- Publish information about these commitments, targets and performance.

What proportion of products is healthy according to companies’ reporting and how many new healthy products were introduced in recent years?

- Unilever is the only company that publishes information about the proportion of healthy products sold: 29% of its 2016 sales volume in the United States met its nutritional standards. The lack of disclosure of the other companies signifies a concerning lack of transparency related to healthy products and product reformulation in the United States, which is described in Box 2 in more detail.
- Seven companies provided information about their proportion of healthy products to ATNF under Non-Disclosure Agreement (NDA), showing a wide range of between, roughly, 20% to 80% of products or sales volumes. Comparing this data to the Product Profile results shows that three of the seven companies overestimated their proportion of healthy products by more than 10%.¹⁵ Although the differences were smaller than those found in the Global Index 2018, all companies should consider reviewing how the Product Profile results compare to their own estimation of healthy products and adapt their metrics as needed.
- For some products, limiting serving size is a good additional approach where the possibility of reformulation is limited, e.g. for confectionary, ice cream or carbonated soft drinks. Only four companies – Kellogg, Nestlé, PepsiCo and Unilever – reported to ATNF the proportion of products they sell with a limited serving size.¹⁶ The limited data and the variability in the methods of calculation preclude an in-depth analysis, but the low response rate suggests that companies should increase their focus on limiting serving sizes.

B1 results

Have companies made commitments to improve the nutritional quality of their products through their R&D spending?

- Seven companies commit to invest in R&D to improve the nutritional quality of their products for the U.S. market (all except Coca-Cola, Dr Pepper Snapple and Kraft Heinz). Only Nestlé and Unilever have set targets in relation to their R&D spending; Nestlé commits to spending 64% of its R&D budget to improve the healthiness of its products and Unilever commits to doubling the number of products that meet its definition of healthy by 2020 from a 30% baseline value.
- Of the seven companies that commit to invest in R&D for better nutrition, six commit to align their reformulation efforts with the 2015-2020 Dietary Guidelines for Americans and/or WHO recommendations. However, none of the companies publish commitments to address ‘copy-cat’ products in relation to the Smart Snacks in School standards and only two companies, Nestlé and Unilever, provided evidence to have such commitment and apply it in practice; see Box 1 for more information.

BOX 1 AREAS FOR IMPROVEMENT

Lack of commitment to address the Smart Snacks in School ‘copy-cat’ issue

Since the introduction of the Smart Snacks in School regulation in 2013, some food companies have reformulated their popular products to meet the Smart Snacks standards and be able to sell them in schools. However, many of the reformulated products are sold only in schools but are packaged to look like the widely available versions of the same products which are of lower nutritional quality. Only two of ten companies provided evidence of acting in accordance with a commitment to prevent or stop this practice which confuses students and parents about the healthiness of such products. For example, a child may eat a snack in school, understanding that it is ‘healthy’ and then buy or implore a parent to buy that product at their local supermarket, expecting that it is of the same nutritional quality – and healthy – because it is packaged in exactly the same way as the one they are used to eating. However, in reality, it is different, with higher levels of, perhaps, salt and saturated fat than the one they eat at school.

Key actions all companies should consider are to:

- Commit only to sell products through retail and other outlets that have the same ‘look and feel’ as products sold under the Smart Snacks in School regulation if they meet the same nutritional standards.
- Review current product portfolios to reformulate all products sold under the Smart Snacks in School regulation to meet those standards and remove previous less healthy versions from the market.

FIGURE 2 Rudd Center illustrations of the Smart Snacks in School ‘copy-cat’ issue¹⁴



BOX 2 AREAS FOR IMPROVEMENT

The level of transparency regarding companies' healthy products and progress on product reformulation is low

The major U.S. food and beverage manufacturers included in this Index publish limited data related to the number or proportion of healthy products in their portfolios or about their progress with product reformulation. Although some companies publish examples of new healthy product introductions in the United States, none publishes comprehensive data. Similarly, none of the companies other than Unilever publish the proportion of healthy products in their U.S. portfolios and only two companies report data about progress against product reformulation targets in the United States.

Key actions all companies should consider are to:

- Publish a complete list or number of new healthy product introductions annually.
- Publish the proportion of products in their U.S. portfolio that meets their healthy standard for adults.
- Publish the proportion of products in their U.S. portfolio that meets CFBAI criteria or their own healthy standard for children under 12.
- Publish the progress they have made against their product reformulation commitments to make their U.S. products healthier.

To what extent have companies set comprehensive product reformulation targets and do they report on progress against these targets in the United States?

Seven companies have product reformulation commitments in place (or have achieved them). Of these, Nestlé, PepsiCo and Unilever perform best; PepsiCo is the only company that defined targets for all relevant 'positive' and 'negative' nutrients, including FVNL and whole grains. Unilever defined many relevant targets and discloses its progress most comprehensively (see also Box 4 in section A2). An overview of companies' reformulation targets is provided in Table 1. Additionally, Box 3 offers examples of reformulation targets and recommendations for action.

Three companies did not provide evidence of setting any reformulation targets for the U.S. market: Coca-Cola, Dr Pepper Snapple and Kraft Heinz. Coca-Cola and Dr Pepper Snapple, together with PepsiCo, take part in the Balance Calories Initiative which makes reference to product reformulation through sugar reduction, but no product reformulation commitments are expressed by individual companies as part of the initiative (see Box 4). As already highlighted in Box 2, the transparency on progress against reformulation targets in the United States overall is low across all companies.

TABLE 1 An overview of companies' reformulation targets, assessed for up to five of their major product categories, shown as the number between parentheses

	Coca-Cola (3)	ConAgra (5)	Dr Pepper Snapple (3)	General Mills (5)	Kellogg (4)	Kraft Heinz (4)	Mars (1)	Nestlé (4)	PepsiCo (4)	Unilever (4)
Salt/sodium	NA	●	NA	◆	◆			○	◆	○
Saturated fat	NA		NA		◆		◆	○	◆	◆
Added sugar/calories					◆		◆	○	◆	○
Fruits, vegetables, nuts, legumes									◆	
Whole grains	NA		NA	◆			NA		◆	NA

- Indicates that the target covers all relevant products and is fully attained
- Signifies that the target covers all relevant products
- ◆ Indicates that the target does not cover all relevant products and/or is not fully specified as required in ATNI's methodology
- NA Means the target is not applicable for the company based on its product portfolio
- Not filled indicates that no relevant target was defined

BOX 3 EXAMPLES OF REFORMULATION TARGETS AND RECOMMENDATIONS FOR ACTION

Companies' overall performance related to setting reformulation targets and making progress against them for the U.S. market leaves much room for improvement. However, several companies apply good principles that could be emulated by others.

Nestlé and Unilever base their reformulation targets on nutrition criteria embedded within their NPS and then used as the company's definition of healthy; the Nutritional Foundation (NF) criteria and Highest Nutritional Standards (HNS), respectively. Unilever commits to double the number of products that meet its HNS by 2020 and Nestlé defined targets to reduce salt, sugar and saturated fat by 10% on average by 2020 for products that do not meet its NF criteria. ATNF applauds the principle of setting reformulation targets based on nutrition criteria for healthy products, embedded within an NPS (see Box 6 for more information). Ideally, reformulation targets should be defined so that companies work towards the goal of ensuring that all relevant products meet the company's healthy definition, instead of defining a target date by when a certain proportion of relevant products will meet it.

PepsiCo has based its reformulation targets on clearly defined, absolute nutrition criteria for added sugars, salt and saturated fat. For example, it states in its 2025 target that at least three quarters of its global foods portfolio volume will not exceed 1.1 grams of saturated fat per 100 calories; the other 'negative' nutrient targets are defined similarly. However, PepsiCo also has room for improvement as it limits its targets to specific product groups, has not fully specified its FVNL and whole grains targets and has not set a target date for when 100% of its products will meet the criteria, which it should do.

ConAgra and Unilever are the only two companies that disclose their U.S.-specific performance against most or all of their reformulation targets, although ConAgra's reporting is limited to a completed salt/sodium reduction target.

Key aspects of properly defined reformulation targets that all companies should adopt are:

- Commitments should relate to absolute nutrition criteria based on a weight, volume or calories, e.g. a maximum level of salt/sodium or sugar per 100 grams, 100 milliliters or 100 calories of product, or a minimum quantity of whole grain.
- If relative targets are set to increase or decrease nutrients compared to a baseline date, e.g. to increase fruits, vegetables, nuts and legumes by 10% in a product, baseline values from which the increase is to be measured should be fully specified.
- All commitments should be SMART (Specific, Measurable, Achievable, Relevant, Time-bound).
- A comprehensive set of targets should be defined, covering all relevant 'positive' and 'negative' nutrients and all U.S. products.
- The description of the products to which specific commitments apply should be clear-cut, without depending on company definitions that are not transparent such as 'best-selling product categories' or 'good/better for you products' if these are not defined precisely.
- Reformulation targets for the U.S. market can be defined on a global level, but progress against reformulation targets needs to be reported specifically for the United States.

BOX 4 BALANCE CALORIES INITIATIVE

Coca-Cola, Dr Pepper Snapple and PepsiCo have joined forces through the American Beverage Association (ABA) to develop various initiatives aimed at reducing sugar, introducing more choice and providing calorie information for their beverages.

In partnership with the Alliance for a Healthier Generation (Healthier Generation), the ABA has set a goal to reduce calories from beverage consumption per person nationally by 20% by 2025 from a 2014 baseline. This initiative is called the Balance Calories Initiative (Healthier Generation calls it the Beverage Calories Initiative), which is centered around the concepts of ‘balance’ and offering more choice of products, including smaller portions and a wider range of beverages with less sugar or no sugar at all. The initiative sets goals collectively but not for individual companies. Therefore, goals and commitments made by companies through the Balance Calories Initiative are not credited by the Index as product reformulation goals for sugar or calorie reduction for the three participating companies assessed here.

The ABA and Healthier Generation report on progress made against the Balance Calories Initiative goals and commitments. The third and most recent report was published in August 2018.¹⁷ The rigor of the reporting is commended, with third-party quantitative evaluation used to track progress on the 20% calorie reduction from beverages. However, the evaluation showed only a 1.4% reduction between the 2014 baseline and 2017. It is therefore clear that the companies need to do more to meet their collective 2025 commitment. Coca-Cola, Dr Pepper Snapple and PepsiCo should define individual SMART targets and disclose their individual performance levels to ensure individual company accountability.

B2 Nutrient Profiling Systems

Nutrient profiling is, ‘The science of classifying or ranking foods according to their nutritional composition for reasons related to preventing disease and promoting health’. The first systems were developed over 20 years ago for voluntary food labeling schemes. At around the same time, governments and regulatory agencies began to use them to set standards for the use of nutrition and health claims, and they have been used – or proposed for use – by governments to regulate the advertising of foods to children. Retailers, media outlets and others have also developed proprietary systems to help guide decision-making on product formulation, labeling, use of ‘healthy’ logos and marketing to children. More than 100 NPSs are known to be in use around the world today.¹⁸

When applied by a food manufacturer, the rigor of the NPS used has significant ramifications for decisions across its business, in terms of investment in R&D, targets set to reformulate products, determining which products can be marketed to children and/or for which products health and nutrition claims they can make. While some food and beverage companies have created and/or adopted an NPS for their internal use, others do not acknowledge nutrient profiling of individual foods as valid and therefore do not use an NPS.

To have the greatest impact on public health it is crucial that companies focus on producing and responsibly selling more healthy products and fewer unhealthy products. They therefore need to base their definition of healthy products on nutritional criteria embodied within their NPS, to ensure that they apply a clear and consistent approach to all aspects of their nutrition strategies and related objectives.

Companies score well if they:

- Have a full NPS that calculates the overall nutritional quality of each product rather than a more limited way of assessing elements of products’ nutritional quality (e.g. simply assessing whether levels of sodium are high, medium or low).
- Adapt a system developed using an independent multi-stakeholder process.
- Take both ‘positive’ and ‘negative’ food components into account.
- Apply the system to all product categories and the entire U.S. product portfolio.
- Publish details of the system in order to ensure transparency and facilitate scrutiny of their approach.

BOX 5 DETERMINING WHETHER A PRODUCT IS 'HEALTHY'

There is currently no consensus 'gold standard' system to determine the nutritional quality of products relative to one another, either globally or in the United States. As a result, there is no single agreed standard for a 'healthy' product, though several NPSs have been identified by the WHO as more robust than others.

Many ATNI indicators (e.g. those relating to product formulation, marketing and labeling) rely on companies' own definitions of 'healthy' products; however, these definitions can vary significantly. For reasons of complexity and due to the lack of relevant information, ATNF does not currently assess the content and nutrition criteria within each company's NPS. Therefore, the accuracy of each company's definitions of 'healthy' cannot be evaluated. Instead, as a proxy, the quality of the NPS that each company utilizes is assessed based on its key design principles. The outcome of this assessment is used to weight the score for each indicator that depends on a definition of 'healthy' products. In other words, companies with a well-designed NPS will achieve a higher score on indicators that rely on a definition of 'healthy' products.

However, as companies' NPSs are assessed only on the basis of key design principles as described above, the algorithm used in their NPS may not necessarily be stringent and aligned to systems such as the HSR system or the WHO Euro system used in the Product Profile. This is why some companies' figures, for instance regarding the number of healthy products they make or the proportion of sales they derive from healthy products, differ from the results of the Product Profile. In fact, if a company's figures are higher than those generated by the Product Profile, then its NPS is less stringent than those used by ATNF in that analysis. If the figures align, that is a good indication that its system is strong.

B2 results**How many companies have adopted an NPS and are they designed properly?**

- Six companies have adopted an NPS, of which four are considered a 'full' NPS that calculates the overall nutritional quality of each product, taking into account product category-specific nutrition criteria. An overview of the design features and level of disclosure is shown in Table 2.
- Nestlé and Unilever have systems that almost achieve the full score. More information on their NPSs is provided in Box 6.
- Nestlé and Unilever are transparent about their NPS-based definition of healthy products, but other companies have room for improvement in this area. PepsiCo and Mars have implemented a 'full' NPS but do not provide clarity about the link to their definitions of healthy products. For example, PepsiCo uses a definition of 'Everyday Nutrition' products but does not clarify how this definition relates to nutrition criteria embedded within its NPS. ConAgra defines several criteria that are linked to aspects of portion and calorie control, dietary diversity, and heart health, but should adopt an NPS and one consistent definition of healthy products based on it. The other companies have limited NPSs without a clear definition of products that link to it, or none at all. All companies should consider defining the products they consider healthy clearly, based on nutrition criteria embedded within their NPS.
- Companies' definitions of healthy do not match in all cases the Product Profile results. The assessment of companies' NPSs is based on the design principles, not on an in-depth assessment of the nutrition criteria embedded within them. See Box 5 for more information.

TABLE 2 Characteristics of companies' NPSs

	Coca-Cola	ConAgra	Dr Pepper Snapple	General Mills	Kellogg	Kraft Heinz	Mars	Nestlé	PepsiCo	Unilever
Full NPS or precursor ¹⁹				Precursor	Precursor		Full	Full	Full	Full
Adopted or adapted an existing well-designed NPS										●
Applies to the full product portfolio							●	●	●	●
Takes into account 'positive' and 'negative' nutrients				●			●	●	●	
The company publishes its NPS partially, fully or in a peer-reviewed journal					Fully		Partially	Peer reviewed	Fully	Peer reviewed

BOX 6 LEADING PRACTICE

Nestlé's and Unilever's NPSs are designed according to appropriate principles and are both fully disclosed. Both Nestlé and Unilever have been using an NPS for over ten years and have updated the methods and nutritional criteria used regularly. Both systems apply a scoring system or assessment based on multiple nutrition criteria for each product category, taking into account the role of the products in the diet, serving sizes and nutrients that are deemed relevant per product category. Both companies base their definition of healthy products on the nutrition criteria that is embedded within their NPS and they fully disclose their NPSs, including publications in scientific, peer-reviewed journals.

Unilever has published its methodology since 2007.²⁰ 21 Nestlé recently published multiple academic papers on its NPS, including a study that found that the application of its NPS in the United States and France had reduced sodium and total sugars over a five-year period.²² The transparency these companies demonstrate is considered best practice, and although the findings in the study published by Nestlé should be verified independently, the company is commended for studying the impact of implementing its NPS.

Both companies state that the nutritional criteria embedded within their NPSs are based on WHO and other (inter)nationally recognized guidelines. It is important to note that ATNF did not assess the 'strictness' of individual nutrition criteria per product

category, but there are clear indications that both companies define more products as healthy than ATNF found in the Product Profile (both for the U.S. Spotlight Index and for the Global Index 2018), based on criteria in the HSR system.

All companies should review how their internal definition of healthy products aligns with the HSR-based definition used in the Product Profile and apply the strictest criteria. Despite this, Nestlé and Unilever are commended for providing full transparency regarding their NPS, opening these systems up for public scrutiny. All companies should follow their lead in this regard.



NOTES

- ¹ National Prevention Council (2011). *National Prevention Strategy*. [online] Washington, DC: U.S. Department of Health and Human Services, Office of the Surgeon General. Available at: <https://www.surgeongeneral.gov/priorities/prevention/strategy/report.pdf>
- ² In 2015, the U.S. Food and Drugs Administration (FDA) released a final determination that Partially Hydrogenated Oils (PHOs), the major source of industrial trans fat, are not Generally Recognized as Safe (GRAS) and need to be removed from products on the U.S. market. Due to this regulation and the principle that the U.S. index does not assess compliance with regulation, no trans fat-related reformulation targets are assessed in Criterion B1 (Product formulation). More information on trans fat regulation is available at: <https://www.fda.gov/Food/IngredientsPackagingLabeling/FoodAdditivesIngredients/ucm449162.htm>
- ³ U.S. Department of Health and Human Services and U.S. Department of Agriculture. *2015–2020 Dietary Guidelines for Americans*. 8th Edition. December 2015. Available at <http://health.gov/dietaryguidelines/2015/guidelines/>
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- ⁵ U.S. Department of Health and Human Services and U.S. Department of Agriculture. *2015–2020 Dietary Guidelines for Americans*. 8th Edition. December 2015. pp. xiii. Available at <http://health.gov/dietaryguidelines/2015/guidelines/>
- ⁶ World Health Organization (2013). *Global action plan for the prevention and control of noncommunicable diseases 2013–2020*. [online] Geneva: WHO Document Production Services. Available at: <http://www.who.int/nmh/publications/ncd-action-plan/en/>
- ⁷ *Nutrition Standards in the National School Lunch and School Breakfast Programs*. 7 CFR Parts 210 and 220. Available at: <https://www.gpo.gov/fdsys/pkg/FR-2012-01-26/pdf/2012-1010.pdf>
- ⁸ USDA Food and Nutrition Service. (2017). *School Meals - Tools for Schools: Focusing on Smart Snacks*. [online] Available at: <https://www.fns.usda.gov/school-meals/tools-schools-focusing-smart-snacks>
- ⁹ USDA Food and Nutrition Service. (2017). *School Meals - Tools for Schools: Focusing on Smart Snacks*. [online] Available at: <https://www.fns.usda.gov/school-meals/tools-schools-focusing-smart-snacks>
- ¹⁰ Some debate exists about whether smaller package sizes actually result in decreased caloric intake or, paradoxically, might actually increase consumption. For instance, see: Chandon, P. (2012). 'How package design and packaged-based marketing claims lead to overeating'. *Applied Economic Perspective and Policy*, 34 (3), pp. 7-31.
- ¹¹ Beverage companies often use artificial sweeteners in order to provide low- or no-calorie options. The ATNI methodology does not include an assessment of any aspect of their use but focuses instead on reduction of added sugars.
- ¹² Harris, J.L., Hyary M. and Schwartz, M.B. (2016). Effects of Offering "look-alike" products as Smart Snacks in schools. *Childhood Obesity*, 12 (6), pp. 432-439.
- ¹³ CFBAI's Category-Specific Uniform Nutrition Criteria are available at: <https://bbbprograms.org/siteassets/documents/cfbai/cfbai-category-specific-uniform-nutrition-criteria.pdf>
- ¹⁴ UCONN Rudd Center for Food Policy & Obesity. (2018). *Look-alike Smart Snacks - UConn Rudd Center for Food Policy and Obesity*. [online] Available at: <http://www.uconnruddcenter.org/lookalikesmartsnacks>
- ¹⁵ For two out of seven companies the comparison was indicative only, as estimated sales value data from the Product Profile was compared with sales volume data reported by companies.
- ¹⁶ Companies were requested to report the proportion of products in specific categories that have serving sizes of less than 150 kcal and 100 kcal. Due to a lack of reporting and a wide variety of methods to calculate the proportions, the indicator and information gathered were not included in the scoring.
- ¹⁷ 2025 Beverage Calories Initiative: Report on 2017 Progress toward the National Calorie Goal. (2018). Available at: https://www.healthiergeneration.org/sites/default/files/documents/20180905/491a1e2a/BCI-2017-National-Progress-Report_HGLink_FINAL.pdf
- ¹⁸ World Health Organization (2010). *Nutrient Profiling*. [online] Available at: <http://www.who.int/nutrition/topics/profiling/en/>
- ¹⁹ A 'full' Nutrient Profiling System is one that calculates overall scores or ratings of the nutritional quality of its products, taking into account product category-specific criteria. An NPS is considered a 'precursor' system if it is limited in scope and assesses levels of specific nutrients, e.g. salt, fat, sugar etc., and rate them high, medium or low, or above or below a threshold, but which does not calculate overall nutritional quality.
- ²⁰ Nijman, C.A., Zipp, I.M., Sierksma, A. et al. (2007). A method to improve the nutritional quality of foods and beverages based on dietary recommendations. *European Journal of Clinical Nutrition*. 61(4), pp. 461-471.
- ²¹ Dotsch-Klerk, M. and Mela, D. (2015). Sustainable Diets. *Food Science and Technology*, 29(1).
- ²² Vlassopoulos, A., Masset, G., Charles, V., Hoover, C., Chesneau-Guillemont, C., Leroy, F., Lehmann, U., Spieldenner, J., Tee, E., Gibney, M. and Drewnowski, A. (2016). A nutrient profiling system for the (re)formulation of a global food and beverage portfolio. *European Journal of Nutrition*, 56(3), pp.1105-1122.

C Accessibility

(22.5% of the score)

In order to eat a healthy, balanced diet, consumers need a diverse range of healthy, high-quality foods and beverages to be both accessible and affordable. This is especially important for consumers with low incomes, those with poor mobility, those who live in rural areas a long way from grocery stores or those with access only to stores offering a restricted range of products, for example, in urban areas.

An important way that food and beverage manufacturers can contribute to improving everyone's diets is to offer healthier options at affordable prices and make sure they are widely marketed and distributed to create a 'level playing field' between healthy and less healthy options.

Many food and beverage products made by the companies assessed in this Index are eligible under both the Supplemental Nutrition Assistance Program (SNAP) and Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) nutrition assistance program. Given the significant reach of these programs among lower-income populations that are most vulnerable to food insecurity and poor nutrition, it is particularly important that manufacturers offer low prices and wide access to as many eligible healthy products as possible in areas with high numbers of nutrition assistance program participants.

This category assesses manufacturers' efforts to make their healthy products more accessible through their approaches to pricing and distribution. Category C consists of two criteria:

C1 Affordability

C2 Accessibility

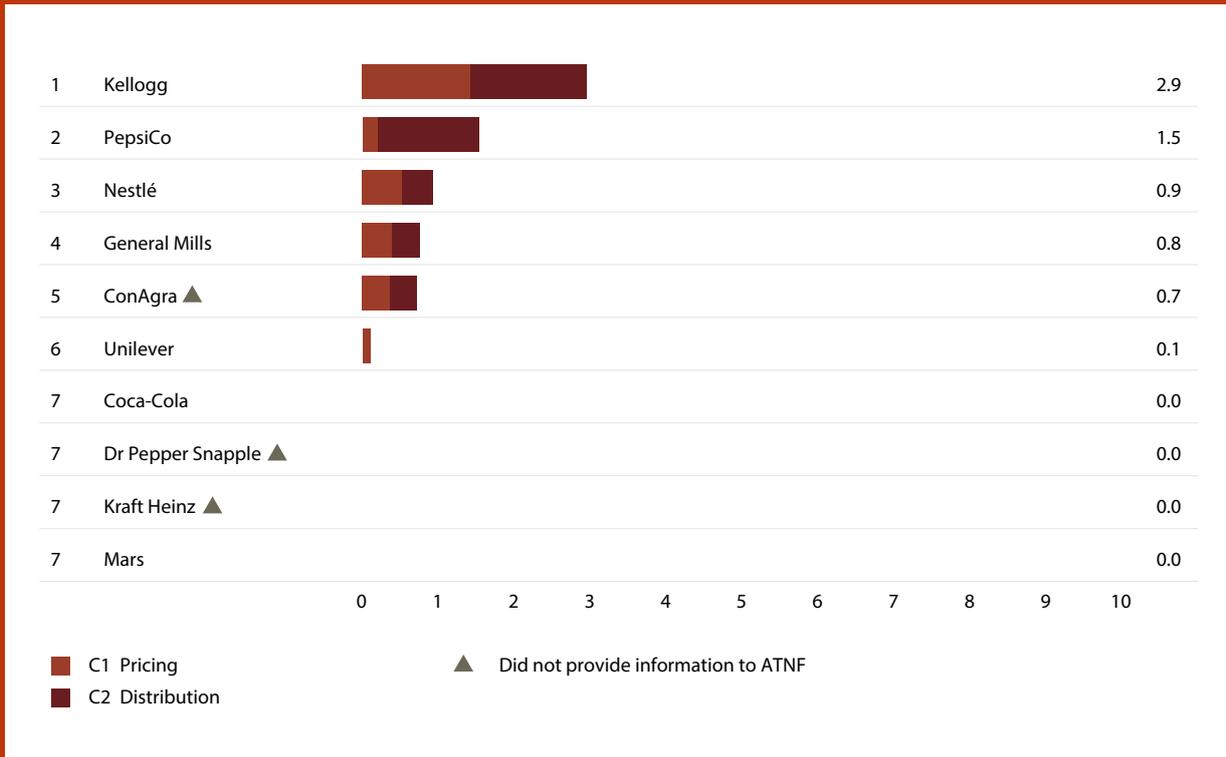
The assessments in Criterion C1 and C2 depend (as they do throughout the Corporate Profile, in all categories) on the companies' definitions of healthy products, which should be clear, publicly disclosed and ideally linked to nutrition criteria embedded within the companies' Nutrient Profiling Systems (NPS). The quality of these systems is assessed in Category B (Products).

A summary of the findings in this category is presented first. It focuses on company performance and ranking, and on key findings and recommendations. Details of the assessments within Criterion C1 on affordability and C2 on accessibility are presented in later sections. Aspects related to marketing, which is closely related to the topics of affordability and accessibility, are described in the separate Category D (Marketing).

Basis for assessment

Neither the pricing nor the distribution of healthy products are aspects of corporate activity subject to external norms, guidelines or standards. These are purely commercial activities which manufacturers determine. Therefore, the indicators used to assess companies on both criteria were established through consultation with the U.S. Expert Group.

FIGURE 1 Category C ranking, based on equally weighted Criteria C1 (Affordability) and C2 (Accessibility)



Company performance and scores

- The average score on Category C is very low at 0.7 out of 10, making it the lowest scoring category of the U.S. Spotlight Index. Scores are distributed similarly across Criterion C1 (Affordability) and C2 (Accessibility).
- The average score of 0.7 on Category C is much lower than the average score of 2.4 on Category C of the Global Index 2018, indicating that companies are not successful in translating their global commitments to the U.S. market.
- Kellogg is the highest-ranking company, although it has a low score of 2.9 out of 10.
- Four companies, Coca-Cola, Dr Pepper Snapple, Kraft Heinz and Mars, did not provide evidence of any relevant commitments, policies or practices, leading to a score of zero.

Main findings and recommendations

- Food and beverage manufacturers in the United States appear not to have embedded within their commercial strategies clear and substantive approaches to improving the affordability and accessibility of their healthy products. This is a serious omission which demonstrates that these ten major companies are not taking a comprehensive approach to helping people in the United States develop healthy eating habits. Companies should increase their efforts and work with other stakeholders such as distributors and retailers to improve the affordability and accessibility of healthy products for consumers.
- Although some companies commit to improving the pricing or distribution of their healthy products, none have formalized their approach in a policy or define concrete targets. They urgently need to set SMART (Specific, Measurable, Achievable, Relevant, Time-bound) targets that can be tracked, underpinned by a clear definition of healthy products. To ensure their policies are implemented, they should make a senior executive responsible for their delivery.
- Companies appear to place very little emphasis on priority populations, whose access to healthy food is constrained by low income or geographic factors. Only Kellogg and PepsiCo commit globally to making healthy products affordable and accessible to underserved populations and they specifically include low-income populations in the United States in their scope. Evidence that companies have analyzed the affordability and accessibility of healthy products for these populations is largely absent. To have the greatest impact on health, affordability and accessibility strategies should include a focus on priority populations.
- Only two companies, Kellogg and PepsiCo, commit to donating healthy products to food insecurity or food access programs. All companies should commit to donating a high percentage of healthy products to ensure that they make the greatest contribution they can to improving the diets and health of those who rely on such programs.

C1 Affordability

Price is one of the most important factors in consumer purchasing decisions. Among the priority populations defined in this report, consumers with low incomes are particularly sensitive to prices as food purchases account for a larger proportion of their budgets.

A company's pricing practices can therefore have a significant impact on people's ability to buy packaged foods and beverages of high nutritional quality. Specifically, it is important that companies ensure their healthy options are equal or lower in price, or price differentials are narrowed, compared with less healthy products.

Companies score well if they:

- Make clear commitments for the whole business to address the affordability of their healthy products in the United States, with particular reference to priority populations.
- Adopt a formal affordability policy that applies to all product categories and allocate responsibility for implementation to a named executive.
- Set affordability targets and provide strong evidence of having reached their targets.
- Provide evidence of analysis of appropriate pricing for healthy products for priority populations.
- Disclose details of U.S.-specific commitments, targets and performance on affordability.

C1 results

What commitments, policies and objectives have companies defined to improve the affordability of healthy products?

- Six of the ten companies make commitments to address the affordability of their healthy products in the United States. However, it is unclear what these commitments mean for consumers, as most lack clarity and none of the companies have formalized their commitments in a policy or defined clear principles. It is important that companies apply a clear definition of healthy products. Simply working to improve the affordability of their entire product ranges without distinguishing and explicitly outlining what they are doing in relation to healthy products is not enough.
- Only Kellogg publishes a description of specific pricing strategies to reach consumers with low incomes in the United States, though it should link them more clearly to healthy products. It publishes the statement, "An opportunity in all markets is the accessibility and affordability of our healthy foods" and provides a description of its pricing strategy to reach underserved populations in the United States in its Nutrition Milestones document, including examples of cereal and healthy snacks products. None of the other companies make a clear reference to priority

populations in their affordability strategy, or only make broad commitments to do so.

- None of the companies have defined concrete targets such as the number of consumers they intend to reach with affordably priced healthy products, a sales volume target for affordably priced healthy products, achieving a particular price point for healthy products or narrowing the price differential on healthy versus other products. Therefore, there is no evidence of progress against targets.

Have companies defined managerial arrangements to improve the affordability of healthy products?

- Because none of the companies have defined a formal policy or strategy to improve the affordability of healthy products, there are no related managerial arrangements to be reported on.
- Only Kellogg achieved a minimal score for its disclosure related to its affordability strategy, which has room for improvement as described previously. It stated the Chief Growth Officer is responsible for it.

Is there any evidence that companies have analyzed what the appropriate pricing of healthy products for priority populations should be in the United States?

- Although some companies provided examples of general pricing analyses, none shared evidence of appropriate pricing analysis of healthy products for priority populations.

BOX 1 AREAS FOR IMPROVEMENT

Companies lack both commitments and business practices to improve the affordability of healthy products

The average score of the ten companies assessed for the U.S. Spotlight Index on Criterion C1 is extremely low; less than one out of ten points. This highlights a large omission in companies' strategies to address nutrition issues and improve health in the United States. Practices to improve the affordability of their healthy products as part of their commercial strategy are either minimal or completely absent.

One way to encourage healthy eating is to make healthy products more affordable than less healthy alternatives. This is particularly important for low-income populations that often cannot purchase healthy foods. Although government nutrition assistance programs such as WIC and SNAP focus on these populations, companies have an important role and responsibility to ensure they make healthy products affordable and accessible to consumers that depend on food assistance programs, and to other priority populations.

Key actions all companies should consider are to:

- Define clearly their healthy products, using a standardized definition that aligns with national and international guidance.
- Adopt and disclose formal policies and/or strategies to improve the affordability of their healthy products as part of their commercial strategy, independent of, or in addition to, any non-commercial nutrition assistance programs they may be involved in.
- Adopt pricing strategies informed by analysis of appropriate prices of healthy products for priority populations.
- Adopt concrete affordability objectives.
- Assign responsibility for implementation to a management executive.

C2 Accessibility

Disproportionately more people with low incomes in the United States are obese and eat unhealthy diets, compared to those with higher incomes. One reason is the difficulty such people have in accessing healthy foods. The U.S. Department of Agriculture's (USDA) 2017 study on food access found that 39 million people in the United States (12%) live in low-access communities – i.e. urban areas where at least a third of the population is over a mile from a supermarket or large grocery store, or more than ten miles away in a rural area. Further, the study concluded that low incomes and lack of access to a vehicle seemed to be greater barriers to accessing healthy food retailers than purely proximity.¹ A 2018 study reinforced the idea that these 'food deserts' are disproportionately found in disadvantaged neighborhoods.²

Given the challenges that many people in the United States face in accessing healthy food, companies should pursue distribution strategies, aligned with those of retailers and distributors, that make their healthy products more easily available. This is particularly important for those that currently lack such options, i.e. those defined as priority populations in this Index. Given that high-income and low-income households spend more or less the same proportion of their grocery dollars at supermarkets (91% versus 87% respectively),³ it is important that food manufacturers work with grocery stores to enhance the availability and affordability of their healthy options.

Companies score well if they:

- Make clear commitments across the entire business to address the accessibility of their healthy products in the United States, with particular reference to priority populations.
- Adopt a formal accessibility policy that applies to all product categories and allocate responsibility for implementation to a named executive.
- Commit and demonstrate that a high percentage of the products they donate to public health and nutrition programs/organizations are healthy.
- Set accessibility targets and provide strong evidence of having reached their targets.
- Provide evidence of undertaking analysis of the accessibility of its healthy products to priority populations.
- Disclose details of U.S.-specific commitments, targets and performance on accessibility.

C2 results

What commitments, policies and objectives have companies defined to improve the accessibility of healthy products commercially?

- Only four of ten companies (General Mills, Kellogg, Nestlé and PepsiCo) make a commitment to extend the distribution of their healthy products to make them more accessible to everyone. PepsiCo is the only company that publicly discloses a clear commitment as part of its commercial, 'Performance with Purpose' strategy that applies to the United States. Within the 'Products' stream of its strategy, one of five central goals is to, 'Provide access to healthier options for underserved communities and consumers.' Although this commercial commitment is in place, the concrete application in the United States appears to be mostly related to programs and activities that are philanthropic in nature, such as its 'Food for Good' program, currently.
- Similar to the results on affordability, none of the companies have adopted a formal policy or set concrete targets to improve consumers' ability to access their healthy products. For example, by working with distributors and/or retailers to develop pilot initiatives or programs. Therefore, companies do not report on managerial arrangements or progress against targets in this area.

Is there any evidence that companies have analyzed the accessibility of healthy products for priority populations in the United States?

- None of the companies shared evidence of any accessibility analyses of healthy products for priority populations. Kellogg was the only company to share limited evidence of doing an analysis of the types of nutrients that children who do not eat breakfast are deficient in, and how it could contribute to providing them through its breakfast and other products that meet the nutrition standards of the School Breakfast Program and other national school feeding programs. The minimal evidence available shows that all companies have much work to do to improve the accessibility of healthy products.



Has the accessibility of healthy foods improved through companies' food donations to food access/food insecurity programs?

- To improve the diets and health of people dependent on food access or food insecurity programs, it is important that companies donate a high percentage of healthy products. Only two companies, Kellogg and PepsiCo, make commitments to do so. Kellogg reports to fund and work with Action for Healthy Kids, the Food Research and Action Center and Share Our Strength's No Kid Hungry campaign to expand federally funded school breakfast programs, donating foods that are aligned with USDA Dietary Guidelines. PepsiCo donates food and beverage products that are aligned with USDA standards and which include fresh fruits and vegetables, whole grains, low-fat milk and snacks to children in need under its 'Food for Good' program.
- Many companies donate products to Feeding America or other organizations but do not commit to donate a high percentage of healthy products. Further, none of the companies provided evidence of tracking the proportion of healthy products that were donated. Therefore, there is no evidence to suggest that companies' food donations contribute positively to increasing priority populations' access to healthy foods and beverages.

BOX 2 AREAS FOR IMPROVEMENT

Commitments and programs to improve the accessibility of healthy products are lacking

Similar to companies' performance on the affordability of healthy products, there is little evidence that companies have made commitments or support programs to improve the accessibility of healthy products.

Key actions all companies should consider are to:

- Adopt and disclose a strategy with concrete objectives to improve the accessibility of their healthy products for all consumers but for priority populations in particular.
- Set out clear managerial arrangements for delivering on that strategy.
- Undertake analysis on the accessibility of healthy products for priority populations. This is particularly important in so-called 'food deserts' in both rural and urban areas.
- Look for ways to collaborate with distributors and retailers to increase the accessibility of healthy foods.
- Donate a high proportion of healthy products through programs proven by independent evaluations to be effective in reaching priority populations, or support them in-kind or with financial contributions. This should be in addition to, but not in lieu of, commercial strategies.

NOTES

¹ United States Department of Agriculture (2018). *Low-Income and Low-Supermarket-Access Census Tracts 2010-2015*. [online] Available at: <https://www.ers.usda.gov/webdocs/publications/82101/eib-165.pdf?v=42752>

² The National Bureau of Economic Research (2018). *The Geography of Poverty and Nutrition: Food Deserts and Food Choices Across the United States*. [online] Available at: <http://www.nber.org/papers/w24094>

³ The National Bureau of Economic Research (2018). *The Geography of Poverty and Nutrition: Food Deserts and Food Choices Across the United States*. [online] Available at: <http://www.nber.org/papers/w24094>



D Marketing

(22.5% of overall score)

Consumers' choices of what to eat and drink are influenced in part by how manufacturers market their products, as outlined in the [Context](#) chapter in this report. Companies can support consumers in making healthy choices by marketing their products responsibly and prioritizing the marketing of healthier products.¹ They therefore need to adopt and publish responsible marketing policies for all consumers, including additional commitments with respect to marketing to children.

This category assesses the scope and strength of companies' corporate marketing policies, specifically how they align to best-practice marketing guidance and standards, and their systems for auditing compliance with their policies. It comprises an assessment of corporate marketing with respect to two audiences: One focuses on general aspects of responsible marketing that apply to all consumers regardless of age; The second focuses on responsible marketing to children only.² The category therefore consists of two sets of two criteria:

All consumers

- D1** Responsible marketing policy
- D2** Auditing and compliance with policy
- D3** Spending: Advertising focus (unscored)

Children

- D4** Responsible marketing policy
- D5** Auditing and compliance with policy
- D6** Spending: Advertising focus and policy impact (unscored)

A summary of the findings in this category is presented first, focusing on company performance and ranking, and on key findings and recommendations. Details of the assessments within Criteria D1-3 on responsible marketing to all consumers and Criteria D4-6 on responsible marketing to children are presented in later sections.

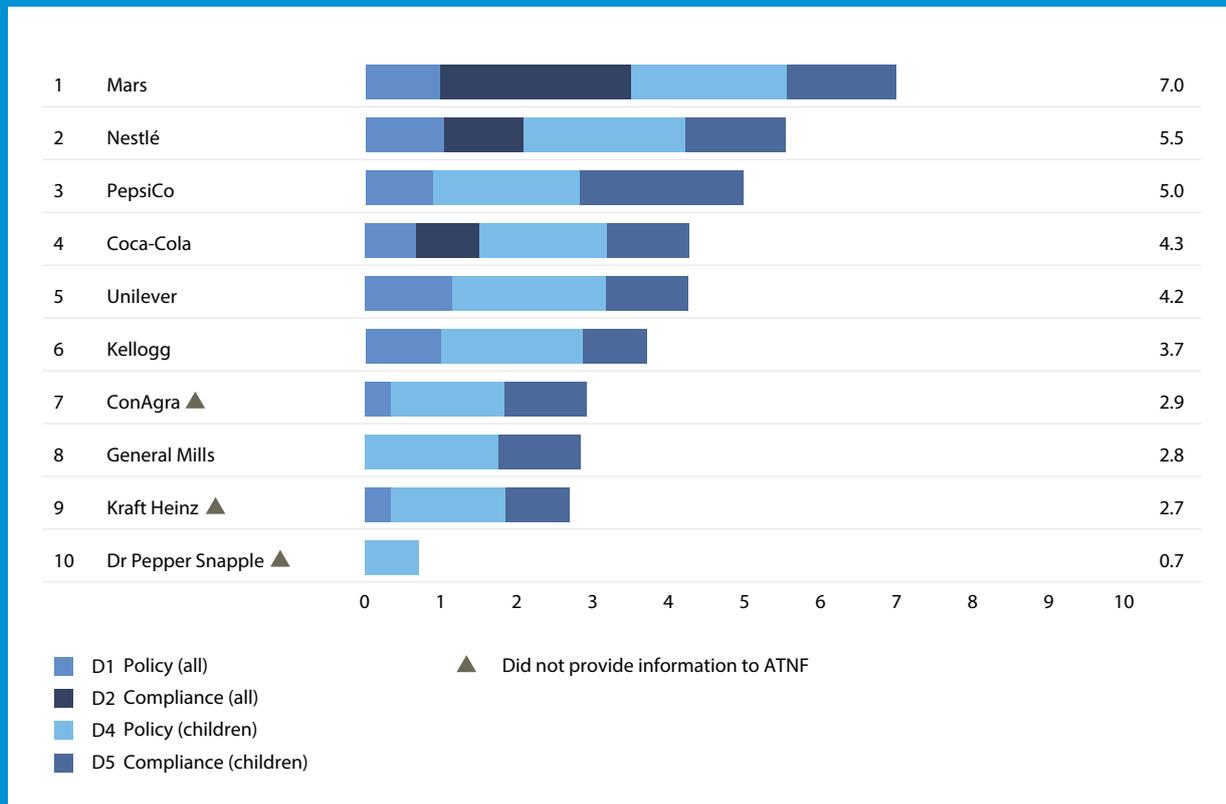
Basis for assessment

The indicators within Criteria D1 and D4 are based primarily on the two marketing codes with relevance to the United States. For Criterion D1, most indicators are based on the International Chamber of Commerce (ICC) Framework for Responsible Food and Beverage Marketing Communications. In the case of Criterion D4, the indicators assess companies' compliance with two industry-developed codes – the Children's Advertising Review Unit (CARU) and the Children's Food and Beverage Advertising Initiative (CFBAI), both outlined below. Additional indicators were added to Criteria D1 and D4 to assess whether companies go beyond these organizations' requirements and commit to restricting marketing in other ways identified as important by experts.

The indicators within Criteria D2 and D5 were developed in consultation with the U.S. Expert Group as systems to monitor companies' compliance with their policies are not defined by national or international norm-setting bodies. Nevertheless, it is standard business practice for companies to audit compliance with their policies.

The indicators within Criteria D3 and D6 were developed with the input of the U.S. Expert Group. They principally aim to capture factual information, i.e. spending on marketing healthy products, but as this is done on an exploratory basis the information found does not contribute to companies' scores.

FIGURE 1 Category D overall ranking, based on equal-weighted of the four constituent criteria*



* All consumers - Criteria D1 (Responsible marketing policy) and D2 (Auditing and compliance with policy); Children - Criterion D4 (Responsible marketing policy) and D5 (Auditing and compliance with policy)

Company performance and scores

- The average score on Category D is 3.9 out of 10. Of the four scored criteria in Category D, scores for Criteria D4 and D5 on responsible marketing to children and related compliance auditing are considerably higher than those for Criteria D1 and D2 which assess companies' approaches to responsible marketing to all consumers, and related compliance auditing.
- Mars leads the ranking principally due to its comprehensive approach to auditing. It is the only company to achieve a full score in Criterion D2. Nestlé and PepsiCo rank second and third with a score of 5 or more out of 10.
- Dr Pepper Snapple is the only company to score below 1 out of 10. It publishes limited commitments on responsible marketing to children and shows no evidence of auditing its compliance with its marketing policies.

Main findings and recommendations

- Eight of the ten companies publish a policy on responsible marketing to all consumers or pledge to support the Consolidated International Chambers of Commerce Code of Advertising and Marketing Communication Practice (ICC Code). Three of these eight demonstrate industry best practice by making additional commitments in their policies that go beyond the ICC Code.
- However, none of the companies commit to developing and delivering marketing strategies for their healthy products to priority populations in the United States. All companies should commit to designing such strategies.
- Mars is the only company that has commissioned an independent, third-party audit of its compliance with its marketing policies in relation to children and all consumers. All companies should adopt this approach.
- Given the high numbers of children in the United States who are obese or overweight, it is critical that all food and beverage manufacturers substantially strengthen their commitments on responsible marketing to children and that CFBAI and CARU revise their standards to plug the gaps that currently exist. Companies and these initiatives need to ensure that their commitments are comprehensive, as specified in the ATNI methodology, and explicitly cover all relevant media, including traditional and digital media.
- Companies – and CFBAI – need to focus particularly on reducing their marketing in and near schools. General Mills and Kraft Heinz are the only companies who currently commit not to market in K-12 schools. All companies should commit to not market any products in or near elementary, middle and high schools. They should also extend the commitment to other places popular with children, such as YWCA-YMCAs, after-school clubs, Boys and Girls Clubs, etc. In addition, companies should explicitly list the types of marketing that are covered by their commitments (e.g. through vending machines, educational materials, etc.).

D1 Responsible marketing policy covering all consumers

Among the longest-standing and most widely supported general marketing codes is the ICC Code, which was first published in 1937. The ICC Code provides guidance to a wide range of stakeholders and is the foundation of most national self-regulatory marketing codes.³ The ICC Code sets out general principles governing all marketing communications, including separate sections on sales promotion, sponsorship, direct marketing, digital interactive marketing and environmental marketing.

National committees and groups form the global network that makes ICC unique among business organizations. ICC members shape the organization's policies and, through their national committees, alert their governments to international business concerns. In the United States, the member organization is the United States Council for International Business (USCIB).

In 2004, the ICC developed the Framework for Responsible Food and Beverage Marketing Communications (ICC Framework) to provide more specific guidance on how these principles should be applied in the food and beverage sector. The framework was updated in 2012 to align with the 2011 revision of the overarching ICC Code.⁴

Companies score well if they:

- Have a marketing policy that applies to all consumers, across a wide range of media and forms of marketing.
- Adhere to the following guidelines from the ICC Framework:
 - To accurately represent the material characteristics of the product featured (such as its taste or any nutrition or health benefits).
 - To base the use of any health or nutrition claims on sound scientific evidence.
 - To present products in the context of a balanced diet.
 - To present products in the appropriate portion size and context (and not condone or encourage excessive consumption).
 - For food products not intended to be substitutes for meals, not to represent them as such.
 - To not undermine the concept of healthy lifestyles.
 - To not cite consumer taste or preference tests in a way that might imply statistical validity if there is none. Testimonials are based on well-accepted and recognized opinion from experts.

- Do not use models with a Body Mass Index (BMI) of under 18.5.
- Commit to developing and delivering marketing strategies for healthy products tailored to reaching priority populations, whose access to healthy food is constrained by low income or geographic factors.
- Publish a policy or pledge that follows the ICC Framework, and disclose a commitment to develop and deliver healthy food marketing strategies for priority populations.

D1 results

To what extent have companies adopted policies on responsible marketing to all consumers (separate from commitments related to responsible marketing to children)?

- All companies except Dr Pepper Snapple and General Mills (eight in total) publish a policy on responsible marketing to all consumers or pledge to support the ICC Framework.
- These eight companies make commitments about the representation of their products to varying extents. Five companies define the media their policy applies to. The best-performing companies and their commitments are described in Box 1.

BOX 1 LEADING EXAMPLES OF RESPONSIBLE MARKETING COMMITMENTS TO ALL CONSUMERS

A comprehensive set of responsible marketing principles has been defined in the ICC Framework for Responsible Food and Beverage Marketing Communications, e.g. to ensure fair representation of products. Mars, Nestlé and Unilever make additional commitments in their policies to not use any models with a BMI of under 18.5 and to present products in the context of a balanced diet.

It is important that responsible marketing commitments are applied equally to all media channels. Coca-Cola, Nestlé and Unilever commit to cover a broad range of media channels embedded within the ATNI methodology:

- TV & radio
- Own websites
- Third-party websites
- DVDs, CDs and games
- Social media (Facebook or Twitter feeds of companies or brands)
- All print media (newspapers, magazines, books, and printed advertising in public places)
- Mobile and SMS marketing
- Cinema
- Outdoor marketing
- In-store marketing / point of sales marketing
- Sponsorship
- Product placement (i.e. in movies or TV shows)

Are any commitments in place or is any action taken to develop and deliver marketing strategies for healthy products tailored to reaching priority populations?

- None of the companies express an explicit commitment to specifically market healthy products to priority populations. Only three companies (Kellogg, PepsiCo and Unilever) provided evidence of trying to understand and reach priority populations through consumer and marketing research. More information on this issue and recommendations for improvement are provided in Box 2.

BOX 2 AREAS FOR IMPROVEMENT

Commitments and actions to understand and reach priority populations with healthy products are lacking

Throughout the sections of this report it is clear that food and beverage companies do not have a commercial focus on priority populations whose access to healthy food is constrained by low income or geographic factors. The fact that none of the companies commit to develop and deploy specific marketing strategies to reach priority populations with more healthy foods confirms this conclusion. It is common business practice to deliver specific marketing messages to defined target groups through customer segmentation to identify groups that have common characteristics. Such targeted approaches could be powerful to appeal to specific low-income groups or other priority populations in order to drive healthier eating.

Companies' marketing could, for example, focus on price and other forms of promotion to motivate people with low incomes to buy their healthy products, and remove promotions of less healthy products, thereby contributing to narrowing the nutrition equity gap for priority populations.

Key actions all companies should consider are to:

- Commit to develop and deliver marketing strategies for healthy products tailored to reaching priority populations in the United States.
- Undertake research to generate consumer and marketing insights relating to marketing of healthy products to priority populations.
- Use multiple communication channels from mass to social media to reach specific priority populations with marketing for healthy products.
- Work with creative agencies to ensure communication of healthy products is compelling and attractive to specific priority populations.
- Work with behavioral specialists to inform design of communications of healthy products to drive desired behavior change.

D2 Auditing and compliance with policy

It is established best practice for companies, or organizations they are members of, to commission an independent specialist organization to carry out an annual audit of compliance with a marketing code or pledge, and for each company to publish its own results. However, sometimes companies audit themselves instead, using their internal audit function, and do not always disclose the results.

Companies score well if they:

- Commission external independent audits of compliance with their policy that complement industry association or pledge audits.
- Disclose details of the results of these audits, particularly the individual compliance levels achieved.

D2 results

How many companies audit their compliance with their commitments on responsible marketing to all consumers?

- Of the eight companies that have a policy on responsible marketing to all consumers, only Mars and Nestlé audit their compliance. Mars is the only company to commission independent auditing. Its leading practice is described in Box 3.
- Coca-Cola commissioned an independent auditor to review the process of implementing its recently updated marketing commitments. This is an approach to track whether the implementation of its new commitments was successful. Although the ATNI methodology does not give companies credit for auditing themselves in this way, the company was credited for disclosing the information.

BOX 3 LEADING PRACTICE

Mars' advanced approach to auditing its responsible marketing policy

In 2016 Mars started to undertake extensive compliance audits on its marketing policy, the Mars Marketing Code. It is the only company assessed on the U.S. Spotlight Index that demonstrates this leading practice. The audits cover both its commitments regarding marketing to all consumers, as well as its specific additional commitments on marketing to children. This auditing complements industry-association and pledge organization audits on responsible marketing to children.

Mars publicly discloses that it commissioned third-parties MediaCom and Starcom to perform media placement auditing across media types and Ebiquty for media content auditing, covering 14 countries worldwide, including the United States. The company announced it will repeat this auditing scheme every quarter. All companies should follow this example and commission independent, third-party auditing of all their responsible marketing commitments across all media channels, and to publicly disclose the third-party that performs the audit as well as the results.

BOX 4 EXPLORING COMPANIES' SPENDING ON HEALTHY PRODUCT ADVERTISING

One way to encourage people to consume healthier food and drink is for companies to invest more in marketing healthy options. Advertising and marketing are core commercial activities but not areas where best practice rules tend to be set by government agencies or standard-setting bodies. The three indicators used here to assess corporate performance were developed with the Expert Group and are not scored. This approach is taken when ATNF is introducing new indicators to determine whether companies have the information needed and are willing to share it with ATNF. The three metrics companies were requested to provide information on are:

- Does the company have a commitment to increase its marketing spending on healthy products in the United States, for all consumers (D3) and for children (D6)?
- What percentage of the total marketing budget is allocated to marketing healthy products, for all consumers (D3) and for children (D6)?
- Can the company provide, for its five largest categories, the percentage of the total marketing budget allocated to marketing healthy options, for all consumers (D3) and for children (D6)?

Only two companies provided information and just one of them indicated a commitment to spend more of its marketing budget on healthy products than on products that do not meet the healthy standard. Although details cannot be reported, as information was shared under Non-Disclosure Agreement (NDA), the low response rate may suggest that most companies do not yet link their marketing budgets predominantly to healthy products, either for the whole market or for children.

D4 Responsible marketing policy for children

It is widely agreed that children need special consideration with respect to marketing because they are unable to fully understand the persuasive intent of advertisements.

In the international context, the World Health Organization's (WHO) Strategy on Diet, Physical Activity and Health discourages messages that promote less healthy dietary practices and encourages positive, healthy messages in food and beverage advertisements aimed at children.⁵ Through its NCD Action Plan for 2013-2020 the WHO reiterates the call to member states to implement its Framework of Recommendations for Marketing to Children.^{6 7 8}

In the United States, marketing to children is primarily controlled through voluntary industry self-regulation. Food and beverage manufacturers can sign up to two codes or sets of guidelines that are separately administered but complementary:

- 1 **CARU Guidelines:** The Children's Advertising Review Unit was established originally in 1974 by the National Advertising Review Council (NARC) as a self-regulatory program to promote responsible children's advertising. CARU is administered by the Council of Better Business Bureaus (CBBB) and funded by members of the children's advertising industry. CARU addresses how foods (and all products) are advertised to children under 12 years old but does not stipulate which products (including foods) can be marketed to children. The CARU Guidelines strive to take into account children's special vulnerabilities by ensuring that advertising directed towards them is truthful, not misleading, unfair, or inappropriate for its intended audience, and is in compliance with CARU's Self-Regulatory Guidelines (Guidelines). The Guidelines also reflect the requirements of the Children's Online Privacy Protection Act (COPPA).⁹
- 2 **CFBAI:** The Children's Food and Beverage Advertising Initiative is administered by the CBBB. All participants commit to follow CFBAI's 'Core Commitments' which require that they only advertise to children under age 12 those foods that meet CFBAI's Uniform Nutrition Criteria on media covered under the program, or they can pledge not to advertise to them at all. They must make their support of CFBAI public and their compliance is assessed each year by the CBBB. The goal is to use advertising to help promote healthy dietary choices and lifestyles among children living in the United States.¹⁰ CFBAI updated its Uniform Nutrition Criteria in September 2018, including stricter sodium and added sugar limits, which will be implemented by January 2020.¹¹

Some companies also adopt policies with more stringent standards than these pledges.

The indicators used in D4 assess the extent to which companies have adopted policies that restrict the marketing of less healthy foods and beverages to children, either simply by signing up to CARU and/or CFBAI, or by adopting their own policies that go beyond those guidelines to address the gaps. The indicators evaluate the forms of marketing to which policies apply.

Companies score well if their policies and commitments:

- Apply to a wide range of media (including but not limited to TV, print media, all forms of new media, sponsorship, DVDs, CDs and games, cinema advertising, in store marketing, point-of-sale marketing, interactive games, product placement, films, etc).
- Prohibit all advertising to children or allow only the advertising of healthy products.
- Make clear which provisions apply to children under-six, under-12 or older, and strictly define what constitutes a child audience.
- Support healthy diets and active lifestyles, responsible advertising techniques (including related to the use of celebrities, animated characters, toys and games), not to undermine the role of parents, to fairly represent foods with the use of objective claims and clearly differentiate marketing and branding.
- Use effective tools to ensure that online marketing deters children younger than the age for which it is intended.
- Extend to marketing in and near pre-kindergarten, elementary, middle and high schools, and other places popular with children (including but not limited to after-school clubs, Boys and Girls Clubs, YWCA-YMCAs, amusement parks, cultural events).
- Explicitly cover a wide range of marketing techniques used in schools.
- Publish their policies or follow industry codes that are publicly available.

D4 results

How comprehensive are companies' commitments regarding responsible marketing to children?

- All companies, except Dr Pepper Snapple, commit to follow CARU guidelines and are members of CFBAI, thereby committing to follow CFBAI's core commitments, covering a non-exhaustive list of media. Coca-Cola, Mars and Nestlé cover the full set of media defined in the ATNI methodology, including social media, point-of-sale marketing and other media.
- Coca-Cola, Mars and Nestlé are the only companies that commit not to market any products to children under 12. For restrictions on marketing to children, companies apply an audience threshold to decide when the restriction should apply. Most companies apply their marketing restrictions when children make up 35% or more of the audience, but best-performing companies (Mars and Nestlé) apply a threshold of 25%.
- For online marketing, digital tools should be applied to ensure that the marketing messages do not reach children under the age threshold that companies commit to. Most companies apply at least some of those tools, e.g. by applying age screening prior to logging on or ensuring the design does not attract young children. An overview of companies' commitments is provided in Table 1.
- An extensive list of commitments has been assessed related to restricting specific marketing messages and techniques, e.g. related to supporting the role of parents, not creating a sense of urgency, not using celebrities, fantasy or animated characters and many more. Nestlé leads the ranking on D4 and details regarding its set of commitments are provided in Box 5.

TABLE 1 An overview of the comprehensiveness of companies' policies on marketing to children.

	Coca-Cola	ConAgra	Dr Pepper Snapple	General Mills	Kellogg	Kraft Heinz	Mars	Nestlé	PepsiCo	Unilever
Policy applies to media channels covered by CFBAI commitment	Fully	Fully	Partially	Fully	Fully	Fully	Fully	Fully	Fully	Fully
Policy applies to extended media channels (not covered by CFBAI)	Fully	Partially	Not	Partially	Partially	Partially	Fully	Fully	Partially	Partially
Comprehensive commitments to restrict specific marketing techniques and messages (such as use of fantasy figures)¹²	High	Medium	Low	Medium	High	Medium	High	High	Medium	High
Restrictions apply when the proportion of children in the audience is greater than:	35%	35%	35%	35%	35%	35%	25%	25%	35%	35%
Products that are marketed to children under six	None	None	Healthy	None	None	None	None	None	None	None
Products that are marketed to children aged seven to 12	None	Healthy	Healthy	Healthy	Healthy	Healthy	None	None	Healthy	Healthy
Suite of digital tools applied to deter young children applies	Fully	Partially	Not	Partially	Partially	Partially	Fully	Fully	Fully	Partially

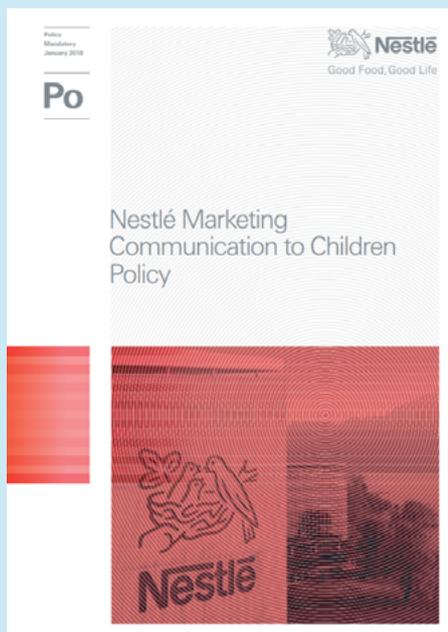


BOX 5 LEADING PRACTICE

Nestlé's policies and commitments on responsible marketing to children

Nestlé demonstrates leading practice by having the most comprehensive set of commitments and practices regarding responsible marketing to children. It therefore leads the scoring on Criterion D4, followed closely by Mars. Nestlé supports the CARU guidelines and is a member of CFBAI. Complemented by its own commitments expressed in the publicly disclosed Nestlé Marketing Communication to Children Policy, the company makes a broad range of commitments across the full range of traditional and new media that are considered relevant by the ATNI methodology.

Nestlé's commitments cover respecting the role of parents, the use of celebrities, the use of licensed fantasy and animated characters, toys and promotional games, and more. It also commits not to market any products in the United States to children under 12. Nestlé specifies this in its CFBAI commitment, which is a stricter commitment than the company applies globally. These marketing restrictions apply when children make up more than 25% of the audience of the media in question, which is the industry-leading audience threshold currently. To ensure that its online marketing deters children under 12, the company applies a comprehensive set of digital tools, including age checks, reviewing of website traffic data to determine audience demographics and more. These tools cover all corporate and brand websites, third-party websites and mobile media.

**How extensive and concrete are companies' commitments to restrict marketing in and near schools and other places popular with children?**

- All companies commit to refrain from marketing in elementary schools, but only Nestlé extends this commitment to areas near elementary schools, and explicitly covers new media advertising techniques.
- Coca-Cola, Kellogg, Mars and PepsiCo are the only companies to specify some types of marketing that are explicitly covered, for example at fundraisers, on educational materials, on school equipment, through vending machines or in school buses.
- General Mills and Kraft Heinz demonstrate leading practice by committing not to market at all in elementary, middle and high schools, which is described in Box 6 in more detail.

BOX 6 LEADING PRACTICE

General Mills and Kraft Heinz commit to not market any products in K-12 schools

General Mills demonstrates leading practice among the companies assessed for the U.S. Spotlight Index by making a clear and public commitment on its corporate website not to market at all in schools through to the 12th grade. It states, "Regardless of the nutrition profile of the product, General Mills does not directly advertise food or beverage products in schools, pre-kindergarten through 12th grade."

The pledge made by Kraft Heinz to CFBAI, also shows a commitment to not market any products in schools from pre-kindergarten through 12th grade, though the document stems from 2014 and is linked to Kraft Foods Group. Although Kraft Heinz confirmed the commitment is still in place, it should update the pledge document to avoid any confusion. All other companies should follow these examples and pro-actively commit to not market in any schools, pre-kindergarten through to 12th grade. Further, all companies should extend their commitments to areas near these schools and other places popular with children, such as after-school clubs, Boys and Girls clubs, etc.

- Coca-Cola, Dr Pepper Snapple and PepsiCo commit not to market at all in elementary and middle schools through their commitment expressed via the American Beverage Association (ABA), although high schools are not covered. An overview of the most relevant commitments related to marketing in schools is provided in Table 2.
- Nestlé is the only company to make some commitment to restrict marketing in other places popular with children such as YWCA-YMCAs, after-school clubs and Boys and Girls Clubs. The recommendations for all companies to improve in this area are described in Box 7.

TABLE 2 Overview of companies' commitments related to marketing in schools.

	Coca-Cola	ConAgra	Dr Pepper Snapple	General Mills	Kellogg	Kraft Heinz	Mars	Nestlé	PepsiCo	Unilever
No marketing in elementary schools	●	●	●	●	●	●	●	●	●	●
No marketing near elementary schools								●		
No marketing in middle and high schools	Middle		Middle	Both		Both			Middle	
No marketing in other places where children gather								Partially		
Specific types of marketing are covered explicitly (e.g. on vending machines)	Partially				Partially		Partially		Partially	

BOX 7 AREAS FOR IMPROVEMENT

Commitments related to marketing in schools are not comprehensive

Although all companies commit not to market any of their products in elementary schools, they do not extend similar commitments to middle and high schools and other places popular with children. In addition, they also omit commitments to not market products near schools and other places where children gather, nor offer explicit descriptions of the types of marketing that are covered.

It may seem redundant to require companies to list specific types of marketing, but advocacy groups that monitor such marketing assert that marketing in and around schools continues to be problematic.¹³ A few examples are shown in Figure 2. Results of independent company audits would help to clarify the extent to which companies are addressing this problem.

Key actions all companies should consider are to:

- Commit to not market any products in or near K-12 schools and other places popular with children.
- Specify to cover the following types of marketing:
 - Signs, scoreboards or posters
 - Educational materials (e.g. text or work books, curricular, websites for educational purposes, other)

- Vending machines, food or beverage cups or containers, food display racks, coolers
- School equipment, e.g. pencils, notebooks, textbook covers, other stationery supplies
- School uniform or sports uniform
- Advertisements in school publications, on school radio stations, in-school TV, computer screen savers, school-sponsored or used internet sites, announcements on the PA system
- Fundraisers or sponsored programs linked to companies, to encourage purchases (e.g. McTeacher's night, Campbell's Labels for Education, General Mills Box Tops for Education, etc.)
- Corporate incentive programs that reward or provide children with free or discounted foods or beverages
- School buses
- Market research activities (taste tests, coupons, free samples)

FIGURE 2 Examples of food marketing techniques in schools (reprinted with permission)



Incentive programs

Billboards, banners, vending machine exteriors

Source: Center for Science in the Public Interest (2017). Examples of Unhealthy Marketing in Schools.

D5 Auditing compliance with policy

Established best practice is for individual companies or a membership organization to commission an independent expert organization to carry out an audit, and to publish the results of the audits on an individual company basis. However, sometimes companies instead audit compliance through internal auditing functions and do not always disclose the results.

Companies score well if they:

- Commission external independent audits of compliance with their own policy that complements CFBAI audits.
- Disclose details of the results of these audits, particularly the individual compliance levels achieved.
- Have a clear commitment to corrective action.
- Have had no complaints against them upheld by CARU in the last three years.

D5 results

Do companies undertake or commission audits to assess whether they comply with their policies on responsible marketing to children?

- As all companies except Dr Pepper Snapple are CFBAI members, these nine companies all take part in annual CFBAI audits. They include monitoring of advertisements on child-directed television networks and websites, as well as self-assessment reports according to requirements defined by CFBAI / CBBB. As already described in Box 3 (section D2), Mars is the only company to commission independent auditing that covers both of its responsible marketing policies covering marketing to all consumers and marketing to children.
- PepsiCo is the only company that discloses its individual compliance levels. An overview of the most important aspects of companies' auditing is provided in Table 3.
- Mars is the only company that makes a commitment to take corrective action in the case of non-compliance.

TABLE 3 Overview of companies' compliance auditing performance and disclosure regarding responsible marketing to children

	Coca-Cola	ConAgra	Dr Pepper Snapple	General Mills	Kellogg	Kraft Heinz	Mars	Nestlé	PepsiCo	Unilever
Annual compliance auditing in place	●	●		●	●	●	●	●	●	●
Audit extends beyond media covered by CFBAI							●			
Individual compliance level published									●	
Clear commitment to take corrective action in case of non-compliance							●			

NOTES

- ¹ The marketing of breast-milk substitutes is not covered in this section.
- ² Children are defined as all children and youth under the age of 18.
- ³ International Chamber of Commerce (2008). *ICC Advertising and Marketing Communications Code* [online]
Available at: <https://iccwbo.org/publication/icc-advertising-and-marketing-communications-code/>
- ⁴ International Chamber of Commerce (2012). *Framework for Responsible Food and Beverage Marketing Communications 2012*. [online] Available at: <https://cdn.iccwbo.org/content/uploads/sites/3/2012/09/Framework-for-Responsible-Food-and-Beverage-Marketing-Communications-2012.pdf>
- ⁵ World Health Organization (2004). *Global Strategy on Diet, Physical Activity and Health*. [online] Geneva.
Available at: www.who.int/dietphysicalactivity/strategy/eb11344/strategy_english_web.pdf
- ⁶ World Health Organization (2006). *Marketing of food and non-alcoholic beverages to children: Report of a WHO forum and technical meeting*. [online] Geneva.
Available at: <http://www.who.int/dietphysicalactivity/publications/Oslo%20meeting%20layout%2027%20NOVEMBER.pdf>
- ⁷ World Health Organization (2010). *Set of recommendations on the marketing of foods and non-alcoholic beverages to children*. [online] Geneva. Available at: <http://www.who.int/dietphysicalactivity/publications/recsmarketing/en/>
- ⁸ World Health Organization (2012). *A framework for implementing the set of recommendations on the marketing of foods and non-alcoholic beverages to children*. [online] Geneva.
Available at: <http://www.who.int/dietphysicalactivity/MarketingFramework2012.pdf>
- ⁹ Children's Advertising Review Unit (2014). *Self-Regulatory Program for Children's Advertising*. [online] Available at: <http://www.ascreviews.org/wp-content/uploads/2012/04/Self-Regulatory-Program-for-Childrens-Advertising-Revised-2014-.pdf>
- ¹⁰ Council of Better Business Bureaus (2018). *Children's Food and Beverage Advertising Initiative*. [online]
Available at: <https://bbbprograms.org/programs/CFBAI/>
- ¹¹ Council of Better Business Bureaus. (2018). CFBAI Revised Uniform Nutrition Criteria. [online]
Available at: <https://bbbprograms.org/programs/CFBAI/cfbai-releases--statements/cfbai-revised-uniform-nutrition-criteria/>
- ¹² Scores are defined as 'low' if companies score less than 50% on the set of marketing commitments assessed in indicators 5-11 in Criterion D4, 'medium' if they score 50-75% and 'high' if they score more than 75%.
- ¹³ Center for Science in the Public Interest (2017). *Examples of Unhealthy Marketing in Schools*. [online]
Available at: <https://cspinet.org/resource/examples-unhealthy-marketing-schools-voices-healthy-kidscspi>

E Lifestyles

(5% of overall score)

Companies can encourage their staff to adopt healthy diets and active lifestyles by including well-designed elements relating to these topics within their broader employee health and wellness programs. In addition to other benefits, such programs can help facilitate a company culture that contributes to a greater focus on improving the company's nutrition practices. Given the health benefits to mothers and babies of breastfeeding and the recommendations of public health bodies to support it, companies can play their part by supporting mothers to breastfeed in various ways. This can be done by offering paid leave arrangements and suitable facilities to enable mothers to express breastmilk after having returned to work. Companies can also help consumers by supporting healthy diet and active lifestyle programs that are underpinned by a sound evidence base, draw on stakeholders' input, are designed by experts and evaluated by independent expert organizations.

This category assesses the extent to which companies support such efforts. It consists of three criteria:

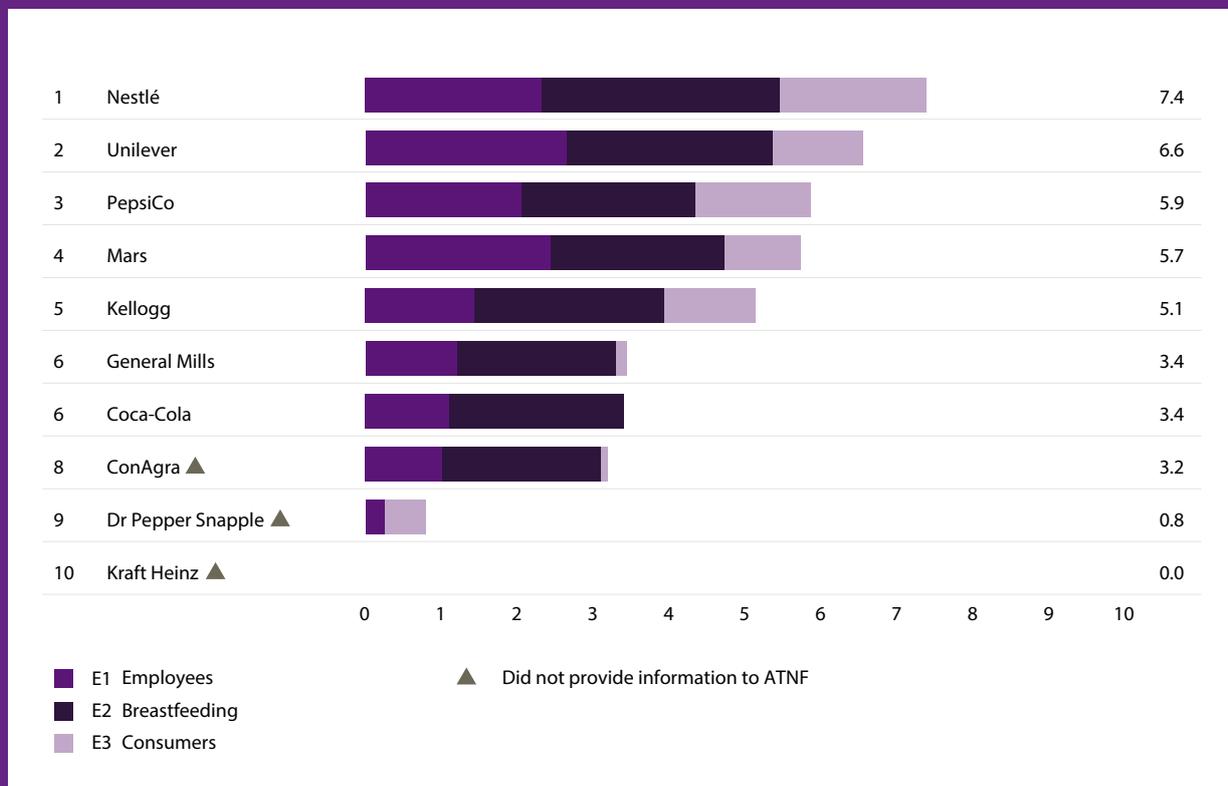
- E1** Supporting employee health and wellness.
- E2** Supporting breastfeeding mothers in the workplace.
- E3** Supporting consumer-oriented healthy diet and active lifestyle programs.

A summary of the findings in this Category is presented first, focusing on company performance and ranking, and on key findings and recommendations. Details of the assessments within Criterion E1 on supporting employee health and wellness, E2 on supporting breastfeeding mothers in the workplace and E3 on supporting consumer-oriented healthy diet and active lifestyle programs are presented in later sections.

Basis for assessment

There are no formal guidelines or standards issued by international or national agencies to guide the design of employee health and wellness programs nor consumer-orientated programs. Therefore, the indicators used to assess companies on all three criteria were established through consultation with the U.S. Expert Group and were informed by examples of established good corporate practice. The indicators used in Criterion E2 draw on guidance issued by the Centers for Disease Control and Prevention (CDC), the American Academy of Pediatrics (AAP) as well as the World Health Organization (WHO), as outlined in that section.

FIGURE 1 Category E overall ranking, based on equal-weighting of the three constituent criteria*



* Based on equally-weighted Criteria E1 (Supporting employee health and wellness), E2 (Supporting breastfeeding mothers in the workplace) and E3 (Supporting consumer-oriented healthy diet and active lifestyle programs).

Company performance and scores

- The average score on Category E is 4.1 out of 10, making it one of the higher scoring Categories of the U.S. Spotlight Index.
- Nestlé is the highest-ranking company with a score of 7.4 out of 10, followed by Unilever and PepsiCo.
- Two companies, Dr Pepper Snapple and Kraft Heinz, score below 1 out of 10.

Main findings and recommendations

- Only three companies make their employee health and wellness program available to all employees and family members. All companies should consider adopting this leading practice.
- Most companies provided evidence of running or supporting nutrition, diet and activity initiatives with their employee health and wellness programs, as well as health and nutrition programs for the public, in Criteria E1 and E3, respectively. However, for both types of programs, companies do not define the specific expected outcomes and do not commission independent evaluations to determine whether these programs have delivered the health impacts they were designed to deliver.
- Similar to the findings in other sections of this report, companies' transparency is poor in relation to how they support better nutrition, diets and more active lifestyles through their wider employee health and wellness programs, their support for breastfeeding mothers and the public health and nutrition programs they fund or otherwise support. All companies should increase their public disclosure regarding these activities and publish the principles that underpin the design and implementation of their programs. They should also publish the results of any independent evaluations conducted to assess the programs' efficacy or impact.
- Only two companies, Nestlé and Unilever, provide more than three months of paid maternity leave. The United States does not have regulations in place which mandate any length of paid leave at this time. In the absence of national regulation, all companies should commit to meeting the International Labor Organization (ILO) recommendation and provide a minimum of 14 weeks of paid leave and ideally extend it to six months or more.

E1 Supporting staff health and wellness

Because the majority of people in the United States spend much of their time at work, employers are uniquely positioned to build a culture of health in the workplace and have a positive influence on the health and wellbeing of those who work for them. According to research by PWC, 79% of American employers offered a wellness program by 2017.¹ According to the CDC, the cost of insurance premiums and employee medical claims in the United States is at an all-time high and continues to rise. Business leaders have been called upon to make changes in the workplace to help curb rising costs. Many companies are implementing workplace health programs to help employees adopt healthier lifestyles and lower their risk of developing costly chronic diseases.²

Investment in employee health and wellness programs has been demonstrated in many studies to lower healthcare costs, insurance claims, or worker's compensation costs. These programs have the potential to both keep healthy employees in a low-risk category by promoting health maintenance, and to target unhealthy employees in higher-risk categories, thereby lowering overall health insurance costs.³

The independent Community Preventive Services Task Force, housed at the CDC, found in a systematic review that well-designed workplace health programs exert a positive influence on a number of health behaviors, such as smoking, diet, physical activity, and alcohol consumption. They can also improve biometric measures like blood pressure and cholesterol levels.⁴ Examples of financial benefits related to employee health and wellness programs are provided in Box 1.

This criterion focuses on what companies do to improve nutrition, diets and physical activity within their wider corporate health and wellness programs.

Companies score well if they:

- Commit to offering employee health and wellness programs that focus on nutrition, diet and physical activity.
- Set targets for employee participation.
- Articulate the expected health and business outcomes.
- Ensure that their employee health and wellness programs at their headquarters (at least) offer one item from each of the types of elements shown in Table 1.
- Extend participation in these programs to all employees and their family members.
- Have achieved participation rates of over 50% in their health and wellness programs in 2016.
- Commission independent evaluations of the programs for one site at least.

- Demonstrate both quantitative and qualitative health improvements among participants in its programs.
- Disclose information about the design of its health and wellness program(s), the expected outcomes and the results of independent evaluations.

BOX 1 FINANCIAL BENEFITS RELATED TO EMPLOYEE WELLNESS PROGRAMS

The cost of obesity, including medical expenditures and absenteeism, for a company with 1,000 employees has been estimated to be \$277,000 per year. Employees who are obese experience higher levels of absenteeism due to illness than employees in the normal weight range.⁵

For example, women who are overweight miss 3.9 days, a 15% increase in missed days; women who are obese miss 5.2 days, a 53% increase in missed days; and women with a Body Mass Index (BMI) of 40 or higher miss 8.2 days, a 141% increase in absenteeism, almost one week more of missed work each year than women who are normal-weight. Further, well-designed programs also impact financial measures important to employers, including healthcare utilization and worker productivity.⁶

A meta-analysis found that participants in workplace health promotion programs had approximately 25% lower medical and absenteeism expenditures than non-participants.⁷

In terms of direct financial benefit to employers, a 2016 U.S. Chamber of Commerce report that looked at a wide range of studies found that the majority showed that well-designed wellness programs led to a return on investment ranging from \$1.50 to more than \$3 for every \$1 invested over a time frame of two to nine years.⁸

TABLE 1 Examples of diet, nutrition and activity components that workplace health and wellness programs could include

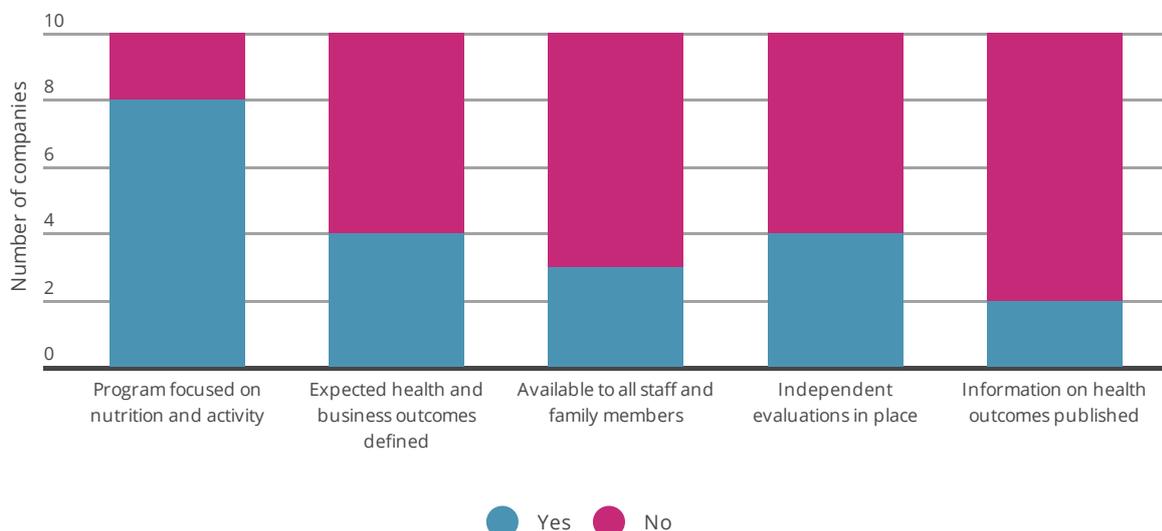
Support for Healthy Diets	Support for Active Living	Support for Healthy Behaviors
<ul style="list-style-type: none"> ▪ Seminars on nutrition or diets ▪ Online materials and support for staff on nutrition and diets ▪ Healthy options / diet plans in cafes and/or restaurants at work sites ▪ Dietary information on menus ▪ Subsidized fruit / healthy snacks ▪ Master cooking classes focused on healthy options ▪ Links to local fresh food markets ▪ Personalized nutrition plans 	<ul style="list-style-type: none"> ▪ Gyms on work sites ▪ Personalized exercise plans ▪ Subsidies for off-site gym memberships ▪ Lunchtime / work time walking or exercise clubs ▪ On-site sports teams ▪ Active participation in sports challenges ▪ Encouragement to use stairs not elevators, etc. ▪ Encouragement / facilities to walk and/or bike to work ▪ Online resources related to healthy living and exercise 	<ul style="list-style-type: none"> ▪ Senior staff model good behavior and publicize their efforts ▪ Health-focused welcome pack for new employees ▪ Healthy living / nutrition campaigns regularly throughout work sites ▪ Awards for staff making good progress ▪ Other: Counselling sessions, work/life balance sessions, etc.

E1 results

What commitments and objectives have companies defined to support employee health and wellness through programs focused on nutrition, diet and physical activity?

- Eight companies make relevant commitments and provided evidence of having one or more programs in place for employees that include aspects of nutrition, diet and/or physical activity. No evidence was found for Dr Pepper Snapple and Kraft Heinz of any focus on supporting better nutrition and active lifestyles within the time frame of the research phase. However, these companies do disclose some general information on having health and wellness programs in place. Dr Pepper Snapple discloses in its most recent Sustainability Report, published after the assessment deadline, that its program comprises specific nutrition, diet and active lifestyle components, including a program focused on weight loss.
- All companies should be clearer about their intent in offering these programs by setting clear objectives. Only five companies define targets for the level of employee participation and only four define both the expected health outcomes and business outcomes for their programs. An overview of the comprehensiveness of companies' approaches is shown in Figure 2.
- Mars, Nestlé and Unilever are commended for extending participation in their programs available to employees' family members. PepsiCo extends its commitment to family members as well but specifies that its program is available only to benefits-eligible employees. All companies should ensure that the nutrition, dietary, and active lifestyle elements of their programs are available to all employees, to ensure that those on limited part-time contracts can also benefit from them.
- Unilever leads the ranking on E1 with the most comprehensive health and wellness program, which is described in Box 2.

FIGURE 2 An overview of the main characteristics of companies' employee health and wellness programs related to nutrition, diet and activity



BOX 2 LEADING PRACTICE

Unilever's employee health and wellness program

Unilever offers its Lamplighter health and wellness program to all employees and in addition to family members covered by the company's medical plan in the United States. The program has a holistic focus on wellbeing and includes components on nutrition, diet and activity. Employees are offered a variety of benefits to support and educate them in all of these areas. The program also provides employees with an individual health assessment to help identify areas for support or assistance. Based on the assessment employees are then offered coaching for nutrition and diet, or physical activity, inline and appropriate to their specific needs and/or goals. Unilever also offers a comprehensive weight loss management program that provides employees with personal coaching, peer-to-peer support through group meetings, and online tools, recipes and more.

Unilever demonstrates leading practice by defining expected health and business outcomes and publicly disclosing these on its website. Through the program, the company analyzes employees' health risks and puts in place steps to control them. The top health risks identified include lifestyle factors (e.g., exercise, nutrition, smoking and obesity). Unilever states that it expects to see healthier, more motivated and more productive employees in the short term, with lower levels of sick leave. The company believes that the long-term benefits of its initiatives are lower healthcare costs both for the company and society. To assess the effectiveness of its program, Unilever has commissioned independent evaluation for parts of its program. However, it could improve by publicly disclosing more information about these evaluations and the results. Other companies should follow Unilever's example by offering comprehensive, well-designed and independently evaluated employee health and wellness programs.

To what extent do companies commission independent evaluations of their programs and do they disclose results?

- Six companies provided evidence of evaluating the health outcomes of at least some of their employee health and wellness programs. Four companies commissioned independent evaluations. Only ConAgra and Mars provide limited information about the results of their evaluations in the form of a narrative or high-level quantitative results of the programs; none of the companies publish quantitative results related to the nutrition, diet and health aspects of the programs. Although employee privacy should be respected, companies should publish more information about their programs, with a focus on nutrition and active lifestyle, and the health benefits that stem from them. This would strengthen the credibility of companies' statements regarding nutrition and health, starting with their own employees.

E2 Supporting breastfeeding mothers in the workplace

Given the health benefits of breastfeeding to both mothers and babies, the AAP currently recommends that:⁹

- Infants should be fed breastmilk exclusively for about six months after birth.
- After the first six months and until the infant is one year old the mother continues breastfeeding while gradually introducing solid foods into the infant's diet.
- After one year, breastfeeding can be continued if mutually desired by the mother and her infant.

Having to return to work before a baby reaches six months of age makes it harder for mothers to breastfeed their babies, as does not having the appropriate facilities at work to express and store breastmilk. A study in the United States found that working full-time was significantly associated with lower rates of breastfeeding initiation and shorter duration.¹⁰ A systematic literature review concluded that maintaining breastfeeding while working is more likely when employers provide relevant support measures.¹¹

National regulations require an employer to provide reasonable break time for an employee to express breastmilk for her nursing child for one year after the child's birth. The employer is not required to compensate an employee for any work time spent doing so. The employer must also provide a place, other than a bathroom, for the employee to express breastmilk.¹² These federal requirements do not pre-empt state law that provides greater protections to employees. Twenty-eight states, as well as the District of Columbia and Puerto Rico have laws relating to breastfeeding at work.¹³

To demonstrate their support for optimal nutrition during the critical first 1,000 days of children's lives, companies can voluntarily adopt policies that go beyond legal requirements. Offering paid maternity leave can support women who have recently had babies to breastfeed. This is particularly important for lower-paid employees who are likely to have fewer savings to support themselves during maternity leave. Once women return to work, they need flexible working arrangements to allow them to take regular breaks to express breastmilk for as long as they wish and secure, private, hygienic and comfortable places in which to do so. They also need refrigerators to store their breastmilk. Part-time, flexible hours and home-working options can also be beneficial. Several studies indicate that support for lactation at work benefits individual families as well as employers via improved productivity and staff loyalty, enhanced public image of the employer, and decreased absenteeism, healthcare costs and employee turnover.^{14 15}

Companies score well if they:

- Commit to providing breastfeeding mothers with appropriate working conditions and facilities at work beyond those required by law and set out in a formal policy.
- Commit in their policy to offer women paid maternity leave of more than three months, and ideally of six months or more.
- Provide private, hygienic, safe rooms for expressing breastmilk equipped with fridges, beyond legal requirements.
- Publish a commentary about how they support breastfeeding mothers within the workplace.

E2 results

To what extent have companies adopted a policy on supporting breastfeeding mothers at work and what concrete support is being provided?

- Eight companies make a commitment to supporting breastfeeding mothers at work (all except Dr Pepper Snapple and Kraft Heinz), but only five have formalized this commitment in a policy. Overall there is a lack of transparency, with only one company, Nestlé, publishing a policy. See Box 3 for a description of Nestlé's leading practice in this area.
- Only two companies, Nestlé and Unilever, submitted evidence of providing paid maternity leave of more than three months to all mothers. See Box 4 for more information and recommendations on this issue.
- The same eight companies that make a commitment also presented evidence of providing private lactation rooms with facilities for expressing and storing breastmilk, such as refrigeration.



BOX 3 LEADING PRACTICE

Nestlé's policy to support breastfeeding employees in the United States

Nestlé's publicly-available, global 'Maternity Protection Policy' applies fully to the United States and is built around five pillars:

1. Maternity protection.
2. Employment protection and non-discrimination.
3. A healthy work environment.
4. Flexible work arrangements.
5. A conducive work environment to breastfeed.

Nestlé's leading policy embraces the principles of the ILO Maternity Protection Convention (Convention C183). It offers a minimum of 14 weeks of paid maternity leave and allows for unpaid extension of up to six months. This is a leading commitment among companies operating in the United States. Nestlé commits to offering a work environment conducive to breastfeeding, which includes breastfeeding rooms in facilities with more than 50 female employees. These rooms provide a secure and relaxing environment and are equipped with refrigeration and other facilities.

BOX 4 RECOMMENDATIONS FOR IMPROVEMENT

Paid maternity leave arrangements

The ILO is an agency of the United Nations, which brings together governments, employers and workers of member states, including the United States, to set labor standards, develop policies and devise programs promoting decent work for all women and men. ILO convention C183 defines that the period of paid maternity leave should be at least 14 weeks.¹⁶ Only two companies, Nestlé and Unilever, meet this recommendation in the United States.

Considering the lack of regulation at the national level, all companies should unilaterally implement the ILO recommendation in the United States. Ideally, to enable women to breastfeed for about six months as recommended by the AAP, paid maternity leave arrangements would extend to six months or more.

Key actions all companies should consider are to:

- Define a guaranteed length of paid maternity leave of 14 weeks. Ideally, extend paid maternity leave to six months or more.
- Formalize paid maternity leave and other arrangements to support breastfeeding women in a policy and publish it.

E3 Supporting consumer-oriented healthy diets and active lifestyle programs

Investment is needed in effective initiatives to improve U.S. consumers' understanding of good diets and nutrition, and to increase the prevalence of healthy eating and more active lifestyles. However, there is debate as to the appropriate role for food and beverage manufacturers in designing, funding and delivering such programs. There is no compelling evidence either way as to which types of programs are most effective; those that are designed and implemented by independent groups or those where companies played a role in the design and implementation. Therefore, the U.S. Index assesses whether the programs are well designed and independently evaluated, rather than whether they are implemented by independent organizations.

Programs related to promoting healthy diets and nutrition should be designed to align with U.S. Dietary Guidelines, and all programs (healthy eating, active lifestyles and food insecurity programs) should be underpinned by a sound evidence base, designed with expert advice and draw on the input of the stakeholders that are the intended participants. Moreover, programs should set out the health benefits they are designed to generate and be subject to independent evaluations to assess whether they deliver those benefits. Further, while programs can indicate which company has funded them (i.e., carry corporate branding), they should not carry brand-level branding, to avoid serving as marketing tools for specific brands and products.

Companies score well if they:

- Commit to aligning the nutrition and diet-related programs they support to national dietary guidelines, and publish those commitments.
- Have a clear policy that excludes brand-level sponsorship and publish that policy.
- Commit to the principles that programs are underpinned by evidence, designed with expert advice and draw on stakeholder input.
- Clearly articulate specific physical health outcomes that program participants should benefit from (e.g. weight-loss, lower blood pressure, lower blood sugar levels).
- Include education among priority populations on one or more of the following: the benefits of a healthy balanced diet, the importance of fresh fruit and vegetables, the importance of being active, the importance of regular meals and/or limited snacking, the importance of drinking water, the benefits of exclusive breastfeeding and the benefits of safe, timely and adequate complementary feeding for infant and young children.
- Commission independent evaluations of all programs and publish the results.
- Disclose the health outcomes achieved by each of their public health and nutrition programs.

E3 results

How well do companies stipulate the principles for funding healthy eating, nutrition education, active lifestyle and/or food access programs?

- Although companies fund or otherwise support many healthy eating, nutrition education, active lifestyle and food access programs, they do not disclose much information about the principles they use to select programs to support. In the case of healthy eating and/or nutrition education programs, only Kellogg, Nestlé and Unilever commit to funding programs that are aligned with national dietary guidelines.
- Commitments to not use brand-level branding or sponsorship of public health and nutrition programs are almost absent; only Nestlé and Mars make limited commitments to restrict brand-level sponsorship. Further, only Nestlé and Unilever provided evidence of funding programs that are underpinned by a sound evidence base, designed with expert advice and/or draw on stakeholder inputs.
- None of the companies publishes a clear policy that addresses the principles of funding, including the companies' approach to brand- or corporate-level sponsorship, but five companies publish a document that describes the programs they support. Evidence of company-supported programs that illustrate appropriate principles in design and execution are provided in Box 5.

To what extent are expected health outcomes defined and are independent impact evaluations carried out?

- Five companies set out broad expected public health benefits of the programs they support however none publish this information. Moreover, none of the companies provided evidence of defining specific expected health outcomes for participants in the programs.
- Only Mars, Nestlé and PepsiCo demonstrated evidence of commissioning independent evaluations for some of their programs but none of the companies publish these evaluations. See Box 6 for an overview and recommendations for improvement.

BOX 5 EXAMPLES OF PUBLIC HEALTH AND NUTRITION PROGRAMS THAT ARE SET UP ACCORDING TO APPROPRIATE PRINCIPLES

Companies assessed for the U.S. Spotlight Index are involved in various public health and nutrition programs that include elements focused on healthy eating and nutrition education, active lifestyles and food access. Companies' scores are based on ATNF's assessment of the principles on which the programs are based rather than the content of the programs per se. In other words, the Index does not assess how well these programs are implemented or whether they deliver the intended results. Nevertheless, some of the programs are highlighted here to illustrate the principles that the companies use in designing and/or implementing them.

Nestlé collaborates with the National Education Association Health Information Network (NEA HIN) on the joint initiative 'Healthy Steps for Healthy Lives.' The program helps educators to incorporate the 2010 Dietary Guidelines for Americans into their classrooms, is aligned with National Health Education Standards and is evaluated independently. This is one example of a program funded by Nestlé that is underpinned by a sound evidence base, designed with expert input and evaluated independently.

Mars also provided evidence of supporting independently evaluated programs, as it supports and is a founding member of the Healthy Weight Commitment Foundation (HWCF). HWCF is a not-for-profit organization whose mission is to help reduce childhood obesity by encouraging positive and

permanent lifestyle changes among school-aged children and their families. The Robert Wood Johnson Foundation has evaluated and verified the impact of at least some of the programs that HWCF and its member-companies support.

PepsiCo and Unilever support programs aimed at reaching and educating priority populations in the United States. PepsiCo funds several programs aimed at Latino communities in urban areas. Its LA Plaza de Cultura y Artes project aims to promote healthy living and nutritional awareness for Latino youth in the heart of Los Angeles. Its project with GENYOUth Foundation aims to engage the Latino community in creating healthier school environments, making healthy eating and physical activity choices. Unilever funds the Growing Roots program in partnership with local government and non-governmental organizations (NGOs) focused on the common goal of impacting urban low-income neighborhoods across the United States to improve access to fresh food and provide cooking education.

Kellogg is the only company that does not sell breast-milk substitutes that provides education about the benefits of breastfeeding and related information on its Healthy Beginnings website. Education on this topic is important, especially for priority populations in the United States.

BOX 6 RECOMMENDATIONS FOR IMPROVEMENT

Companies lack a formal approach to, and are not transparent about, the types of healthy diet, active lifestyle and food access programs they support

In order to make a positive health impact through public health and nutrition programs that companies support, programs should be designed and implemented according to sound principles, including being based on solid evidence. In addition, the distinction between programs with educational elements and brand-level marketing activities should be clear. Although companies provided evidence of relevant programs that contain elements designed according to appropriate principles, none appears to have a formal approach guided by a policy.

All companies could consider using the Commitment to Healthy Communities framework, an academic-private sector research partnership between the City University of New York School of Public Health (CUNY SPH) and HWCF that outlines design, delivery and evaluation principles for such programs.^{17 18}

Key actions all companies should consider are to:

- Formalize their approach to funding or otherwise supporting such programs by adopting and publishing a policy that sets out the criteria used in terms of branding, expert and stakeholder input, and the evidence base required.
- Define specific health outcomes for participants, commission independent evaluations of all programs and publish the results.



NOTES

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- ³ Centers for Disease Control and Prevention (2018). *Health Care Costs Measures | Model | Workplace Health Promotion | CDC*. [online] Available at: <https://www.cdc.gov/workplacehealthpromotion/model/evaluation/cost.html>
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- ⁶ Tucker, LA., Friedman, GM. (1998). Financial analysis: obesity and absenteeism: an epidemiologic study of 10,825 employed adults. *Am J Health Promot* 12(3), pp. 202–207.
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- ¹¹ Dinour LM, Szaro JM. Employer-Based Programs to Support Breastfeeding Among Working Mothers: A Systematic Review. *Breastfeed Med*. 2017;12:131-141. Available at: <https://www.ncbi.nlm.nih.gov/pubmed/28394659>
- ¹² This is arranged in Affordable Care Act (ACA) of 2010, Section 4207, which amends the Fair Labor Standards Act (FLSA) of 1938 (29 U.S. Code 207).
- ¹³ National Conference of State Legislatures (2018). *Breastfeeding State Laws*. [online]
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F Labeling

(5% of overall score)

One important way companies can help consumers choose healthy diets and the right products for them is to provide them with accurate, comprehensive and readily understandable information about the nutritional composition and potential health benefits of what they eat. This relates to information such as what is provided on nutrition labels on the back and front of packs, and nutritional composition information online. Everyone can benefit from this information whether they are trying to maintain a healthy weight, lose weight, manage diabetes, hypertension or similar diet-related chronic diseases, or if they are deficient in particular micronutrients.

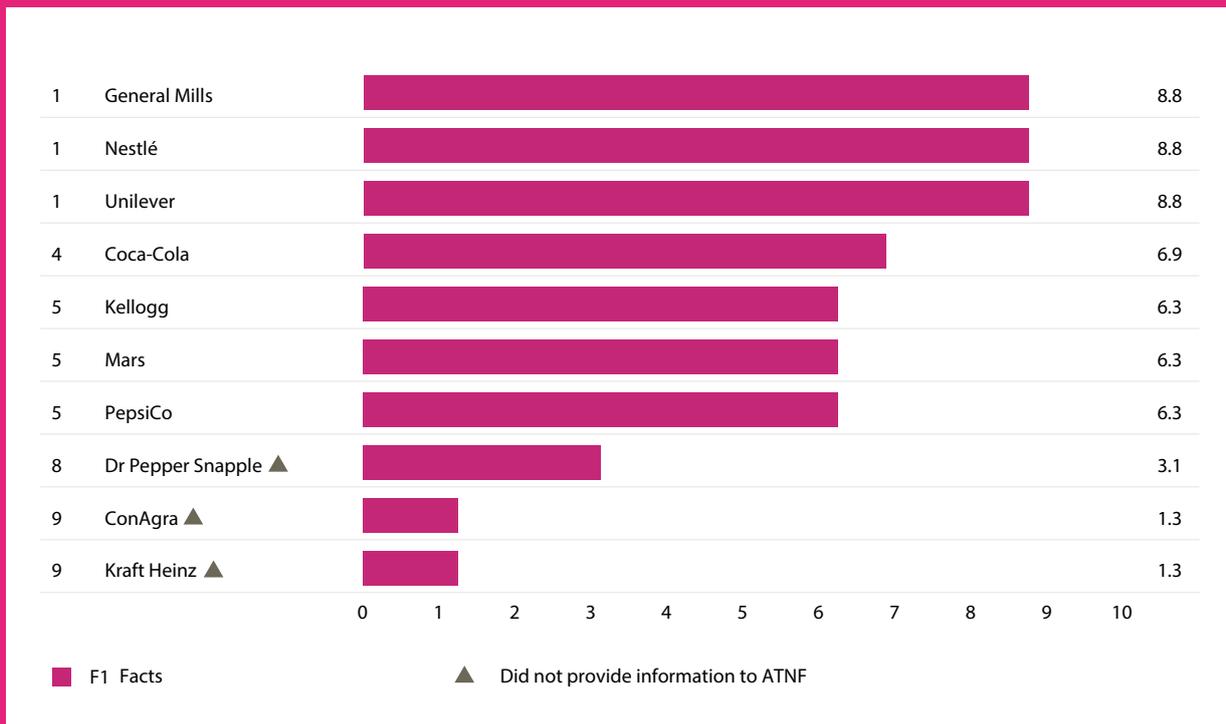
This category assesses the extent to which companies go beyond existing U.S. regulatory requirements for on-pack nutrition labeling. As the United States regulates nutrition content and health claims, the corresponding element of the methodology included in other Access to Nutrition Index methodologies has been removed. Thus, this category consists of only Criterion F1, with three indicators, and therefore, carries a relatively low weight of 5% compared to 15% in the Global Index 2018 where there are many more indicators.

A summary of the findings in this category is presented first. The summary focuses on company performance and ranking, as well as key findings and recommendations. Details of the assessments within Criterion F1 on nutrition labeling is presented in later sections.

Basis for assessment

The indicators were developed and agreed with the U.S. Expert Group, informed by good corporate and regulatory practice, and voluntary initiatives relating to Front-Of-Pack (FOP) labeling in other countries.

FIGURE 1 Category F ranking, which reflects the score on Criterion F1 (Nutrition labeling)



Company performance and scores

- The average score on Category F is 5.8 out of 10, but is based on only three scored indicators as many aspects of nutrition labeling are regulated in the United States.
- General Mills, Nestlé and Unilever share the first rank on Category F with a score of 8.8 out of 10.
- The basis for scoring in Category F of the U.S. Spotlight Index differs greatly from the scoring for the Global Index 2018. Therefore, a comparison of scores is not meaningful.

Main findings and recommendations

- General Mills, Nestlé and Unilever share the highest score for Category F as they achieve a full score on two of the three indicators. However, they do not achieve full scores for the use of interpretive FOP labels indicator.
- All ten companies provide numeric FOP labels, but none have committed to providing or developing interpretive FOP labeling, i.e. where color coding or stars or similar graphics are used, which tend to be easier for consumers to understand. All companies are urged to make a commitment, or set a goal, to support the development and implementation of such a system.
- Five companies do not appear to fully implement their FOP label commitments and four companies do not appear to provide online nutrition panel information for all their products, as they did not provide or publish any evidence of doing so. These companies could improve their performance by rolling out both means of nutrition label information for all product lines.



F1 Nutrition labeling

The United States has required comprehensive nutrition content labeling on the back of product packs for a number of years.

In lieu of obligatory FOP labeling, the food industry developed its own self-regulatory FOP labeling system called 'Facts Up Front' through a joint initiative of the Grocery Manufacturers Association (GMA) and the Food Marketing Institute. This system was rolled out during 2012 and is now widely used by many companies in the United States.¹ However, the format only presents the information using numbers, without any interpretive elements, as shown in Figure 2.

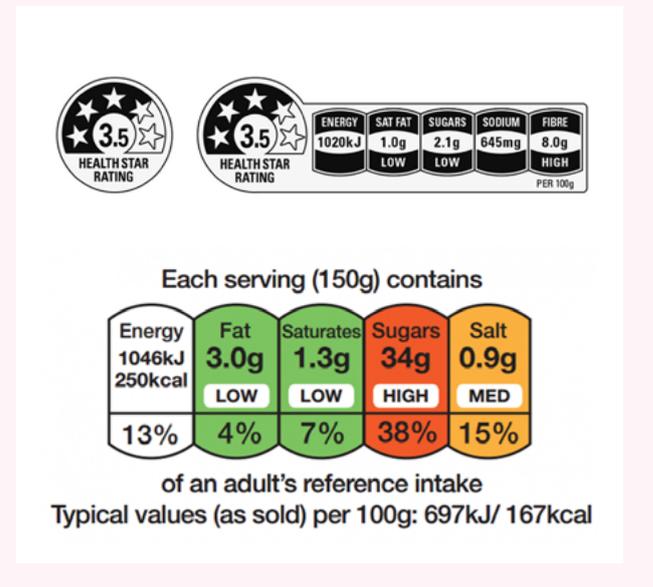
FIGURE 2 The 'Facts Up Front' label format



Interpretive FOP labeling systems have been discussed for many years, but no global consensus has been reached about which system is the most effective at encouraging consumers to eat more healthily. Many independent experts in the United States (and in other countries) support an interpretive format which uses some form of color-coding, like a traffic light system, or a star rating system, to indicate a product's healthiness.

Several such formats are in use in other countries, on a voluntary basis, as shown in Figure 3. The U.K. Government recommends the use of the 'traffic light' system developed by the U.K. Food Standards Agency. Many manufacturers and retailers in the United Kingdom have subsequently adopted this system. The Health Star Rating (HSR) system was adopted by Australia and New Zealand in 2014.² The EU has not mandated FOP labeling (though it does have rules for their use) but some member countries have adopted voluntary systems. Most recently, France introduced the Nutri-Score in 2017.³

FIGURE 3 Examples of interpretive FOP labeling: The Australian/New Zealand HSR and the U.K. traffic light systems



In March 2017, Coca-Cola, Nestlé, Mondelez, PepsiCo, and Unilever launched the Evolved Nutrition Label scheme (an adapted version of the U.K. traffic light system) for use across Europe.⁴ Currently, there is no widely implemented interpretive FOP labeling system in the United States.

Companies score well if they:

- Commit to using an interpretive FOP label.
- Provide data to show that more than 80% of their products carry some form of FOP label, whether interpretive or not.
- Provide data to show that the nutrition panel is available online for 90% or more of products.

F1 results

To what extent do companies commit to use FOP labels and have they implemented their commitments?

- All ten companies commit to provide FOP labels on their products in the United States. The lowest-scoring commitment is from Dr Pepper Snapple, which only commits to provide numeric calorie information, as part of the American Beverage Association's (ABA) 'Clear on Calories Initiative' which it participates in. Seven companies commit to provide numeric information on several nutrients and to present the information as a percentage of Daily Values, by using the Facts Up Front system. Mars commits to show calorie information as percentage of Guideline Daily Amounts on FOP labels.
- However, none of the companies commit to provide interpretive FOP labels. See Box 1 for more information.
- In terms of rolling out their commitments, seven companies provided evidence of the extent of implementation of FOP labels and five indicated that they are now providing corresponding information on more than 80% of products. However, ConAgra, Dr Pepper Snapple and Kraft Heinz did not provide any information about their level of roll out.

How many companies provide nutrition information online?

- Seven companies provided the percentage of products for which nutrition information is made available online. ConAgra, Kraft Heinz and Mars did not provide any information. Six companies indicated that they have provided online nutrition panels for more than 90% of their products. See Box 2 for more information on the best-performing companies in F1.

BOX 1 AREAS FOR IMPROVEMENT

Lack of commitment to interpretive FOP labeling in the United States

Companies assessed for the U.S. Index, be they headquartered in the United States or elsewhere, use interpretive FOP labels in other markets. For example, Mars and Nestlé apply interpretive FOP systems voluntarily in the United Kingdom and Australia, and a consortium of companies including Coca-Cola, Nestlé, PepsiCo and Unilever have developed a new interpretive FOP system in Europe, as noted above, called the Evolved Nutrition Label scheme. However, none provided evidence of developing or committing to support the development of such a system in the United States.

In lieu of a mandatory interpretive FOP system in the United States, manufacturers (working with retailers) could collaborate to develop an interpretive FOP system, as they did to develop the non-interpretive Facts Up Front label. They could – and arguably should – now take that label one step further with a design that is interpretive, drawing on experience from tests and use of such systems in other countries, as outlined above. Although companies could develop their own system, it is preferable that they work together to agree on a universal system applicable to the entire U.S. market because one universal label or standard is less confusing to consumers.

BOX 2 LEADING EXAMPLES OF COMPANIES THAT FULLY IMPLEMENT THEIR LABELING COMMITMENTS

General Mills, Nestlé and Unilever all commit to provide FOP nutrition information using the GMA's Facts Up Front system, which provides numeric information on the levels of key nutrients and the percentage intake based on recommended Daily Values. These three companies provided evidence of full implementation of such labels on U.S. products.⁵ In addition, all three companies provide nutrition information online through the GMA SmartLabel system and/or on brand or corporate websites, for all of their U.S. products.

NOTES

- ¹ Facts Up Front (2011). Participating Companies. Available at: <http://www.factsupfront.org/Partners.html>
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- ⁴ Evolved Nutrition Label (2018). Evolved Colour – Promoting Healthier Diets through an *Evolved Colour-Coded Nutrition Labelling Scheme*. [online] Available at: <http://www.evolvednutritionlabel.eu>
- ⁵ Full implementation is defined here, according to the ATNI methodology, as providing FOP labels on 80% or more of all relevant products.



G Engagement

(5% of overall score)

Companies can have a significant impact on consumers' access to healthy foods by influencing governments and policymakers at the federal and state level on key nutrition issues. This can relate to the passage of legislation or the revision of regulations on product labeling, restrictions on marketing to children, use of nutrition content and health claims, or sugary drink taxes.

In addition, engagement by companies with a wide range of other stakeholders (including civil society organizations and academia) can yield valuable insights that can be used to inform corporate nutrition strategies, policies and practices.

This category assesses companies' engagement with governmental and non-governmental stakeholders on corporate nutrition practices and nutrition-related issues. It comprises two criteria:

- G1** Lobbying and influencing governments and policymakers
- G2** Stakeholder engagement

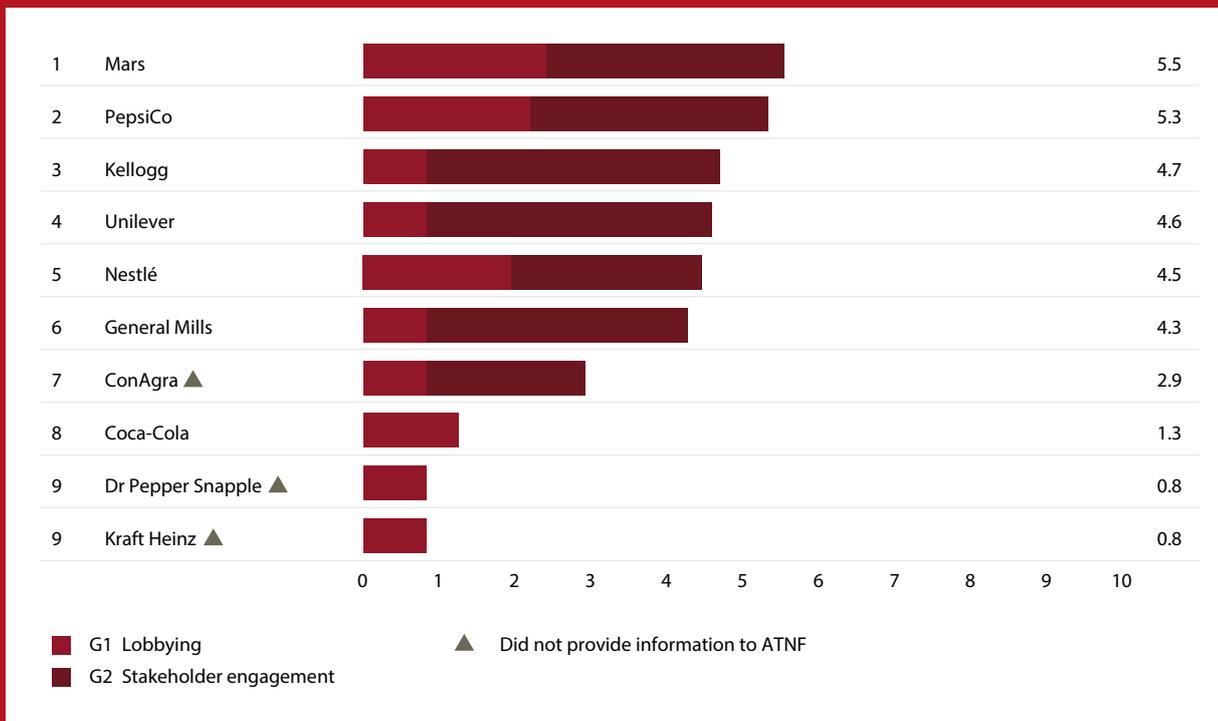
A summary of the findings in this category is presented first, focusing on company performance and ranking, and on key findings and recommendations. Details of the assessments within Criterion G1 on lobbying and influencing governments and policymakers and G2 on stakeholder engagement are presented in later sections.

Basis for company assessment

The indicators used in Criterion G1 to assess corporate lobbying at the federal level were developed with the U.S. Expert Group, and modelled on good corporate practice in this area. They parallel those used by other indexes and rating systems that assess corporate lobbying on other issues.

Similarly, in the absence of formal codes or recommendations familiar to U.S. companies to guide corporate engagement with stakeholders, the indicators used in Criterion G2 on stakeholder engagement are adapted from those used in the Global Indexes and were defined with the U.S. Expert Group.

FIGURE 1 Category G ranking, based on equally-weighted Criteria G1 (Lobbying and influencing governments and policymakers) and G2 (Stakeholder engagement)



Company performance and scores

- The average score for Category G is 3.5 out of 10, with a higher average score of 4.4 in Criterion G2 (Stakeholder engagement) than in Criterion G1 (Lobbying and influencing governments and policy makers) with an average of 2.6.
- Mars leads the ranking with a score of 5.5, followed by PepsiCo and Kellogg.
- Coca-Cola, Dr Pepper Snapple and Kraft Heinz score low overall and scored zero on Criterion G2.

Main findings and recommendations

- Only Nestlé and PepsiCo make a commitment to engage with policymakers in support of policy measures designed to improve public health. However, ATNF's analysis of reported federal lobbying activities and expenditure, based on Lobbying Disclosure Act-related reporting through the Senate Office of Public Records, revealed that it is difficult to judge what these commitments mean when comparing them with other companies. All companies should commit either not to weigh in on nutrition policy issues or to support only those measures designed to prevent or address obesity and diet-related chronic diseases. In terms of government assistance programs that have nutrition standards, companies should commit to not undertake efforts to weaken or abolish the standards.
- Companies' disclosure beyond that legally required on lobbying or engaging with policymakers is limited. All companies should increase their transparency around the positions they adopt when seeking to influence nutrition and public health policies, linking that information directly to their reports filed on the Senate Office of Public Records database and providing the same information on their own corporate website.
- Seven companies commit to engage with stakeholders in the United States to inform their nutrition policies and programs. Similar to the findings in other categories, the disclosure about stakeholder engagement globally is more extensive than that related to stakeholder engagement in the United States for many companies. Companies should expand their reporting to show how the stakeholder engagement has resulted in changes to their policies and programs in the United States.

G1 Lobbying and influencing governments and policy makers

Food and beverage manufacturers in the United States lobby extensively at the federal and state level, and in some cases at the local level, on a range of issues that affect their industry, including issues of nutrition and health, as outlined in Box 3. Research in the Australian context has found that food industry lobbying favors business interests at the expense of public health objectives.¹

The disclosure requirements for lobbying at the federal level is governed principally by the Lobbying Disclosure Act of 1995, which was designed to increase accountability around federal lobbying practices.² The Honest Leadership and Open Government Act of 2007, strengthened and expanded these disclosure requirements.³ Ethics rules apply to company lobbyists under these laws as well.

The Index aims to reward companies for exceeding federal lobbying disclosure requirements, by formally articulating their approach to lobbying on nutrition matters and disclosing additional information to help stakeholders better understand the topics they lobby on and the stances they take.

Companies score well if they:

- Commit not to lobby at all on nutrition issues or to lobby only in support of measures designed to prevent or address obesity and diet-related chronic diseases.
- Publicly disclose their approach and ethics rules related to lobbying or engaging policymakers in a formal policy on lobbying and donations or a Code of Ethics.
- Publicly disclose information about board, seats at industry associations and advisory bodies and potential conflicts of interest, on their own websites.
- Publish a commentary on their lobbying activity.
- Disclose their policy positions used in lobbying on key nutrition issues in relation to school nutrition, Front-Of-Pack (FOP) labelling, fiscal instruments, food marketing to children and government-funded nutrition programs.

G1 results

Do companies commit to lobbying only in support of measures related to public health and nutrition?

- In their global commitments to engage with governments and policymakers, Nestlé and PepsiCo express their intentions to address public health topics and, to some extent, to support measures to prevent and address obesity and diet-related chronic diseases (see Box 1 for further details). However, they do not make unequivocal commitments to not lobby against public health interests in relation to nutrition issues. All companies should consider making these unequivocal commitments, or to not lobby at all on nutrition issues.

BOX 1 EXAMPLES OF COMMITMENTS TO ENGAGE WITH GOVERNMENTS AND POLICYMAKERS ON NUTRITION ISSUES IN SUPPORT OF PUBLIC HEALTH

Nestlé states: “Nestlé shall, to the best of its abilities, support the actions of public authorities that aim to enhance quality of life and build a healthier future for individuals and families, for communities and for the planet. This includes, but is not limited to, support to government efforts to address malnutrition and diet-related chronic diseases.”

PepsiCo states: “In addition to transforming our portfolio and adhering to responsible labeling and marketing policies, PepsiCo is committed to engaging in conversations with governments and other stakeholders around the world on public health topics. These include improving nutrition, addressing undernutrition, supporting responsible marketing, promoting healthy lifestyles and developing nutrition programs.”

How much information do companies disclose in relation to influencing governments and policymakers beyond that they are legally required to disclose?

- All companies disclose a code of ethics or similar policy document that sets out the principles they apply when engaging with policymakers and/or making political contributions.
- Besides mandatory disclosure of memberships of associations and organizations that lobby on companies' behalf, as well as financial contributions made to them, only Mars and PepsiCo disclose further information about Board seats at industry associations or potential governance conflicts of interest. Only Mars discloses both types of information.
- In addition to the mandatory quarterly reports on lobbying activities that all companies file under the Lobbying Disclosure Act and disclose through the Senate Office of Public Records, as well as any state disclosure requirements, Mars discloses most information publicly about its lobbying and influencing through commentary as well as by providing information on positions used in lobbying in the United States; This is leading practice and described in detail in Box 2.
- To provide additional insight into companies' lobbying activities, and to complement ATNF's assessment and scoring which is based only on company-reported information and evidence, an analysis of lobbying activities and expenditure was carried out. It is based exclusively on publicly available Lobbying Disclosure Act-related federal lobbying reports and the results are presented in Box 3.

BOX 2 LEADING PRACTICE

Mars' disclosure about lobbying and influencing government and policymakers

Mars demonstrates leading practice in publicly disclosing information about its activities on its corporate website.⁴ It publishes its policy for participating in political processes as well as a list of key organizations that lobby on its behalf. This includes information about potential governance conflicts of interest and whether Mars employees hold board seats at these organizations. The list covers Mars' global activities, including the United States.

Mars provides a commentary about its activities to influence policymakers in support of measures to

combat obesity and diet-related chronic diseases and discloses its position used in governmental engagement on school nutrition, FOP labeling, fiscal instruments related to nutrition (e.g. sugar taxes) and food marketing to children.

Like the other companies, Mars could improve its approach to lobbying and influencing government and policymakers by making a commitment to only lobby in support of measures to prevent and address obesity and diet-related chronic diseases.

BOX 3 ANALYSIS OF COMPANIES' LOBBYING ACTIVITIES AND EXPENDITURE AND RECOMMENDATIONS FOR IMPROVEMENT.

ATNF analyzed the reported federal lobbying activities and expenditures of all ten companies using 2017 data from the OpenSecrets.org website of the Center for Responsive Politics. All data assessed was disclosed, as legally required, through the Senate Office of Public Records.

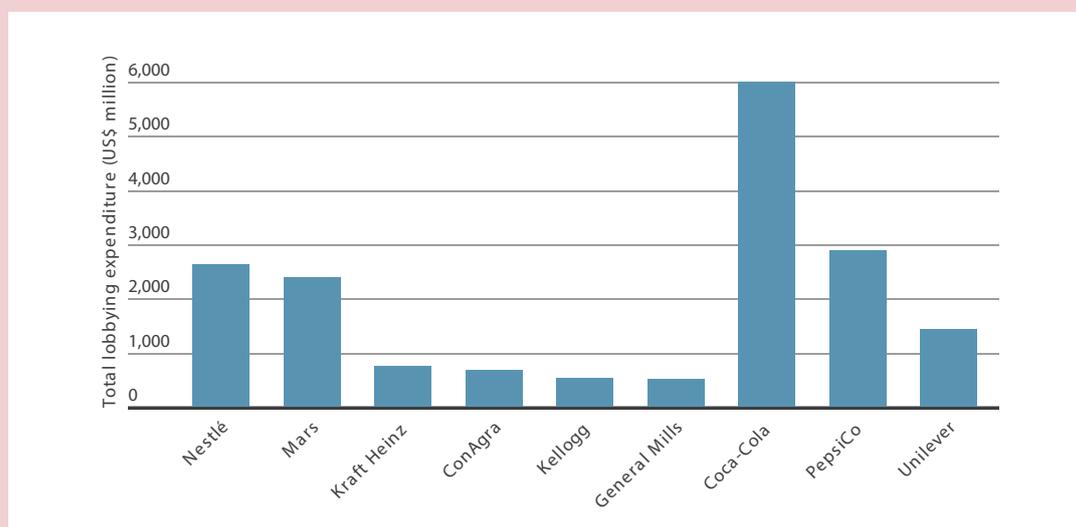
In 2017, the overall spending on federal lobbying campaigns, on all issues, by the four industries in which the ten food and beverage manufacturers assessed for the U.S. Spotlight Index are classified, exceeded \$180 million.⁵ The ten companies assessed contributed \$18 million (approximately 10%) of the total federal spending on all issues, but represent just 1.7% of the total number of companies within these four industries. Figure 2 shows the total federal

lobbying expenditures per company on all issues in 2017. Coca-Cola spent the most on lobbying activities (\$6.3 million) and PepsiCo was second (\$2.9 million). The topics that companies lobbied on at the federal level, relevant to the Index, are highlighted in Figure 3.

Nestlé and PepsiCo are the only companies assessed in the U.S. Index that express commitments to engage with governments and policymakers to support public health or in support of addressing specific nutrition issues.

The ATNF analysis of lobbying expenditures in the United States in 2017 shows that Nestlé and PepsiCo are among the largest-spending companies. However, neither company disclosed whether their lobbying

FIGURE 2 Total lobbying expenditures per company



was in support of measures designed to improve public health, or against them. To gather more information, further analysis was undertaken to identify the topics that companies lobbied on at the federal level by assessing the number of lobbying reports filed per topic area (issue).⁶ From the wide variety of issues in which they filed reports, Figure 3 shows only those issues under which the ten companies reported lobbying campaigns concerning nutrition and health-related matters.

Most 2017 reports were found in relation to ‘Food Industry’ and ‘Agriculture’ issues and all companies except Dr Pepper Snapple filed lobbying reports. Topics included food labeling regulations/harmonization of nutrition facts panel requirements; sugar and sodium reduction goals; sugar policy reforms; child nutrition and food in schools; health and wellness issues, including obesity prevention and fitness; and the Supplemental Nutrition Assistance Program (SNAP) and Special Supplemental Nutrition Program for Women, Infants, and Children (WIC).⁷

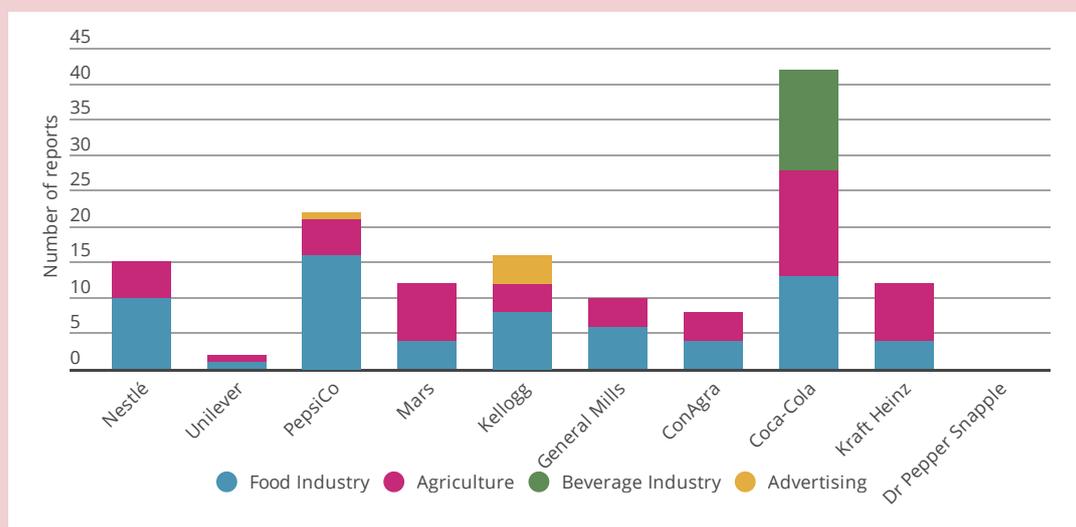
Coca-Cola submitted reports on topics that overlap some of those already mentioned. This includes ‘Educate House, Senate and Executive Branch staff on the beverage industry’s health and wellness programs, including the Balance Calories Commitment’, ‘Health and wellness issues relating to support for calorie and ingredient transparency and obesity prevention (no specific legislation)’ and ‘Issues relating to the Nutrition Facts Panel changes (no specific legislation)’. Kellogg filed reports on Advertising, specifically targeting nutrition and public health issues concerning the ‘Interagency Working Group on foods marketed to children.’

Mars and PepsiCo are the two companies of the ten assessed that disclose the most information on positions used in lobbying or governmental engagement. Examples of topics they mention include advocacy in favor of strong U.S. school nutrition standards and support of clear nutrition labeling. This is corroborated by reports filed on topics such as ‘Child nutrition, generally and with regard to the implementation of the Healthy, Hunger-Free Kids Act of 2010 (Local School Wellness Policy; Nutrition Standards for All Foods Sold in School)’, ‘Supporting on time implementation of Nutrition Fact Panel’ and reports with similar descriptions. Although there appears to be a level of agreement between both sources of information (the companies’ own disclosure on their corporate website and the disclosure through the Senate Office), the lack of detailed reporting and disclosure on lobbying positions makes it difficult to assess the true level of transparency.

Key actions all companies should consider are to:

- Commit not to weigh in on nutrition policy issues. For example, in relation to federal nutrition assistance programs that include nutrition standards, this means companies should commit to not undertake efforts to weaken or abolish the standards.
- Report pro-actively on their corporate websites about issues they lobby on.
- Provide clarity around the positions they adopt when seeking to influence nutrition and public health policies, linking the information directly to the reports they file on the Senate Office of Public Records database.

FIGURE 3 An overview of lobbying reports per issue in 2017



G2 Stakeholder engagement

Companies have numerous stakeholders. While engaging with them effectively presents a challenge, when done well it can be valuable to them. It can alert companies to emerging research, trends and ideas, help them to understand the perspectives of their stakeholders and their opinions of the companies' products and behaviour. Companies should aim to solicit stakeholders' insights and views regularly, in a structured way, and use that input to inform the development and evolution of their policies and practices.

Companies score well if they:

- Commit to engage with their stakeholders to inform the development of their policies and programs.
- Conduct comprehensive, well-structured engagement focused on improving business strategy and performance.
- Provide evidence of extensive engagement with a range of stakeholders on both their commercial and non-commercial (Corporate Social Responsibility (CSR) or philanthropic) programs.
- Disclose their commitment to engagement, examples of how engagement has been used to change policies or practices and a broad statement about the benefits of stakeholder engagement.

G2 results

Do companies commit to engage with stakeholders in developing their health and nutrition strategies, policies and programs in the United States?

- Seven companies commit to engage with stakeholders to inform their nutrition strategies, policies and programs in the United States. Coca-Cola, Dr Pepper Snapple and Kraft Heinz did not provide evidence of such a commitment. Coca-Cola does make a global commitment on stakeholder engagement but did not provide any U.S.-specific evidence.
- Five companies publish their commitment to engage with stakeholders. Kellogg publishes this in its Milestones document, which provides many U.S. examples as well. Kellogg leads the ranking on G2 and more information on its approach is provided in Box 4.

BOX 4 LEADING PRACTICE

Kellogg discloses information on its stakeholder engagement and how it relates to its wider nutrition strategy

Kellogg, the highest scoring company on this criterion, has disclosed an extensive document (the Kellogg Nutrition Milestones) that describes the interrelationship between the various aspects of its nutrition strategy, including its stakeholder engagement activities globally and in the United States.

The company makes a clear commitment to engage with stakeholders on nutrition and sustainable lifestyles to help inform its policies and practices, covering commercial and non-commercial programs. It describes ongoing conversations with multi-lateral organizations, governments, non-governmental organizations (NGOs), retailers and consumers, which have supported the identification of risks and opportunities, new programs and innovations.

Kellogg provides various concrete examples about how stakeholder engagement has informed its policies and programs, e.g. in relation to setting up its Kellogg's Global Nutritional Criteria with input from the United States Food and Drug Association (FDA), the U.S. Department of Agriculture (USDA) and other U.S. stakeholders. Kellogg could improve by providing more concrete examples about how stakeholder interactions have changed its programs or approach, including its support of non-commercial programs.

Other companies should disclose information on their stakeholder engagement and how it relates to the various aspects of their wider nutrition strategy.

How comprehensive is the evidence that companies provide related to their engagement on both their commercial and non-commercial programs in the United States?

- The seven companies that make a commitment to engage with stakeholders also provided evidence about stakeholder engagement in relation to commercial programs. Examples include interaction with researchers and experts, with NGOs and civil society organizations, consumers and communities and various other stakeholders, providing input on Research and Development (R&D), product reformulation, nutrition criteria and other aspects of commercial strategy.
- PepsiCo uses the engagement expertise of Ceres, an NGO that brings together investors, NGOs and businesses in support of sustainability, in its approach to stakeholder engagement. Ceres facilitates PepsiCo's engagement with certain stakeholders on critical issues such as climate change, water scarcity and public health.
- Five companies provided evidence of stakeholder engagement on addressing non-commercial public health and nutrition in the United States, which includes engagement with associations, governmental representatives and NGOs on addressing childhood obesity, educational programs, providing access to fresh food and more. Only General Mills, Kellogg and Unilever publish limited information about the results of stakeholder engagement. Concrete information about how stakeholder engagement has been used to adapt policies and programs is sparse. Companies should increase their transparency in this regard.

NOTES

- ¹ Mialon, M, Allender, S, Swinburn, B et al. (2017) 'Maximising shareholder value': a detailed insight into the corporate political activity of the Australian food industry. *Aust N Z J Public Health* 41, pp. 165-171.
- ² H.R.2564 - Lobbying Disclosure Act of 1995. [online] Available at: <https://www.congress.gov/bill/104th-congress/house-bill/2564>
- ³ H.R.2316 - Honest Leadership and Open Government Act of 2007. [online] Available at: <https://www.congress.gov/bill/110th-congress/house-bill/2316>
- ⁴ Mars (2018). Transparent and ethical participation [online] Available at: <https://www.mars.com/global/about-us/policies-and-practices/public-policy-advocacy>
- ⁵ Based on the classification used by the Center of Responsive Politics, the ten assessed companies operate under four different industries: Agricultural Services & Products, Food Processing & Sales, Food & Beverage and Miscellaneous Manufacturing & Distributing. The overall expenditure on lobbying of these four industries combined amounted to more than \$180 million.
- ⁶ The Center of Responsive Politics uses a classification system for organizing companies' lobbying reports by topic area or 'issue'. ATNF identified four issues that contained all 2017 lobbying reports of the ten assessed companies that are related to nutrition and health: Food Industry, Agriculture, Beverage Industry and Advertising.
- ⁷ The main bills and policies mentioned are the Safe and Accurate Food Labeling Act; the Hunger-Free Kids Act; the Child Nutrition Act; the Food Safety Modernization Act; and the Farm Bill, which is being renewed in 2018. The Farm Bill regulates the funds and participation requirements for the Supplemental Nutrition Assistance Program (successor of the Food Stamp Program from 2008 onwards).



Product Profile

An assessment of the nutritional quality of packaged foods and beverages sold in the United States.

Introduction

The purpose of this Product Profile is to begin to build a picture of the role that the products of the companies included in the U.S. Index play in consumers' diets. It is designed to assess how healthy these companies' products are. In other words, to establish the nutritional quality of the products they sell, which is determined by the levels of fat, salt, sugar, fruit, vegetables and other components. The Product Profile also provides an overview of the 'healthiness' of products within categories.

It provides a baseline against which to measure any improvements companies make to the formulation of their products – which many have committed to make. It also offers a range of valuable insights into which companies are best-positioned in terms of offering healthy products and which have the most work to do.

Setting the results of the Product Profile alongside the results of the Corporate Profile illustrates the extent to which companies are delivering on their promises (particularly for Category B which assesses companies' commitments and targets to improve their products and invest in improving the healthiness of their portfolios). Future U.S. Product Profiles will track these improvements, again based on analysis carried out by independent experts.

Key elements of the Product Profile

This Product Profile utilizes and assesses in detail the U.S. data subset from a wider study that covered nine markets undertaken for the Global Access to Nutrition Index 2018. ATNF worked with the Food Policy Division of The George Institute for Global Health (TGI), based at the University of Sydney. Professor Mike Rayner, from the University of Oxford (a member of the ATNF Expert Group), advised the research team. A full description of the methods used for the study is available in [TGI's report](#) on the nine-country Product Profile.

ATNF first piloted the Product Profile concept in 2012 in Mexico, South Africa and India, working with a team led by Professor Mike Rayner at the University of Oxford.¹ Building on that experience, and feedback from stakeholders, ATNF then undertook a Product Profile in India in 2016 for the first [India Access to Nutrition Index](#) and most recently for the [Global Access to Nutrition Index 2018](#) published in May 2018.

In summary

How products' nutritional quality was determined

Two nutrient profiling systems were used that met the qualitative criteria developed by ATNF's Expert Group, based on research done for the World Health Organization (WHO).^{2 3} An explanation of Nutrient Profiling Systems (NPS) is provided in Box 1.

1. The Health Star Rating (HSR) nutrient profiling system is used in Australia, but applicable in any market, to determine how healthy each product is. Products are rated between 0.5 stars (least healthy) to 5 stars (most healthy). Any product that scores 3.5 or above is considered healthy.⁴
2. The WHO Regional Office for Europe Nutrient Profile Model (WHO Euro), relevant to any market, to identify which products are suitable to be marketed to children.

These two systems were used, as already noted, because they were the most suitable for the nine-country Product Profile study, which included the United States. The same two NPSs were used for all countries for consistency, i.e. to be able to compare results across countries.

BOX 1 WHAT ARE NUTRIENT PROFILING SYSTEMS AND HOW DO THEY WORK?

Nutrient profiling is 'The science of classifying or ranking foods according to their nutritional composition for the purpose of preventing disease and promoting health.' (see also Category B, Criterion B2: Nutrient Profiling Systems)⁵ Nutrient profile models have been developed by academics, government departments, health-related charities and the food industry for a variety of applications including: To underpin food labeling; to regulate advertising of products to children; and to regulate health and nutrition claims. Although nutrient profiling is a tool to quantify aspects of individual foods, not diets, nutrient profile models are commonly used to underpin policies designed to improve the overall nutritional quality of diets. There is no international consensus about the superiority of any particular nutrient profiling model, in part due to the different purposes and contexts in which each model has been developed, but they all work broadly the same way.

Each NPS has a different equation – or algorithm – at its heart which converts the levels of nutrients and other food components into classifications or scores. Some then combine those scores to generate a final score for each product that reflects its healthiness. Some systems place foods on a spectrum while others use a simple binary classification, where certain foods are deemed 'healthy' and therefore suitable to be considered to carry a health claim or be marketed to children, for example. It is important to note that in these systems products not designated as healthy are not 'unhealthy.' They simply do not meet the healthy standard for that system.

For further explanation, see 'Nutrient profiling for regulatory purposes', Proceedings of the Nutrition Society (2017), 76, 230-236, Rayner, M., 9 June 2016.

Categories and products included in the study

For each of the ten U.S. companies assessed, ATNF first identified all categories in which the companies sold products using Euromonitor International data.⁶ Products eligible for inclusion were defined as *'all packaged foods and non-alcoholic beverages manufactured by the included companies available for purchase in the United States.'* The companies' best-selling categories were included, up to a maximum of five.

A food or beverage was considered a unique item based upon the brand name and description irrespective of serving size and packaging (i.e. a specific brand of cola sold in 330mL cans was considered to be the same food item as the same specific brand of cola sold in 600mL bottles).

The following products were excluded from the HSR and WHO Euro analysis:

1. Unprocessed meat, poultry, fish and raw agricultural commodities such as plain cereals (on the basis that such foods are not generally required to carry a nutrient declaration).
2. Plain tea and coffee (on the basis that these products make an inherently low nutritional contribution to diets and are thereby not required to display a nutrient declaration).
3. Condiments such as herbs, salt, pepper, vinegar and spices (on the basis that these make an inherently low nutritional contribution to diets and are thereby not required to display a nutrient declaration).
4. Infant formulas, supplements and baby food and baby beverages (excluded because these products are not consumed by the general population and the selected models are not appropriate for their evaluation).

Source of nutrition data

TGI's FoodSwitch USA database is based on a large, independent packaged food products database developed by Label Insight. The database contains nutrient information extracted from photographs of product packaging. Products with data entered or updated from 2013 onwards were used to generate product lists for each company. In September 2017, the companies were provided with the product lists and nutrient content of their five best-selling categories (determined using Euromonitor International retail sales data for 2016) for review and offered an opportunity to make corrections or additions to this information. Six of the companies (Coca-Cola, General Mills, Kellogg, Nestlé, PepsiCo, and Unilever) accepted the offer to supply their full product list or to correct or add to their information. Mars checked its data and confirmed it did not want to add any information.⁷ ConAgra, Kraft Heinz and Dr Pepper Snapple did not respond.

Imputation of essential missing data

For those products where the available nutritional information was insufficient to apply the selected nutrient profile models it was necessary to impute missing data as follows:

- Proxy values for fruits, vegetables, nuts, legumes (FVNL) content. The data used was from a database developed by TGI using the average value of the products with available data. These proxy values were estimated for each category and assigned to those products in that category with missing data.
- For added sugars a standard proportion of total sugars was assumed and was specified at the category level.

It is worth noting that some companies provided the required missing information such as added sugar content and FVNL content, so imputation was not necessary in all cases.

Scope of sales represented

The percentage of each company's 2016 sales covered by this analysis is shown in Table 1. This illustrates that these datasets provide a good representation of the companies' total U.S. sales in that year. For two companies, the analysis encompasses 100% of their U.S. sales; and for all others, apart from General Mills, the coverage is between 80% and 99%. For General Mills, 77% of its sales are covered, as the company sells products in many more categories than the five included in this study.

PRODUCT PROFILE

Table 1: Percentage of 2016 U.S. sales and categories included

Company	% U.S. 2016 sales represented	Total no. of products used for HSR analysis	Total no. of products used for WHO analysis	Categories included in the analysis
Coca-Cola	100%	351	357	1. Bottled Water; 2. Carbonates; 3. Juice; 4. RTD Tea; 5. Sports and Energy Drinks
ConAgra	82%	949	1,064	1. Dairy; 2. Processed Fruit and Vegetables; 3. Processed Meat and Seafood; 4. Ready Meals; 5. Savory Snacks
Dr Pepper Snapple	100%	236	250	1. Carbonates; 2. Juice; 3. Processed Fruit and Vegetables; 4. RTD Tea
General Mills	77%	986	986	1. Baked Goods; 2. Breakfast Cereals; 3. Dairy; 4. Ready Meals; 5. Sweet Biscuits, Snack Bars and Fruit Snacks
Kellogg	99%	691	691	1. Baked Goods; 2. Breakfast Cereals; 3. Processed Meat and Seafood; 4. Savory Snacks; 5. Sweet Biscuits, Snack Bars and Fruit Snacks
Kraft Heinz	84%	732	1,210	1. Dairy; 2. Processed Meat and Seafood; 3. Ready Meals; 4. Sauces, Dressings and Condiments; 5. Savory Snacks
Mars	99%	355	614	1. Confectionery; 2. Ice Cream and Frozen Desserts; 3. Rice, Pasta and Noodles; 4. Savory Snacks
Nestlé	94%	1,071	1,072	1. Bottled Water; 2. Confectionery; 3. Dairy; 4. Ice Cream and Frozen Desserts; 5. Ready Meals
PepsiCo	92%	619	622	1. Bottled Water; 2. Carbonates; 3. Juice; 4. Savory Snacks; 5. Sports and Energy Drinks
Unilever	91%	479	494	1. Dairy; 2. Ice Cream and Frozen Desserts; 3. RTD Tea; 4. Ready Meals; 5. Sauces, Dressings and Condiments
Total		6,469	7,360	

Final number of products analyzed

In total, 6,469 products had sufficient nutrition information to be assessed using the HSR model and 7,360 could be assessed using the WHO Euro model. The reason the total number of products can differ significantly, as is the case for ConAgra, Kraft Heinz and Mars, for example, is that if products have insufficient nutrition information included in the HSR analysis, they can still be included in the WHO analysis.

Overall results

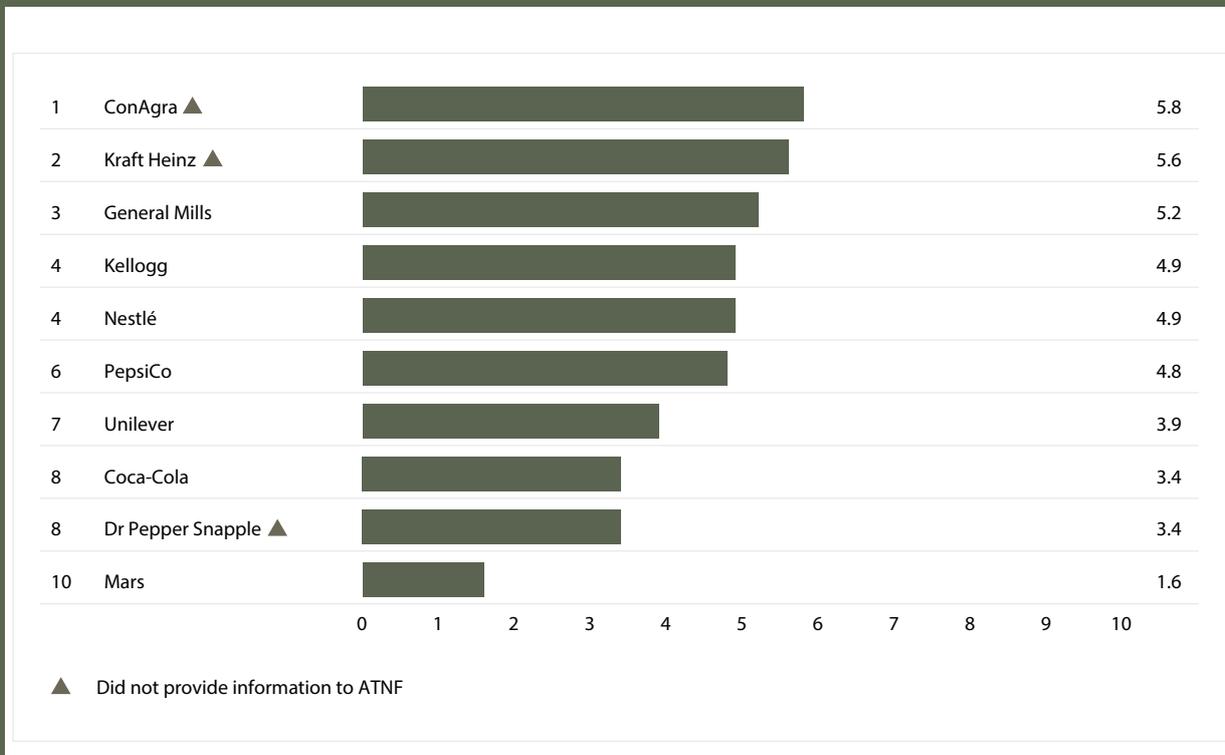
To generate each company's initial score, the mean HSR for each of its categories is weighted by the corresponding 2016 U.S. sales figure provided by Euromonitor International. The maximum initial score is five (because this is the maximum possible rating on the HSR for any individual product). The Product Profile score is simply this figure doubled, so that it is scored out of ten to provide comparability with the Corporate Profile.

Companies are then ranked on the basis of these scores. A score of 10 out of 10 on the Product Profile would indicate that a company's whole portfolio comprised products and/or sales of products with the maximum HSR of 5.

How healthy are the companies' portfolios overall?

ConAgra tops the Product Profile, with a score of 5.8 out of 10, as shown in Figure 1. Two other companies score above 5: Kraft Heinz ranks second with a score of 5.6 and General Mills ranks third with a score of 5.2. All of the other companies score less than 5. Mars, as a company that generated more than 90% of its 2016 U.S. sales from confectionery, ranks last, with a score of 1.6.

FIGURE 1 Product Profile scores: Maximum possible = 10



PRODUCT PROFILE

What percentage of the companies' products are healthy?

The Product Profile found that 30% of all products analyzed met the healthy threshold, as shown by Table 2.

The company with the highest percentage of healthy products is ConAgra, at 66%. This is a significant margin over the second company using this measure, Kraft Heinz, for which 41% of products met the healthy threshold of an HSR of 3.5 or more. The bottom-ranked company on this metric is Unilever, with 6% of its products rated healthy, while the proportion of Mars products that has an HSR of 3.5 or more is 9%. In the United States, the largest category by sales for Unilever is ice cream and frozen desserts, followed by ready-to-drink (RTD) Tea; together these two categories accounted for three quarters of 2016 sales.

TABLE 2 Number of products with each Health Star Rating overall and by company

HSR: 3.5 stars or more = healthy product												
	0.5	1.0	1.5	2.0	2.5	3.0	3.5	4.0	4.5	5.0	All	% HSR >3.5
												By no.
Coca-Cola	16	92	59	125	0	0	0	0	16	43	351	17%
ConAgra	67	20	40	39	42	118	363	142	87	31	949	66%
Dr Pepper Snapple	10	65	35	67	1	6	17	1	11	23	236	22%
General Mills	25	140	162	170	144	141	108	50	24	22	986	21%
Kellogg	35	54	146	119	139	60	35	57	34	12	691	20%
Kraft Heinz	126	31	65	95	66	49	78	95	53	74	732	41%
Mars	180	77	32	15	9	11	24	7	0	0	355	9%
Nestlé	124	82	105	144	84	218	246	50	6	12	1,071	29%
PepsiCo	26	66	96	122	45	63	30	29	57	85	619	32%
Unilever	39	38	98	132	86	55	24	4	1	2	479	6%
Total no. of products	648	665	838	1,028	616	721	925	435	289	304	6,469	
No. of products	4,516						1,953					
% products	70%						30%					

To what extent do companies generate their sales from healthy products?

To estimate the proportion of each company's U.S. sales made up of healthy products, its total 2016 sales per category was multiplied by the proportion of products in that category with an HSR of 3.5 or more. It is recognized that this is an estimate of the actual level of such sales.⁸

Table 3 shows that none of the companies assessed generate more than 50% of their 2016 sales from healthy products. ConAgra is estimated to generate 43% of its 2016 sales from products with an HSR of 3.5 or more, and Kraft Heinz 40%. Four companies were estimated to generate less than 10% of their 2016 sales from healthy products: Dr Pepper Snapple, Unilever, Coca-Cola and Mars. Overall, 22% of the companies' sales were generated by healthy products.

In the future, ATNF hopes to generate a more accurate picture of the relative contribution to sales of healthy and less healthy products by using product-level sales data, ideally provided by the companies themselves.

TABLE 3 Overall nutritional quality of companies' products, by number and with sales-weighting

	No. of healthy products	Percentage of healthy products by number (HSR >= 3.5)	% sales of healthy products
ConAgra	623	66%	43%
Coca-Cola	59	59%	6%
Kraft Heinz	300	41%	40%
PepsiCo	201	32%	21%
Nestlé	314	29%	29%
Dr Pepper Snapple	52	22%	9%
General Mills	204	21%	19%
Kellogg	138	20%	22%
Mars	31	9%	1%
Unilever	31	6%	7%



How healthy are the beverages assessed?

Looking at beverages separately, as shown in Table 4 (and not taking sales into account), Nestlé’s 28 beverages – a range of bottled waters, including sweetened products – have the highest mean HSR of 3, which is below the healthy threshold. PepsiCo’s beverage portfolio is overall of better nutritional quality than those of both Coca-Cola (2.1) and Dr Pepper Snapple (2), its two main rivals in the carbonates category. Unilever’s 42 ready-to-drink (RTD) teas have a mean HSR of only 1.7 – the lowest scoring beverage portfolio of any company. The low mean HSR of 2.3 reinforces other research which shows that many beverages in the United States are a lot less healthy than they could – and should – be. All beverage-makers need to redouble their efforts to cut sugar from those products that contain it and to put more effort behind selling plain waters, and low and zero calorie products.

TABLE 4 Mean HSR by Company – beverages only

Manufacturer	No.	Mean HSR
Coca-Cola	351	2.1
Dr Pepper Snapple	211	2
Nestlé	28	3
PepsiCo	367	2.7
Unilever	42	1.7
Total	999	2.3

How healthy are the foods assessed?

When analyzing foods separately, Dr Pepper Snapple’s 25 foods – all processed fruit and vegetables products – have the highest mean HSR of 3.4 (though these products account for a very low percentage of its overall sales). See Table 5. The company’s mean HSR is lower than the healthy threshold. ConAgra’s mean HSR for its 949 foods is 3.2, across five categories, and Mars has the lowest mean HSR at 1.2, based on 355 foods, more than 70% of which are confectionery products. Overall, foods for sale in the United States made by these ten companies achieved a mean HSR of only 2.5, illustrating the need for greater investment in reformulation to improve their nutritional quality.

TABLE 5 Mean HSR by company – foods only

Foods only		
	No.	Mean HSR
ConAgra	949	3.2
Dr Pepper Snapple	25	3.4
General Mills	986	2.3
Kellogg	691	2.3
Kraft Heinz	732	2.7
Mars	355	1.2
Nestlé	1,043	2.4
PepsiCo	252	2.7
Unilever	437	2
Total	5,470	2.5

How does the nutritional quality of products vary within categories?

A wide variation of nutritional quality of products within categories was identified, as shown in Table 6 for beverages and in Table 7 for foods. This analysis shows that there is substantial scope for all companies to reformulate their products within categories to improve their nutritional quality. The results are expressed in two ways: As a mean HSR and as the percentage of healthy products within each category. Both outcomes reveal a similar pattern.

TABLE 6 Within-category comparisons of mean HSR values and percentages of healthy beverages between companies

	Coca-Cola	Dr Pepper Snapple	Nestlé	PepsiCo	Unilever
Bottled water	2.2 (9%)		3 (39%)	2.1 (5%)	
Carbonates	1.4 (0%)	1.4 (1%)		2.2 (23%)	
Juice	2.5 (36%)	2.8 (40%)		3.8 (69%)	
RTD Tea	1.8 (0%)	1.6 (0%)			1.7 (0%)
Sports and Energy Drinks	1.6 (0%)			1.5 (0%)	

Note: Absolute values shown are mean HSR; percentage of healthy beverages is within brackets, for each category.

Nestlé has by far the largest percentage of healthy bottled waters, at 39%, compared to only 9% of Coca-Cola's and 5% of PepsiCo's. The low mean HSRs for the bottled waters offered by Coca-Cola, Nestlé and PepsiCo indicate that many are water-based products with additional ingredients.⁹ Carbonates also score poorly overall, with Coca-Cola and Dr Pepper Snapple both having a mean HSR of only 1.4, whereas PepsiCo's product range is, on average, of slightly higher nutritional quality, with an HSR of 2.2 and 23% of products achieving a healthy rating. All companies should do more to develop more healthier options in these categories and/or reformulate them to improve their nutritional quality, e.g. by reducing sugar levels.

Juices offered by these three companies score better. However, as Coca-Cola's juices achieve a mean HSR of only 2.5, and those of Dr Pepper Snapple 2.8, there is clearly scope for these companies to improve their nutritional quality, principally by removing added sugar. PepsiCo is the only company among the three competitors assessed here with a mean HSR of 3.8 and with more than half of the products rated as healthy (69%). RTD teas have a mean of between 1.6 (Dr Pepper Snapple) and 1.8 (Coca-Cola) showing substantial room for improvement. It is a similar picture for sports and energy drinks.

TABLE 7 Within-category comparisons of mean HSR values and percentages of healthy foods between companies

	ConAgra	Dr Pepper Snapple	General Mills	Kellogg	Kraft Heinz	Mars	Nestlé	PepsiCo	Unilever
Baked Goods			1.4 (2%)	2.2 (9%)					
Breakfast Cereals			2.7 (23%)	3.3 (48%)					
Confectionery						0.7 (0%)	1 (1%)		
Dairy	2.1 (13%)		3.4 (60%)		2.4 (41%)		1.2 (17%)		2.8 (48%)
Ice Cream and Frozen Desserts						1.5 (0%)	2.3 (9%)		2.2 (6%)
Processed Fruit and Vegetables	4.1 (98%)	3.4 (72%)							
Processed Meat and Seafood	2.4 (40%)			3.9 (95%)	3.9 (88%)				
Ready Meals	3.3 (70%)		2.4 (18%)		2.1 (12%)		3.1 (50%)		2.1 (0%)
Rice, Pasta and Noodles						3 (53%)			
Sauces, Dressings and Condiments					2.4 (20%)				0.8 (0%)
Savory Snacks	2.1 (28%)			2 (8%)	4 (88%)	0.5 (0%)		2.7 (26%)	
Sweet Biscuits, Snack Bars and Fruit Snacks			2.2 (8%)	1.8 (4%)					

Note: Absolute values shown are mean HSR; percentage of healthy foods is within brackets, for each category.

With respect to foods, a similar picture to that for beverages emerges, as displayed in Table 7. General Mills' baked goods on average have a much lower nutritional quality (HSR of 1.4) compared to those of Kellogg (HSR of 2.2), which is much lower than the healthy threshold in both cases. Only 2% of General Mills' baked goods meet the healthy threshold and only 9% of Kellogg's. This is a category in which those companies should focus their reformulation or new product development efforts.

The same two companies compete on breakfast cereals. Kellogg products on average are of higher nutritional quality (HSR of 3.3) than those of General Mills (HSR of 2.7) and twice as many Kellogg breakfast cereals (48%) have an HSR of 3.5 or more than those of General Mills (23%). This appears to indicate that Kellogg has done more to improve the nutritional quality of its products than General Mills. Less than 10% of products of all companies who compete in the confectionery, ice cream and frozen desserts, and sweet biscuits, snack bars and fruit snacks categories are healthy. In the ice cream and frozen desserts category, Nestlé's (HSR of 2.3) and Unilever's (HSR of 2.2) products rate higher on average than those of Mars, which has the lowest mean HSR of 1.5.

In the dairy category, General Mills leads, with 60% of its products rated healthy, as are 48% of Unilever's and 41% of Kraft Heinz's. The two companies with the lowest proportions of healthy products in this category are ConAgra (13%) and Nestlé (17%). With mean HSRs within the dairy category ranging from a low mean HSR of 1.2 for Nestlé to a mean HSR of 3.4 for General Mills, the dairy category shows a large variety in the healthiness of products.

While ConAgra and Dr Pepper Snapple both have products within the processed fruit and vegetables category, almost all of ConAgra's products are rated healthy (98%) with an average HSR of 4.1 whereas 72% of Dr Pepper Snapple's products meet the healthy threshold with an average HSR of 3.4. The processed meats and seafoods of ConAgra are rated substantially lower (HSR of 2.4) than those of its two competitors, Kellogg and Kraft Heinz; these two companies' products score an average HSR of 3.9 and 95% and 88% of their products are rated as healthy, respectively.¹⁰ In the sauces, dressings and condiments category, none of Unilever's products are rated healthy, while 20% of those produced by Kraft Heinz are. Several companies offering products in these categories therefore have considerable scope to improve.

There is a substantial variation in the nutritional quality of both the ready meals and savory snacks categories, where five companies compete in each. The mean ratings of ready meals range from the highest for ConAgra (HSR of 3.3 and 70% rated as healthy) to a much lower mean rating for both Kraft Heinz and Unilever (HSR of 2.1), with none of Unilever's products meeting the healthy threshold. Kraft Heinz achieves the highest mean rating for savory snacks

(HSR of 4) and 88% of products are rated as healthy. PepsiCo achieves the next rating average (HSR of 2.7) ranging down to Mars (HSR of 0.5), but the percentage of healthy products is much lower for all companies (all below 30%) compared to Kraft Heinz.

In all categories, the results may reflect a different product mix, but are also likely to indicate that some companies have not invested as much as others in improving their products' nutritional quality.

To what extent are the companies' products suitable to be marketed to children?

Only 14% of the products analyzed met the nutritional standards to be marketed to children according to the WHO Euro criteria. Further, the study estimated that, overall, companies generated only 13% of their sales from these products.

Food and beverage companies do not market all of their products to children nor necessarily make products specifically aimed at children. In fact, most products are more typically intended to be consumed by the population as a whole. Few companies make, for example, ready meals or spreads branded and marketed to appeal particularly to children. Nevertheless, to maintain a healthy weight it is important that children's diets should limit foods and beverages that are relatively high in saturated fat, free sugars, salt and calories.

The WHO Euro Nutrient Profiling Model deems certain categories as not being suitable to market to children, including, for example, confectionery, many spreads and sweet biscuits and most savory snacks. This affects those companies that make a large number of these products such as Nestlé and Mars. The model applies to products within 20 standard selected food and beverage categories (i.e. not limited to products typically targeted at children). For these categories within its scope, the model identifies those products that exceed set thresholds, linked to agreed daily intake values for children and recommends that any that exceed those limits should not be marketed to children.

As shown in Table 8, ConAgra has the highest percentage of products that meet the WHO Euro criteria (39%). Six of the companies have fewer than 10% of products eligible for marketing to children – Kellogg (8%), General Mills (7%), Dr Pepper Snapple (4%), Mars (4%), PepsiCo (3%) and Unilever (2%). Similarly, they were estimated to generate less than 10% of their 2016 sales from these products.

Nestlé was estimated to have generated the highest proportion of its 2016 sales from products suitable to market to children – 34%. This is because 20 of those products were bottled waters which account for a high proportion of its U.S. sales and another 240 were ready meals which also account for a significant proportion of its overall sales. For ConAgra the equivalent figure was 32%. Coca-Cola ranked third, having been estimated to generate 19% of its sales from products meeting WHO Euro criteria.¹¹

TABLE 8 Proportion of products and sales meeting WHO Euro criteria for marketing to children – by company

	No. of products suitable to market to children	% of products suitable to market to children (WHO Euro)	% sales suitable to market to children
ConAgra	411	39%	32%
Nestlé	263	25%	34%
Coca-Cola	57	16%	19%
Kraft Heinz	129	11%	11%
Kellogg	53	8%	6%
General Mills	66	7%	6%
Mars	27	4%	1%
Dr Pepper Snapple	10	4%	7%
PepsiCo	19	3%	4%
Unilever	11	2%	5%
	1046	14%	13%

The percentages of products suitable to market to children are very low. This is especially clear in two beverage categories (Carbonates and RTD Tea) and five food categories (baked goods, breakfast cereals, processed fruit and vegetables, sauces, dressing and condiments and savory snacks), in which all companies have less than 15% of products suitable to market to children. All manufacturers, but especially producers of products in these categories, should redouble their efforts to improve their nutritional profile to make more of them suitable for children.

Recommendations

The results of the Product Profile highlight five key ways in which companies could improve their impact on public health.

Reformulate products

First and foremost, companies should work to improve the nutritional composition of their existing products, especially well-established products sold in high volumes. They have a particular opportunity to improve the nutrient composition of products that are marketed to children or which form a significant part of children’s diets.

All companies should set and publish Specific, Measurable, Achievable, Relevant and Time-bound (SMART) targets that will increase their offering of products of a high level of nutritional quality for each category and/or within each brand. Companies should also set and publish their own clear SMART targets for each key nutrient, such as salt (or sodium) – irrespective of whether they have made pledges through organizations such as the International Food and Beverage Alliance (IFBA) – and invest further in delivering progress year-on-year. Companies should cover both existing products and new product launches, to ensure the nutritional quality will improve both on the product and on the portfolio level.

Improve the product mix

Companies should look to increase the proportion of healthier products within their portfolios, particularly those they market to children or which play a large part in children’s diets. This can be done either by investing in making products healthier or by acquiring companies with healthier product portfolios.

Adopt and publish a stringent NPS

Tracking and assessing progress in improvements in nutritional quality must be underpinned by a well-validated NPS. Those companies that have one should review it to ensure it is in line with prevailing evidence about diets and health. Those companies that do not have a system or that use multiple classifications for products that meet particular nutrition criteria (e.g. good for heart health or limited in certain nutrients) should introduce a single nutrient profiling model, based on one that is already well-validated and strongly aligned to national dietary guidance.

Be more transparent

It is currently not possible for stakeholders to understand the extent to which the nutritional quality of companies' portfolios is improving over time, if at all. It is essential that having adopted and published a well-verified NPS, companies publish each year the proportion of products per category that meet the healthy standard defined in that NPS, and ideally the revenues generated by such products. To enable proper comparison of the nutritional quality of companies' portfolios using a standardized measure, they should also calculate and publish these figures using the HSR, if they choose not to adopt the HSR as their internal NPS.

Stop marketing to children products that are not healthy, as assessed by the WHO regional nutrient profiling models or equivalent

Companies should stop marketing products to children that do not meet the standards of the WHO nutrient profiling model. Even if companies are members of the Children's Food and Beverage Advertising Initiative (CFBAI), which has its own nutrition criteria, they should adopt whichever criteria are stricter.

NOTES

- ¹ The document summarising the methods for these studies is available from ATNF on request.
- ² The criteria used is available and explained in the TGI report, on pages 15 and 16.
- ³ Research conducted by Professor Mike Rayner of the University of Oxford.
- ⁴ In consultation with its Expert Group, ATNF set a threshold of 3.5 stars for a product to be considered 'healthy', i.e. this threshold is not used by HSR. This cut point of ≥ 3.5 is based on work commissioned by the New South Wales Ministry of Health in Australia examining the alignment of HSR with existing school food service provision standards and the Australian 2013 Dietary Guidelines. The work is described in: Dunford E, Cobcroft M, et al. Technical Report: Alignment of the NSW Healthy Food Provision Policy with the Health Star Rating System. Sydney, NSW: *NSW Ministry of Health*; 2015. [online] Available at <http://www.health.nsw.gov.au/health/Publications/health-star-rating-system.pdf>
- ⁵ World Health Organization (2018). *WHO | Nutrient Profiling*. [online] Available at: <http://www.who.int/nutrition/topics/profiling/en/>
- ⁶ Euromonitor International is a privately-owned market research firm providing data and analysis on total market sizes, market shares and trends in a range of industries, including food.
- ⁷ For products that required additional ingredients to be added before consumption (e.g. a beverage powder or dry cake mix), companies were asked to provide information for the product 'as consumed' for this project. However, if these values were not available, the 'as sold' nutrient values were used in the analysis.
- ⁸ This approach does not take account of price differences between products within a product category. If the average price of products with an HSR of 3.5 or more differs from the average price of other products within categories, the estimated percentage of sales from healthy products will deviate from the true value.
- ⁹ Normal or sparkling water products without added ingredients ('packaged water') are assigned an HSR of 5 by exception. Water-based products with added flavors or nutrients such as sugar or salt are scored using the normal HSR algorithm, leading to much lower HSR values.
- ¹⁰ The Processed Meat and Seafood category also contains plant-based meat-replacement products (e.g. vegetarian burgers); not all companies sell meat-, fish- or shellfish-based products.
- ¹¹ See Note 9 for explanation of the HSR's approach to rating beverages. The WHO Euro model allows marketing of any beverages without added sugar or non-sugar sweeteners, regardless of other ingredients.





Breast-milk Substitutes Marketing

Introduction

Breastfeeding has a range of health benefits for babies and their mothers, outlined in the [Context](#) chapter. Of particular relevance to this Index is that breastfeeding may reduce the risk beyond infancy of gaining weight and of developing some diet-related diseases.^{1 2} For these reasons, the Centers for Disease Control and Prevention (CDC), and other agencies and organizations, offer programs to support and encourage breastfeeding as part of their wider efforts to improve public health. Some of those programs, and the recommendations of the American Academy of Pediatrics (AAP) on breastfeeding, are set out in Box 1.

The Surgeon General's 2011 Call to Action to Support Breastfeeding cited several factors that influence whether a mother chooses to breastfeed. These include, for example: a lack of awareness that breastfeeding is the best source of nutrition for most infants; the advice from or influence of family members and friends; embarrassment and fear of being stigmatized if they breastfeed; lactation problems; the need to return to work and lack of maternity leave and supportive workplace policies; hospital and clinical practices, and advice received from healthcare professionals; and difficulty accessing professional support to breastfeed.³ Another factor that is cited, breast-milk substitute (BMS) marketing, is the focus of this chapter.

A breast-milk substitute is any food marketed or otherwise presented as a partial or total replacement for breastmilk, whether or not suitable for that purpose.⁴ Manufacturers of BMS can protect and support breastfeeding, and the realization of the health benefits for mothers and babies associated with it, by marketing these products in line with the International Code of Marketing of Breast-milk Substitutes (The Code).⁵ This chapter assesses the extent to which they do so, using the ATNF BMS Marketing methodology, as outlined below.⁶

Basis for assessment and approach to scoring

There are several differences between how this assessment has been carried out and how it is done for ATNF's Global Indexes and other Spotlight Indexes.

- 1** The U.S. Index assessment is based on only one of the two elements of ATNF's BMS Marketing methodology – BMS 1 Corporate Profile. This Index assesses only the extent to which the BMS marketing policies of selected BMS manufacturers apply in the United States.
- 2** ATNF did not have the resources to commission an extensive in-country study of the marketing practices of BMS manufacturers, as outlined in the BMS 2 element of the methodology. In other Access to Nutrition Indexes, these studies form the basis of the BMS 2 assessment. They are carried out by Westat, an experienced U.S.-based research organization. Using a robust research protocol⁷, these studies include interviews with mothers and healthcare workers, and collate data on BMS promotion within healthcare facilities, in retail stores and online, via advertising on a wide range of media channels, and of product labels and claims. In the absence of this study, ATNF has drawn on the work of other organizations that have done relevant research to present an overview of BMS marketing in the United States.
- 3** Three companies were assessed: Abbott Laboratories Inc. (Abbott), Nestlé and RB/Mead Johnson Nutrition (RB/MJN). They were chosen because they are the largest players in the baby food market: together they account for nearly 80% of market share and the majority of BMS marketing in the United States.⁸
- 4** Only Nestlé is a constituent of the overall U.S. Spotlight Index; the other two companies are not included in the Index because neither is classified as a food and beverage manufacturer.
- 5** Because this is the first U.S. Index and due to the limited scope of the companies' commitments as they apply in this country, they are not scored or ranked on their BMS marketing performance as they are in other Indexes. Therefore, Nestlé's Corporate Profile score has not been adjusted based on a BMS Marketing score, as is the case in other Access to Nutrition Indexes.

In Category E, the Index also assesses the measures and the extent to which the ten companies included in the Index, including Nestlé, promote healthy eating and lifestyles among their employees and consumers, and whether companies go beyond their legal duties to support breastfeeding mothers who return to work.

A short explanation of the factors that influence mothers' choices around infant nutrition is set out first. This is followed by a summary of the size and growth of the baby food segment, and the products it comprises. A description of the aims, recommendations and application of The Code and how BMS marketing is regulated in the United States is then presented. Subsequently, the findings of the analysis and a commentary on the companies' BMS marketing policies is set out, followed by a summary of BMS marketing in the United States. Finally, recommendations are made.

BOX 1 RECOMMENDATIONS ON OPTIMAL CHILD FEEDING, AND POLICIES AND PROGRAMS THAT SUPPORT THEIR DELIVERY IN THE UNITED STATES

The AAP states in its 2012 policy on 'Breastfeeding and the use of human milk' that 'given the documented short- and long-term medical and neurodevelopmental advantages of breastfeeding, infant nutrition should be considered a public health issue and not only a lifestyle choice.'⁹

The policy recommends that every baby should be breastfed exclusively for about six months (apart from in rare exceptions when human milk or breastfeeding is not recommended) and that breastfeeding should be continued as complementary foods are introduced, for one year or longer as mutually desired by mother and infant. The AAP also advises parents to delay the introduction of cow's milk until a child's first birthday because it is not only difficult for infants to digest, but also because it fails to provide all of the fat, calories and nutrients (especially iron) that babies need to grow well and be healthy.¹⁰

Various U.S. government agencies aim, by setting policy, and by funding and delivering initiatives, to increase breastfeeding and good infant nutrition. Goals and strategies are set out within, for example, the Surgeon General's Call for Action for

Breastfeeding, the U.S. Department of Health and Human Services (HHS) Healthy People 2020 program and CDC's Strategies to Prevent Obesity and Other Chronic Diseases: The CDC Guide to Strategies to Support Breastfeeding Mothers and Babies.

The CDC plays a leadership role in promoting and supporting breastfeeding, as do many other government agencies, through various programs. These include the U.S. Department of Agriculture (USDA) Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) program, the HHS Office of Women's Health and the Health Resources and Services Administration (HRSA)/Maternal and Child Health Bureau. The CDC plays three roles: It collects data to understand how best to improve breastfeeding rates in the United States; it promotes best practice in healthcare settings by supporting, 'Ten steps to successful breastfeeding', a global standard to promote breastfeeding in hospitals and encouraging obstetricians, pediatricians and nurses to educate new mothers about breastfeeding; and it supports mothers at work and in their communities.¹¹

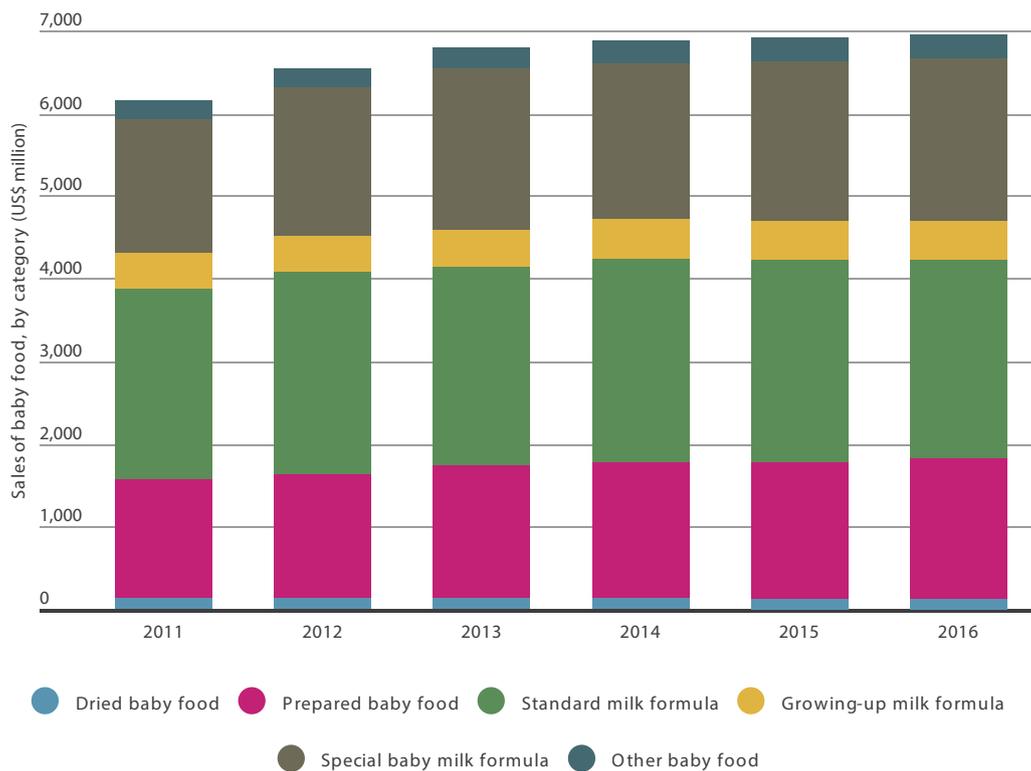


The U.S. baby food market

In 2011, total sales of the baby food category were \$6 billion increasing to \$7 billion by 2016, though growth has more or less plateaued since 2014, as shown in Figure 1.¹² The baby food category comprises various types of formula, foods and beverages for consumption by infants and young children. Euromonitor International, whose data are presented in Figure 1, defines this category as including the following types of products:¹³

1. Standard (i.e. not special – see item 4) infant milk formulas in powder and ready to drink liquid form (usually given from birth to six months).
2. Standard follow-on formulas of both forms (usually given to babies between seven and 12 months).
3. Standard growing-up milk formulas of both forms (given to babies/toddlers from 13 months onwards).
4. Special milk formula (given to babies to prevent or treat allergies to standard milk formula).
5. Prepared baby food sold in jars, cans or retort flexible pouches which do not require any cooking preparation other than heating.
6. Dried baby foods which require the addition of water before consumption, and which are usually sold in packets.
7. Other baby foods (i.e. any other products marketed for babies which may include baby rusks, teething biscuits, baby fruit juices, etc.).

FIGURE 1 Growth of sales of the baby food category in the United States 2011-2016



Source: Euromonitor International, Packaged Food 2017, using its classifications* of products.

* Note: In the ATNF methodology, baby food (prepared, dried and other) is called complementary food, which more easily differentiates it from the category overall. This type of food is considered to be a BMS per the definition used in The Code only if it is marketed as suitable for infants younger than six months of age. As these products cannot be separated out in this data, all of the data for baby foods is shown.

In 2016, close to 80% of U.S. retail value in the baby food segment was generated by three companies: Abbott, Nestlé and RB/MJN. The proportional contribution to global sales is shown in Table 1, for the three largest companies in the U.S. market. Information is not available in the public domain of the levels of sales of each of the three companies of infant formulas or complementary foods in the United States.

An important channel estimated to account for more than half of all sales of BMS in the United States is the WIC program, as outlined in Box 2.¹⁴ All three BMS manufacturers assessed sell their products in some states via this program.

TABLE 1 Major BMS companies' sales of baby food in 2016, globally and in the United States

All figures are for 2016	Abbott	RB/MJN	Nestlé
% that U.S. baby food category sales contribute to company's global baby food category sales	<30%	<50%	>10%
Key brands			
Formulas	Similac Pediasure	Enfamil Enfagrow	Good Start
Complementary food	N/A	N/A	Gerber

Source: Published company figures and ATNF calculations based on published information.



BOX 2 BMS SALES THROUGH WIC

WIC recognizes and promotes breastfeeding as the optimal source of nutrition for infants. It is designed to support people with a low income who are nutritionally at risk. In 2017, 7.3 million women, infants and young children participated in WIC. That year, it served 53% of all infants born in the United States¹⁵ and among all WIC participants, more than 90% of infants received some formula through the program.¹⁶

WIC state agencies encourage women to breastfeed their infants, if possible, through the various incentives and support. Each food package accommodates the different feeding patterns chosen by women, different ages of children, and different developmental stages of infants.¹⁷ The value of the package is higher for those that choose to exclusively breastfeed.¹⁸ In 2014, new recommendations were issued designed to improve the balance of food groups within the different packages and to increase choice for the recipients. They are also meant to better align with the current Dietary Guidelines for Americans.¹⁹

If mothers choose to use formula, they are provided with vouchers for formula for up to 12 months. They can only buy approved formulas from authorized retailers. WIC state agencies are required by law to choose the formula they offer through a competitive bid process. Each WIC state agency, or group of agencies, awards a contract to the manufacturer offering the lowest net wholesale price, defined as the difference between the manufacturer's wholesale price and the state agency's rebate.²⁰ This means that WIC state agencies agree to provide only one brand of formula, and in return, the manufacturer gives the state agency a rebate for each can of formula purchased by WIC participants.²¹

The brand of formula provided by WIC varies by state agency depending on which company has the rebate contract in a particular state. By negotiating rebates with formula manufacturers, states are able to serve more people. In Fiscal Year (FY) 2017, rebate savings were \$1.74 billion, supporting an average of 1.55 million participants each month, or 21.25% of the estimated average monthly caseload of the WIC program. WIC programs therefore represent a large and 'captive' sub-market for BMS manufacturers in each U.S. state; winning a state contract represents significant market share for companies.²²

From its start in 1974, the WIC program has undergone many changes which include: Increasing the promotion of breastfeeding; increasing nutrient density through the promotion of fresh vegetables, fruits and whole grains; and accommodating cultural eating patterns of program participants. By 2009, the program no longer routinely provided vouchers for formula during the first 30 days of life of breastfed babies, and reduced amounts of formula offered overall. After the 2009 WIC revision aimed at, among other things, encouraging initiation and duration of breastfeeding, the percentage of mothers receiving the partial breastfeeding package fell from 24.7% to 13.8%, and the full breastfeeding package popularity rose from 9.8% to 17.1%, though 8.5% more mothers received the full formula package (up from the previous rate of 20.5%). However, no changes in breastfeeding initiation were observed after this revision.²³

Data from 2013 showed that in that year WIC mothers were less likely to breastfeed their newborns (31%) than both non-WIC participant mothers eligible for the program (61%) and mothers not eligible, and therefore, non-WIC recipients (69%).²⁴ Analysis published in 2017 of reviews of WIC over four decades showed that participation improves nutrition and health of families with low incomes, leading to healthier babies, more nutritious diets, better healthcare for children and higher academic achievement for students. In addition, per-participant costs are remarkably stable and WIC spending as a share of the economy has fallen to its lowest level since before 1997.²⁵

Further studies are needed to assess to what extent the latest WIC reforms improve disparities in breastfeeding rates among different population groups in the United States.

The gold standard for BMS marketing: The International Code of Marketing of Breast-milk Substitutes

ATNF's BMS Marketing methodology is designed to assess BMS manufacturers' compliance with The Code. The Code was adopted in 1981 by the World Health Assembly (WHA) and endorsed as a minimum requirement to protect and promote appropriate infant and young child feeding as set out by the World Health Organization (WHO), i.e. that: *"Infants should be exclusively breastfed for the first six months of life to achieve optimal growth, development and health. Thereafter, to meet their evolving nutritional requirements, infants should receive nutritionally adequate and safe complementary foods while breastfeeding continues for up to two years of age or beyond. Exclusive breastfeeding from birth is possible except for a few medical conditions, and unrestricted exclusive breastfeeding results in ample milk production."*²⁶

The preamble to The Code also states that: *"When mothers do not breastfeed, or only do so partially, there is a legitimate market for infant formula and for suitable ingredients from which to prepare it; that all these products should accordingly be made accessible to those who need them through commercial or non-commercial distribution systems; and that they should not be marketed or distributed in ways that may interfere with the protection and promotion of breastfeeding."*

The aim of The Code is *"To contribute to the provision of safe and adequate nutrition for infants, by the protection and promotion of breastfeeding, and by ensuring the proper use of breast-milk substitutes, when these are necessary, on the basis of adequate information and through proper marketing and distribution."*

The Code's recommendations regarding BMS marketing are set out in Box 3. Since being passed, numerous WHA resolutions have reiterated the importance of The Code, addressed emerging marketing techniques and products, incorporated new scientific consensus on optimal infant feeding, such as the extension of exclusive breastfeeding to six months instead of only four months as stated in the original document, and called on countries to implement The Code.

Although The Code is not legally binding, it is expected that WHO Member States will *"Take action to give effect to the principles and aim of this Code, as appropriate to their social and legislative framework, including the adoption of national legislation, regulation or other suitable measures."* The United States was the only country to vote against the resolution to endorse The Code in 1981.²⁷

In addition, Article 11 calls on manufacturers and distributors, independently of any other measures taken for implementation of The Code, to regard themselves as responsible for monitoring their marketing practices according to the principles and aim of The Code, and for taking steps to ensure that their conduct at every level conforms to them.

The scope, as stated in the 1981 Code, covers *"breast-milk substitutes including infant formulas, other milk products, foods and beverages, including bottle-fed complementary foods, when marketed or otherwise represented to be suitable, with or without modification, for use as a partial or total replacement of breastmilk"* (as well as feeding bottles and teats). Subsequently, in 2013, the WHO issued additional guidance clarifying that The Code should be considered to apply to all formulas marketed as suitable for infants up to 24 months age.²⁸ A resolution passed in 2016, WHA 69.9, makes clear that The Code is intended to apply to all milks specifically marketed for feeding infants and children up to 36 months of age, and sets out a series of recommendations relating to the marketing of complementary foods.²⁹

BOX 3 KEY ELEMENTS OF THE CODE, 1981 AND SUBSEQUENT WHA RESOLUTIONS PASSED UP TO 2016

Advertising and promotion to the general public**No advertising or other form of promotion of breast-milk substitutes and products within the scope of The Code (including feeding bottles and teats) to the public.**

- No free samples provided to mothers by manufacturers or distributors, directly or indirectly.
- No point-of-sale advertising, provision of samples or any other promotional device to induce sales at the retail level.
- No marketing personnel of BMS manufacturers to seek or have direct or indirect contact of any kind with pregnant women, mothers, or infants and young children, and particularly not perform any educational functions.

Interaction with healthcare workers or the healthcare system

- No donations of free or subsidized supplies of BMS or other products in any part of the healthcare system.
- Feeding with formulas should only be demonstrated by healthcare workers.
- No gifts or personal samples to healthcare workers.
- No gifts of articles or utensils to pregnant women, mothers, or infants and young children that may promote the use of BMS or bottle-feeding.
- No donations by manufacturers or distributors of informational or educational equipment or materials with the brand or logo of a proprietary product and only at the request of and with the written approval of the government or government guidelines.
- No promotion within healthcare services.
- Information about BMS provided to healthcare workers should only be scientific and factual.
- No sponsorship of meetings of healthcare professionals and scientific meetings.

Provision of proper information

- No pictures of infants, or other pictures or text idealizing artificial feeding, on the labels of the products.
- Information and educational materials for pregnant women and mothers should include wording on a wide range of points, as laid out by The Code, including, for example, explaining the benefits of breastfeeding and the costs and dangers associated with feeding babies BMS.
- Detailed information on product labels and inserts about the product, particularly in respect of proper preparation.

Suitable products and product quality

- Unsuitable products, such as sweetened condensed milk, should not be promoted as suitable for babies.
- Product quality should meet Codex Alimentarius standards.
- Complementary foods should not be introduced earlier than six months of age.
- Companies' systems of sales incentives, including bonuses and quotas, for marketing personnel should not be linked to BMS.

Manufacturers' responsibilities for implementation and monitoring

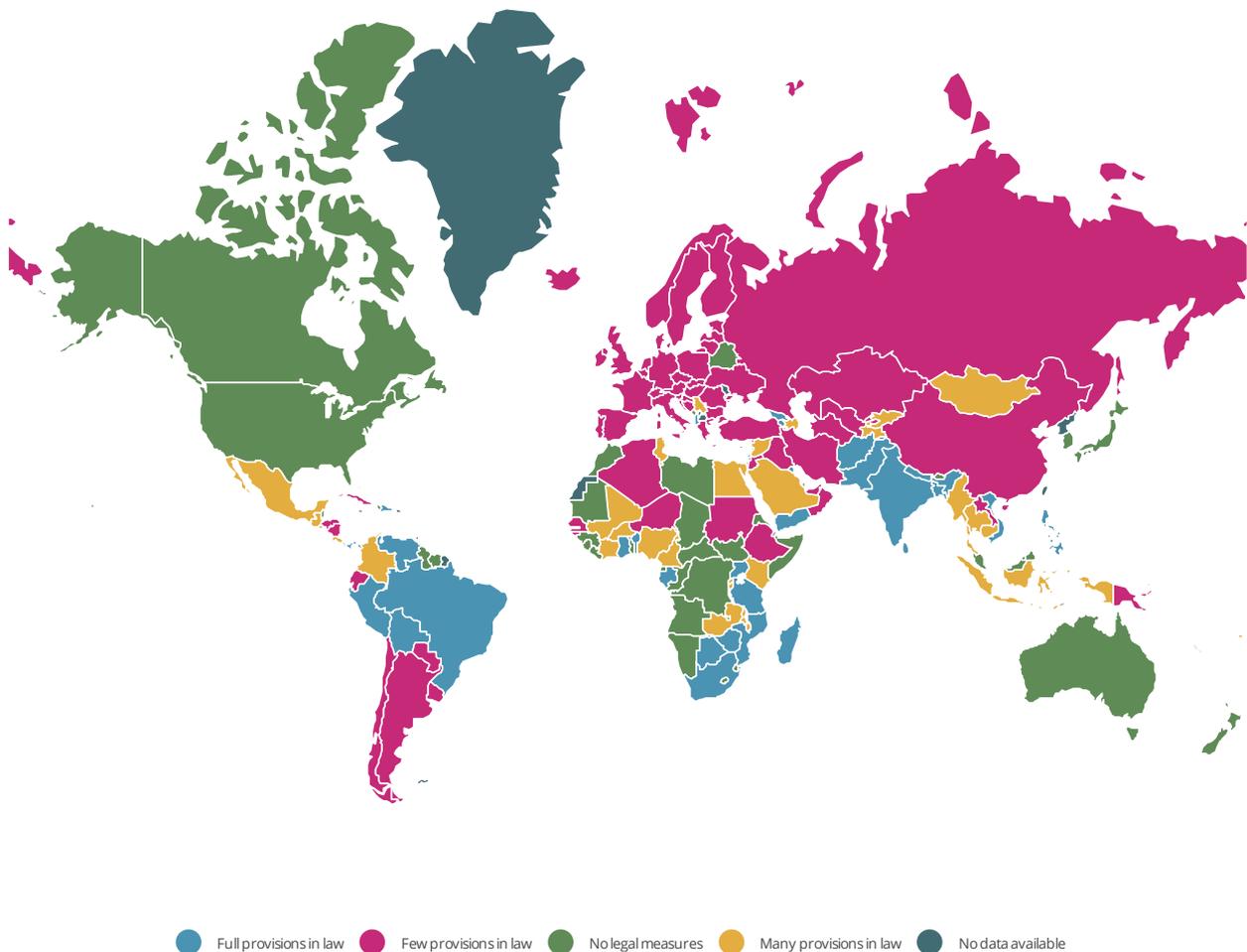
- Manufacturers and distributors of products within the scope of The Code, and appropriate non-governmental organizations (NGOs), professional groups and consumer organizations should collaborate with governments to monitor the application of The Code.
- Manufacturers and distributors of products within the scope of this Code are responsible for monitoring their marketing practices and for taking steps to ensure that their conduct at every level conforms to them.
- Manufacturers and primary distributors must apprise their marketing personnel of The Code and of their responsibilities under it.

Implementation of The Code around the world

As of 2018, as shown in Figure 2, a total of 35 countries had full Code provisions covered in law, while 31 had legal measures with many Code provisions in place, and 70 had legal measures incorporating few Code provisions in law.

Fifty-eight countries - including the United States - had no legal measures in place.³⁰ All those with full or many provisions in law were low- and middle-income countries.

FIGURE 2 Extent of national legal measures to implement The Code



Source: WHO (2018)

An argument has often been made that it is most important to focus on implementing The Code in lower-income countries where rates of maternal and infant mortality are higher, sanitary conditions are worse, water is not potable, etc. However, The Code was intended to be implemented universally, i.e. also in higher-income countries. In view of the evidence of the health benefits of breastfeeding to infants and mothers referenced earlier, and the serious health

challenges mounting in the United States, the case for implementing The Code in high-income countries, including in the United States, is arguably even stronger now than when it was adopted 37 years ago.

United States regulatory context

There is no one law or regulation in the United States that enacts The Code's recommendations though some aspects of BMS marketing are overseen by federal agencies. The FDA ensures that infant formula intended for infants up to 12 months old meets the nutritional needs of infants and is safe. It also regulates the labeling of infant formula. In 2016 the FDA issued draft guidance on the type and quality of evidence that it would recommend formula manufacturers and distributors have to substantiate claims about effects on the structure or function of the body ('structure/function claims') made on the label and in other labeling of non-exempt and exempt infant formulas.³¹ The purpose of the guidance is to ensure that such claims comply with the statutory requirement that they are truthful and not misleading under the relevant section of the Federal Food, Drug and Cosmetic Act.³² This guidance does not appear to have been finalized as of mid-2018 following the comment period ending in February 2017.

The Federal Trade Commission (FTC) also plays a role as it enforces 'truth-in-advertising' laws and applies the same standards no matter where an ad appears – in newspapers and magazines, online, in the mail, or on billboards or buses. The FTC looks especially closely 'At advertising claims that can affect consumers' health or their pocketbooks which includes looking at claims about food, including infant formula.'³³ It has brought several suits against infant formula manufacturers over the years; one such case is outlined in Box 4.

BOX 4 PAST REGULATORY ACTIONS RELATING TO BMS MANUFACTURERS IN THE UNITED STATES

Abbott and Mead Johnson Nutrition, and other BMS manufacturers, were parties to certain consent orders in the 1990s. The consent orders resolved certain enforcement actions brought by state and federal regulators, including the FTC. The enforcement actions accused Abbott, Mead Johnson Nutrition (then owned by Bristol Myers Squibb) and other infant formula manufacturers of unlawfully conspiring with each other and with the AAP to adopt a ban on direct-to-consumer infant formula marketing for the alleged purpose of making it more difficult for other infant formula manufacturers to enter the U.S. infant formula market. The government's theory was that the AAP's ban on direct-to-consumer marketing was intended solely to benefit entrenched infant formula manufacturers by reducing the ability of new entrants to gain market share.³⁴

Ultimately, Abbott and Mead Johnson Nutrition resolved these enforcement actions by entering into consent orders.³⁵ The consent orders prohibit the subject BMS companies from exchanging among one another BMS advertising information for the U.S. infant formula market; from entering into, or attempting to enter into, agreements with one another to adopt BMS marketing restrictions; or from soliciting one another to adhere to BMS marketing restrictions. These consent orders technically remain in effect today.

Infant formula makers also have a route through which to challenge other manufacturer's advertising via the Better Business Bureau's (BBB) National Advertising Division (NAD). They have brought 17 such challenges between 2000 and 2016, as outlined in Box 5.

BOX 5: INDUSTRY EFFORTS TO ADDRESS INACCURATE AND DECEPTIVE ADVERTISING OF BMS THROUGH VOLUNTARY ACTION

The Better Business Bureau's National Advertising Division seeks to reduce 'Inaccurate and deceptive national advertising.' It can initiate actions on its own or accept consumer complaints, but the vast majority of cases are brought by an advertiser against another. The three major infant formula manufacturers are members of NAD. A search of NAD case reports from 2000-2016 found a total of 17 challenges brought by formula companies against each other about alleged inaccurate or deceptive advertising, either on direct-to-consumer channels or directed to healthcare providers. This has included disputes about infant formula comparisons to breastmilk, and health and ingredient claims.

NAD issues decisions in the form of case reports but these are not binding, i.e. companies are not compelled to take the corrective action outlined in the case reports, and NAD does not have any power to enforce them. The only 'sanction' it has is to make the findings public or refer the non-compliant member to the FTC for possible enforcement action. Members can also appeal internally to the National Advertising Review Board panel. However, a substantial limitation of this process is that the panel is made up of marketing executives rather than scientists and that the panel must determine whether there is a scientific basis for complex claims and disputes about companies' comparisons of their products to breastmilk.³⁶

Do the three largest BMS companies apply policies that implement The Code’s marketing recommendations in the United States?

The BMS marketing policies of each of the three largest baby food companies in the United States were assessed, using the [BMS 1 Corporate Profile methodology](#), for the Global Access to Nutrition Index 2018.³⁷ This included analysis of:

- Their overarching commitments relating to breastfeeding and stance vis-a-vis The Code.
- The extent to which the wording of the companies’ policies is consistent with each Article of The Code and subsequent relevant WHA resolutions relevant to them.
- The strength of their management systems designed to apply their policies.
- Their stance on lobbying on BMS-related matters.
- Their disclosure.
- The scope of application of their policy, in terms of its differential application to different types of products and different geographies, specifically higher risk or lower risk countries, using a risk-rating system developed by FTSE4Good.³⁸ Countries are considered higher risk if they meet either of the following levels of infant mortality and morbidity: More than ten per 1,000 under five mortality, and/or more than 2% acute malnutrition (moderate and severe wasting) in under-five year olds.

This analysis resulted in an initial BMS 1 Corporate Profile score for each company, which was then weighted in various ways according to the types of products and which geographies the policy applies to, as well as the company’s stance on applying its policy in different regulatory contexts. The scoring approach is explained in the ATNF BMS Marketing methodology; a score of 100% indicates that the company’s BMS marketing policy, management systems and disclosure meet in full the standards embodied in the BMS Marketing methodology, including complete alignment of the wording of its policy with that of The Code. This resulted in their BMS 1 Corporate Profile score, on the basis of which they were ranked, as set out in Table 2.

TABLE 2 Scores and ranking of the three largest baby food companies in the United States within the Global Access to Nutrition Index 2018

Global Index 2018 results	Global BMS 1 final Corporate Profile score	BMS 1: Rank out of 6
Nestlé	56%	2
Abbott	35%	4
RB/MJN	19%	5

For this U.S. Index, ATNF reviewed the extent to which the publicly available BMS marketing policies of Nestlé, Abbott and RB/MJN apply in the United States, and the companies’ published documents and statements relating to breastfeeding.

TABLE 3 Analysis of the three largest baby food companies' BMS marketing policies' applicability in the United States

Does the company publish a statement, applicable in the United States	Nestlé	Abbott	RB/MJN
Policy date	2017	2017	2018
Supporting exclusive breastfeeding for the first six months	Y	Y	Y
Supporting continued breastfeeding for two years or more	Y	Y	Y
Supporting introduction of appropriate CF from six months and not earlier ^a	Y	Y	Y
Acknowledge the importance and aims of The Code	Y	Y	Y
Acknowledge the importance and aims of all relevant WHA resolutions	Y	Y	Y
Does the company's policy on BMS marketing commit to going beyond compliance with regulations in 'lower-risk' countries like the United States?			
Infant formula (birth to six months)	N	N	N
Follow-on Formulas (infants six - 12 months)	N	N	N
Growing-up Milks (young children 12 months and older)	N	N	N
Complementary Foods (birth to six months)	N	N/A ^b	N/A
Policy commitments that align to The Code and related WHA resolutions and apply in the United States.			
Article 4 – Information and education	N	N	N
Article 5 – The General Public and Mothers	N	N	N
Article 6 – Healthcare systems	N	N	N
Article 7 – Healthcare workers	N	N	N
Article 8 – Persons employed by manufacturers and distributors	N	N	N
Article 9 – Labeling	N	N	N
Article 10 – Quality	N	Y	N
Article 11 – Implementation and monitoring	N	N	N
Policy commitment to not lobby against policy measures to implement The Code in 'lower-risk' countries like the United States.			
	N	N	N

Note a Complementary food (CF) when marketed as suitable for infants under 6 months of age is defined by the Code to be a BMS.

Note b N/A means that the company does not make this type of product.

This analysis, summarized in Table 3, shows that while all of the companies have BMS marketing policies, of greater or lesser strength, they apply them only in higher-risk markets, i.e. not in lower-risk countries such as the United States.

Further, while these three companies make statements supporting the WHO recommendations for breastfeeding and acknowledge the importance of The Code and subsequent relevant WHA resolutions, none has a policy that commits it to do any more than comply with applicable government regulations in lower-risk countries.

In view of the absence of regulation implementing The Code, a step that each company could unilaterally and voluntarily take is to extend its policies to implement The Code in full in the United States and other lower-risk countries.

In higher-risk countries, Nestlé and RB/MJN have committed separately to implement some of The Code's BMS marketing recommendations. Analysis for the Global Index 2018 showed that Nestlé's policy, as it applies in these countries, aligns very closely to The Code's BMS marketing recommendations.³⁹ Nestlé has committed in these countries to follow The Code's recommendations in full for four of The Code's Articles (5,6,9 and 10), and the wording in relation to three other Articles (7,8,9) was nearly fully aligned. It applies these commitments to all 'higher-risk' countries in relation to all of its formulas from birth to 12 months of age, and its complementary foods, and, crucially, where regulations are absent or weaker than its policy, commits to adhere to its own policy.⁴⁰ RB/MJN adopted a similar policy earlier this year, substantially strengthening the previous policy it adhered to.⁴¹

Although Abbott states that its policy applies globally to infant formulas, the policy omits many recommendations of The Code (as illustrated by an Initial Corporate Profile score in the Global Index 2018 of only 56%). Abbott's policy does align to The Code in relation to its commitments on product quality, which it states apply in every country. However, the policy states that to the extent that there is a difference between the standards set out in its policy and national law or regulation, it follows the national laws and regulations. In effect, this means that in any country where local regulations are weaker than its own policy, Abbott follows those regulations, or where there are no local regulations, it applies its own policy which, as outlined, does not align to the wording of The Code.⁴² Thus, in the United States, Abbott does not implement the majority of The Code's BMS marketing recommendations.

In short, none of the three companies has made any commitments to adopt the vast majority of The Code's BMS marketing recommendations in the United States.

BMS marketing in the United States

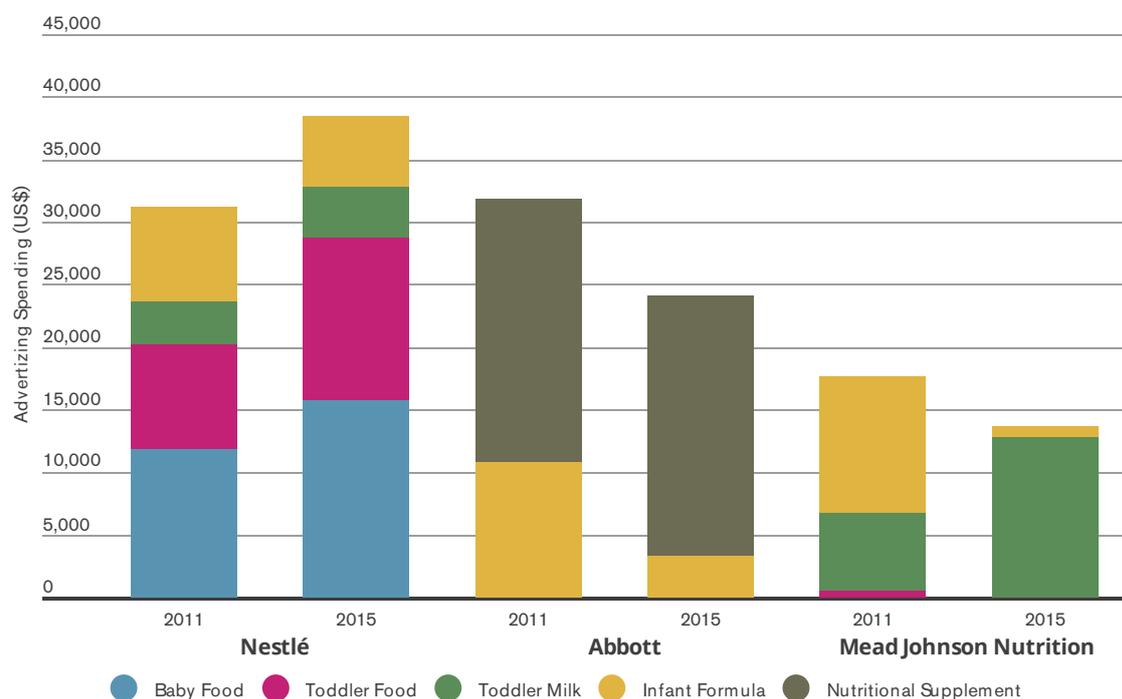
As ATNF was not able to undertake an assessment for this Index of the BMS marketing practices of the companies assessed, this section draws instead on the work of other organizations to present a picture of BMS marketing activity in the United States.

The Rudd Center for Food Policy & Obesity is part of the University of Connecticut's Institute for Collaboration on Health, Intervention and Policy. Its mission is to promote solutions to childhood obesity, poor diet and weight bias through research and policy.⁴³ The Rudd Center published a comprehensive study in 2016 called Baby Food f.a.c.t.s: Nutrition and marketing of baby and toddler food and drinks.⁴⁴ Among other things, this study collated and analyzed companies' spending on BMS advertising, the content of advertising, companies' marketing via social and other digital media, the nature of claims and messages, cross-marketing (i.e. where the branding of one product or set of products is similar to that of other products and thereby also serves to promote those products). Syndicated market research data was obtained from Nielsen, a global information and measurement company, for 2011 through 2015, and from comScore, a company that measures audiences, advertising and consumer behavior, for 2015. Rudd Center's researchers collected additional data on brand marketing practices from company websites, social media sites, packaging of products in the supermarket and through content analyses of advertisements. Excerpts from the study are presented below.

Advertising spending and content

The Rudd Center examined 2015 Nielsen data and found that advertising spending for all types of formula and baby foods and drinks for infants and young children up to three years old that year was more than \$77 million (note that Nielsen uses different segment definitions to Euromonitor International. Nielsen's definitions are set out in Table 4). Most was spent on TV adverts (74%) and in magazines (24%) with less than 3% of paid advertising on other media types (paid advertising on third-party websites and coupons inserted in publications). Further, 99% of that spending was by the three companies assessed here, as shown in Figure 3. While Nestlé has increased its advertising across all product categories, Abbott and RB/MJN decreased theirs from 2011 to 2015. This appears to be because advertising is shifting online (the cost of which is much lower than on TV). Similac (made by Abbott) and Enfamil (made by RB/MJN) were not advertised on TV at all in 2015. Similac alone spent \$1 million on internet advertising in 2015, more than ten times the amount spent by any other brand analyzed.

Advertisements made claims about promoted products, including, for example, 'nutritious', 'reduce crying', providing 'comfort for baby' and to be '#1 brand recommended by pediatricians.' Many also claim developmental benefits and to promote digestive health, and to be superior to breastmilk, whole milk or 'table food.'⁴⁵

FIGURE 3 Advertising spending by company and category, 2015


Source: Baby Food Facts 2016 Nutrition and marketing of baby and toddler food and drinks. UConn Rudd Center for Food Policy & Obesity November 2016.

TABLE 4 Definitions used by Nielsen of various types of products within the overall 'baby food' category

Product type	Definition ^a
Infant formula^b	The Federal Food, Drug, and Cosmetic Act (FFDCA) defines infant formula as "A food which purports to be or is represented for special dietary use solely as a food for infants by reason of its simulation of human milk or its suitability as a complete or partial substitute for human milk." An infant is a person not more than 12 months old. ⁴⁶
Toddler milk^{c,d}	Powdered milk drink supplemented with nutrients and that the company indicates is specifically for toddlers older than 12 months and younger than three years. These products are also known as toddler or follow-up formula.
Transition formula	A sub-category of toddler milk that the company indicates is appropriate for both babies younger than 12 months and for older children (e.g., Enfagrow Toddler Transitions for children nine to 18 months). These products utilize the infant formula nutrition facts panel.
Nutritional supplement	Products consumed alone as a food or meal, that contain a 'dietary ingredient' intended to add further nutritional value to enhance the diet, and that the company indicates is suitable for children younger than three years.
Baby food/ complementary or weaning food	Food products that companies indicate are specifically intended for infants zero to 12 months old.
Toddler food/ complementary or weaning food	Food products that companies indicate are specifically intended for children one to two years old.

Note a These definitions are not regulatory definitions. Note also that Euromonitor International, whose data was presented earlier in the chapter, uses different classifications for products within the overall baby food category.

Note b ATNF refers to infant formula as being those formulas marketed as suitable for infants from birth to six months old, and follow-on formulas as those being marketed as suitable for infants from six to 12 months of age, per the definition used by Codex Alimentarius of 1987.

Note c ATNF refers to these products in its methodology and other reports as growing-up milks.

Note d Products for children over 12 months are not regulated as infant formulas by the FDA.

Source: Baby Food Facts 2016 Nutrition and marketing of baby and toddler food and drinks. UConn Rudd Center for Food Policy & Obesity November 2016.

Digital marketing reach

The Rudd Center study looked at other forms of digital marketing as well as internet advertising. The level of views of banner ads on retailers' websites, family and parenting websites and social media websites (not the companies' websites or social media platforms) is shown in Table 5. Similac, Gerber and Enfamil/Enfagrow (combined) had between 16 – 17 million views combined of their banner ads per month.

The study also looked at companies' own websites and social media platforms. The authors considered the number of unique monthly visitors to each website to be relatively low. All sites averaged fewer than 100,000 adult visitors-per-month in 2015. Enfamil.com and Similac.com had the most adult visitors (89,000 and 85,000 per month,

respectively), while Gerber.com averaged 56,000. The majority of these visitors were women. However, traction via social media platforms for some brands was high.

Gerber dominated on social media platforms. It had, for example, more than 50 million views on YouTube, while Similac had more than 17 million views. These channels frequently featured experts offering advice to parents and offers of consultations with experts. An important omission identified in marketing for infant formula on the internet and social media was that it did not include the disclaimers that appeared on TV and magazine advertisements and product packages, including that breastfeeding is best for babies and that parents should consult a pediatrician before use.

TABLE 5 Proportion of banner ads on retail, family and parenting websites, and social media websites.

Brand	Category	Retail websites		Family and parenting websites		Social media websites	
		2015 ads % of total ads viewed (000) for the brand	7%	2015 ads % of total ads viewed (000) for the brand	17%	2015 ads % of total ads viewed (000) for the brand	10%
Similac (Abbott)	Infant formula, toddler milk	14,805	7%	34,360	17%	20,571	10%
Gerber (Nestlé)	Baby food, toddler food, infant formula	45,461	24%	1,535	1%	13,448	7%
Enfagrow (RB/MJN)	Toddler milk	22,746	19%	4,231	3%	9,382	8%
Enfamil (RB/MJN)	Infant formula	10,857	14%	3,943	5%	4,696	6%
Pediasure (Abbott)	Nutritional supplement	1,251	3%	4,338	10%	4,993	12%
Other	Baby food, toddler food, infant formula, nutritional supplement	8,266	33%	9,213	33%	5,917	38%
Total		103,386		57,620		59,007	

Source: Baby Food Facts 2016 Nutrition and marketing of baby and toddler food and drinks. UConn Rudd Center for Food Policy & Obesity November 2016.

The Rudd Center also analyzed 1,375 posts written by various types of writers during 2015. The brands mentioned, and techniques used to promote the brands are shown in Table 6.

The Berkeley Media Studies Group (BMSG) undertook a study on social media marketing of infant formula. BMSG is a nonprofit organization affiliated with the Public Health Institute, an independent, nonprofit organization dedicated to promoting health, wellbeing and quality of life. BMSG aims to expand advocates' ability to improve the systems and structures that determine health. One element of the study identified the most frequent claims made about BMS products. While such claims are not restricted by law in the United States, they are not permitted by The Code. BMSG

identified the claims by collecting and coding Facebook posts, Tweets, and sponsored blog posts from three major BMS producers, focusing on content published in 2015 and 2016. A total of 355 substantive relevant posts were found across the platforms.

The majority of marketing claims focused on the health benefits of formula for infants. The most frequent claims (70% of the total) focused on the nutrients provided by a particular brand, or its general 'nutritional value.' Other more specific health or nutrition claims positioned formula as superior to breastmilk in combating colic (13%) or explicitly equated infant formula with breastmilk (17%), examples of which are shown in Table 7.⁴⁷

TABLE 6 Baby and toddler foods, drinks and formulas mentioned on mom blogs

% of brand posts								
Brand	Category	Total number of posts	Use, like, discuss	Loyalty program endorsement	Mom coupon blogger	Sponsored post or product review	Unique campaign	Other
Gerber	Baby food	152	66%	0%	12%	4%	16%	2%
Similac	Infant formula	321	39%	8%	19%	1%	34%	0%
Enfamil	Infant formula	165	28%	19%	37%	9%	--	7%
Pediasure	Nutritional supplement	104	88%	0%	10%	2%	--	0%
Enfagrow	Toddler milk	22	5%	14%	41%	14%	--	27%

Source: Baby Food Facts 2016 Nutrition and marketing of baby and toddler food and drinks. UConn Rudd Center for Food Policy & Obesity November 2016.

TABLE 7 Claims about the benefits of infant formula for babies across all platforms

% of health claims	Example of health claim wording
General nutritional value (70% of health claims)	Tweet: @thatsBetsyV: A new innovative way to give your child all the nutrients they need with Gerber BabyNes machine #giveaway #blogger
Similar to breast milk (17% of health claims)	Sponsored blog post: Enspire™ by Enfamil® costs a little more due to premium components, but this is totally worth it, because I know that it's Enfamil's closest formula to breastmilk. Because Enspire™ narrows the compositional gap between formula and breast milk, I know that I want my baby to have it.
Fights colic (13% of health claims)	Tweet: Enfamil: It takes time for a #baby's #digestive system to mature and work smoothly. Learn how to help ease the transition. http://t.co/FwnpMSgbKA

Source: Berkeley Media Studies Group, Social media analysis study, 2016.

In summary, despite the evidence of the benefits to mothers and babies of breastfeeding, and the statements of the three BMS manufacturers assessed in this report, the marketing

and promotion of these products is widespread in the United States. Critically, all of the forms of marketing and promotion outlined are contrary to the recommendations of The Code.

Recommendations

ATNF's analysis demonstrates that the three major BMS manufacturers do not market their products in the United States in line with The Code. ATNF therefore recommends that, alongside other stakeholders such as government, health professionals and non-profit organizations, each of the BMS manufacturers intensify its efforts to support breastfeeding rates by curtailing BMS marketing that does not align to the recommendations of The Code, to contribute to improving the health of mothers and babies.

Nestlé, RB/MJN and Abbott should each unilaterally adopt a BMS marketing policy that aligns fully with the wording of The Code and subsequent relevant WHA resolutions. Ideally, each would apply its policy immediately to all BMS products sold in the United States. Alternatively, each company could implement The Code's recommendations incrementally, starting, for example, by applying its policies to all formula and complementary food products intended for infants up to six months. This would be a valuable first step given the importance of protecting exclusive breastfeeding up to that age. Later, each company could extend its policies to products for young children up to 12 months, and eventually to products up to 36 months of age.

These findings have implications for other actors too. For example, there is scope for the BBB to strengthen the role of the NAD. First, it could reform its review process so that any breastmilk comparison standard considers primarily the impact on consumers. Second, it could strengthen the existing consumer complaint system for challenging advertising directed at healthcare providers. Third, it could commit to follow FDA's proposed standards to require competent and reliable scientific evidence for all structure/function health claims for infant formula.^{48 49}

In addition, health professionals, health service providers and professional journals could look at whether they might further strengthen their policies that relate to the recommendations of The Code. For example, health professionals could decline to distribute free BMS samples and gift bags to pregnant women and new mothers, not allow BMS advertising in healthcare facilities, call on their professional journals not to accept BMS advertisements, and turn down sponsorship of conferences and meetings by BMS companies and not accept gifts from them.



NOTES

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- ³ U.S. Department of Health & Health Services (2014). The Surgeon General's Call to Action to Support Breastfeeding. Available at: <https://www.surgeongeneral.gov/library/calls/breastfeeding/>
- ⁴ World Health Organization (1981). *International Code of Marketing of Breast-milk Substitutes*. [online] Geneva: World Health Organization, pp.1-24. Available at: http://www.who.int/nutrition/publications/code_english.pdf
- ⁵ World Health Organization (1981). *International Code of Marketing of Breast-milk Substitutes*. [online] Geneva: World Health Organization, pp.1-24. Available at: http://www.who.int/nutrition/publications/code_english.pdf
- ⁶ This chapter is presented differently to the preceding chapters for two reasons. First, because some stakeholders are predominantly interested in this aspect of the Index, it is structured and written so that those readers can read and understand it without referring to the rest of the report if they wish. Second, the approach taken to the assessment of BMS marketing is different to that for other topics covered by the Index.
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- ¹² Euromonitor International (2017). *Packaged Food*.
- ¹³ Euromonitor International (2017). *Passport Definitions*.
- ¹⁴ Center on Budget and Policy Priorities (2017). *Policy Basics: Special Supplemental Nutrition Program for Women, Infants, and Children*. [online] Available at: <https://www.cbpp.org/sites/default/files/atoms/files/2-9-15PolicyBasics-WIC.pdf>
- ¹⁵ U.S. Department of Health and Human Services (2018). *Frequently Asked Questions about WIC | Food and Nutrition Service*. [online] Available at: <https://www.fns.usda.gov/wic/frequently-asked-questions-about-wic>
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- ¹⁷ National Academies of Sciences, Engineering, and Medicine (2017). Review of WIC food packages: Improving balance and choice: Final report. Washington, DC: *The National Academies Press*, p.22.
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- ²² U.S. Department of Health and Human Services (2018). *Women, Infants and Children (WIC)*. [online] Available at: <https://www.fns.usda.gov/wic/frequently-asked-questions-about-wic>
- ²³ Wilde, P., Wolf, A., Fernandes, M. and Collins, A. (2012). Food-package assignments and breastfeeding initiation before and after a change in the Special Supplemental Nutrition Program for Women, Infants, and Children. *The American Journal of Clinical Nutrition*, 96(3), pp.560-566.
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- ²⁷ On 21 May 1981, the World Health Assembly (WHA) adopted the International Code of Marketing of Breast-milk Substitutes under Resolution Number 34.22, with 118 votes for, 1 against and 3 abstentions.
- ²⁸ World Health Organization (2013). *Information concerning the use and marketing of follow-up formula*. [online] Available at: http://www.who.int/nutrition/topics/WHO_brief_fufandcode_post_17July.pdf
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- ³⁰ World Health Organization (2018). *Marketing of Breast-Milk Substitutes: National Implementation of the International Code*. [online] Available at: <http://apps.who.int/iris/bitstream/handle/10665/272649/9789241565592-eng.pdf?ua=1>
- ³¹ Non-exempt infant formulas are represented and labeled for use by healthy, full-term infants. Exempt infant formulas are represented and labeled for use by infants who have an inborn error of metabolism or low birth weight or who otherwise have an unusual medical or dietary problem.
- ³² U.S. Food & Drug Administration (2016). *Draft Guidance for Industry: Substantiation for Structure/Function Claims Made in Infant Formula Labels and Labeling*. [online] Available at: <https://www.fda.gov/Food/GuidanceRegulation/GuidanceDocumentsRegulatoryInformation/ucm514640.htm>
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- ³⁴ Morris, S. (1992). ABBOTT DENIES FORMULA SCHEME. Chicago Tribune. [online] Available at: <https://www.chicagotribune.com/news/ct-xpm-1992-06-12-9202220371-story.html>
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- ³⁸ FTSE Russell (2018). *FTSE4Good Breast-milk Substitutes (BMS) marketing criteria and its application*. [online] Available at: <https://www.ftse.com/products/indices/f4g-bms>
- ³⁹ Nestlé (2017). *The Nestlé Policy and Procedures for the Implementation of the WHO International Code of Marketing of Breast-milk Substitutes*. [online] Available at: https://www.nestle.com/asset-library/documents/creating%20shared%20value/nutrition/nestle_policy_who_code_en.pdf
- ⁴⁰ Access to Nutrition Index (2018). *Global Index 2018*. Available at: <https://www.accesstonutrition.org/bms-ranking>
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- ⁴² Abbott (2017). *Abbott Policy on the Marketing of Infant Formula*. [online] Available at: http://dam.abbott.com/en-us/documents/pdfs/transparency/Abbott_Policy_on_the_Marketing_of_Infant_Formula.pdf
- ⁴³ UConn Rudd Center for Food Policy & Obesity (2018). *Background*. [online] Available at: <http://www.uconnruddcenter.org/background>
- ⁴⁴ UConn Rudd Center for Food Policy & Obesity (2016). *Baby Food Facts 2016: Nutrition and marketing of baby and toddler food and drinks*. [online] Available at: http://www.uconnruddcenter.org/files/Pdfs/BabyFoodFACTS_2016_FINAL_103116.pdf
- ⁴⁵ UConn Rudd Center for Food Policy & Obesity (2016). *Baby Food Facts 2016: Nutrition and marketing of baby and toddler food and drinks*. [online] Available at: http://www.uconnruddcenter.org/files/Pdfs/BabyFoodFACTS_2016_FINAL_103116.pdf
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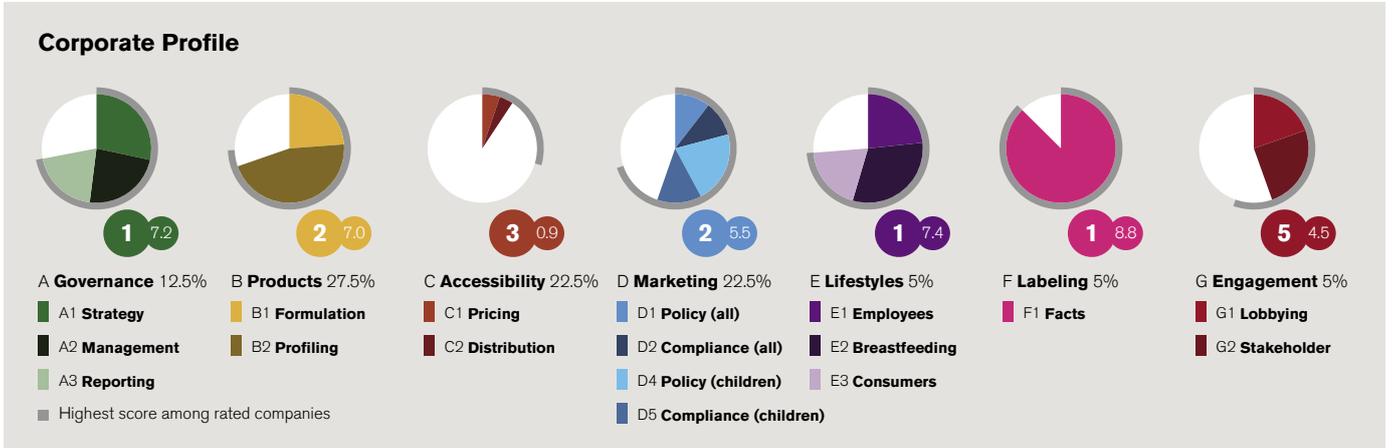
Company Scorecards

Nestlé S.A. BMS



Company type	Publicly traded	Product Profile**	Revenue range	Mean HSR rating
Headquarters	Switzerland	Bottled Water	30-40%	3.0
No. of U.S. employees	51,000	Confectionery	10-20%	1.0
U.S. revenue range*	USD 15-20 billion	Dairy	10-20%	1.2
		Ice Cream and Frozen Desserts	10-20%	2.3
		Ready Meals	20-30%	3.1

* Source: Euromonitor International, 2017.



Main areas of strength

- Nestlé leads the U.S. Index Corporate Profile with a score of 5.3 out of 10 on the Corporate Profile.
- The company has adapted its global Board-approved nutrition strategy to the U.S. market and has 14 U.S.-specific nutrition-related commitments on a comprehensive range of topics, including product reformulation, marketing and nutrition labeling. Accountability for implementation of the U.S. nutrition strategy rests with the Nestlé Operating Company CEO.
- Nestlé is one of two companies in the Index that publishes an annual U.S.-specific report and the only one to publish it in addition to its global report.
- Nestlé's product reformulation targets, to reduce salt/sodium, added sugar and saturated fat, cover all relevant foods and beverages in the U.S. market. Its approach to product formulation and reformulation is aligned with the 2015-2020 Dietary Guidelines for Americans (DGA).
- For the marketing to children aspect, Nestlé sets an industry-leading audience threshold of 25% for children aged 2-12 for all media and in addition, does not market any products to children under 12. This is a stronger commitment than that applied globally. Further, Nestlé commits not to market in or near elementary schools, including through digital marketing.
- Nestlé has an industry-leading global 'Maternity Protection Policy' based on the principles of the International Labor Organization's (ILO) Maternity Protection Convention (C183). This is a global policy that applies fully to the U.S. and includes provisions that go beyond national regulations and include paid maternity leave.
- Nestlé is one of the top-ranking companies on nutrition labeling. It has committed to provide nutrition information on Front-Of-Pack (FOP) through the industry-developed Facts Up Front system and online through the SmartLabel system that will be fully implemented in 2018.
- Nestlé makes a global commitment to engage with governments and policymakers to support measures to prevent and address obesity and diet-related chronic diseases, and extends this commitment to third-parties that lobby on Nestlé's behalf.

Priority areas for improvement

- Nestlé ranks joint fourth on the U.S. Index Product Profile with a relatively low score of 4.9 out of 10. It was estimated to generate only 29% of 2016 sales from healthy products (having a Health Star Rating (HSR) of 3.5 or more) and 34% from products that meet World Health Organization (WHO) Euro criteria for marketing to children. Nestlé does not publicly disclose the percentage of healthy products in the United States, or the sales derived from them. Nestlé should improve its transparency in this area and step up its product reformulation, new product development and/or make acquisitions to improve the healthiness of its U.S. product portfolio.
- Nestlé does not have a clear policy on improving the affordability and accessibility of its healthy products that focuses on priority populations in the United States, whose access to healthy food is constrained by low income or geographic factors. Nor does it commit to donating a high percentage of healthy products to programs that address food insecurity, such as food banks either. The company should improve and disclose more information on these topics.
- Nestlé could improve its policy on marketing to children by extending its commitments to middle and high schools and to other places popular with children.
- Brand-level sponsorship is excluded only for some types of educational programs in the United States. Nestlé should exclude brand-level sponsorship, define specific health outcomes and commission independent evaluations for all programs.
- Nestlé states in its global Breast-milk Substitutes Marketing policy, that as a minimum, it complies with the International Code of Marketing of Breast-milk Substitutes (The Code) and relevant World Health Assembly (WHA) resolutions, as implemented by governments all over the world. This includes therefore so-called lower-risk countries (defined by the FTSE4Good risk-rating system based on levels of infant and child morbidity, mortality and undernutrition), of which the United States is one. It applies additional policy commitments in higher-risk countries when they are stricter than local legislation implementing the Code. Nestlé is urged to extend these commitments to the United States and all other lower-risk countries.

i Nestlé sells Breast-Milk Substitute products in the United States. Nestlé is included in the BMS marketing assessment but no score adjustment is applied to any other aspect of the U.S. Index. BMS-related commitments, programs, activities or products are not taken into account for any aspect of the U.S. Index except for the BMS marketing assessment.

****** The mean HSR is calculated per category and multiplied by the percentage of 2016 sales per category. These figures are tallied and doubled to give a maximum Product Profile score of 10.



Unilever



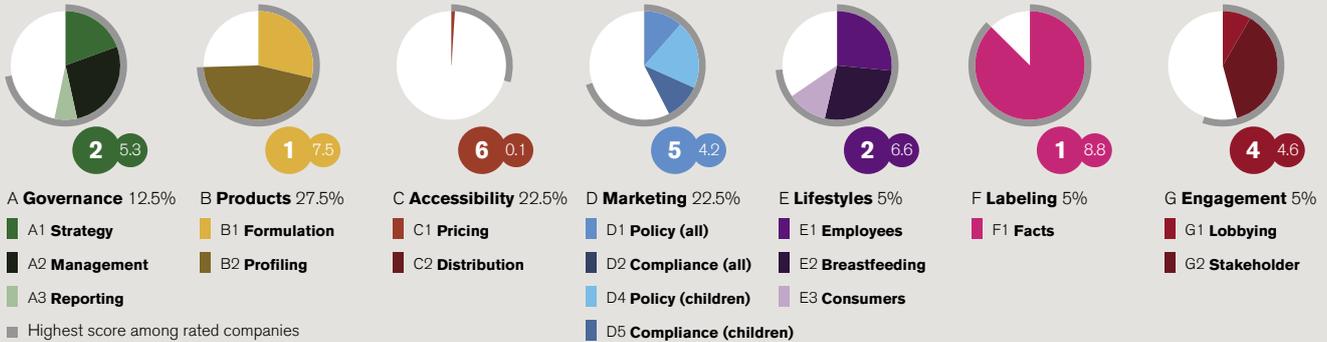
CORPORATE PROFILE

PRODUCT PROFILE

Company type	Publicly traded	Product Profile**	Revenue range	Mean HSR rating
Headquarters	U.K.	RTD Tea	20-30%	1.7
No. of U.S. employees	Not available	Dairy	0-10%	2.8
U.S. revenue range*	USD 5-10 billion	Ice Cream and Frozen Desserts	40-50%	2.2
		Ready Meals	0-10%	2.1
		Sauces, Dressings and Condiments	10-20%	0.8

* Source: Euromonitor International, 2017.

Corporate Profile



Main areas of strength

- Unilever ranks second on the U.S. Index Corporate Profile with a score of 4.7 out of 10.
- The company has a strong focus on health and nutrition embedded in its commercial strategy. Unilever consistently applies its global Unilever Sustainable Living Plan (USLP) and commitments to the United States and provided extensive supporting evidence publicly and under a Non-Disclosure Agreement (NDA) to ATNF.
- Unilever leads in Category B - Products. It covers almost all of the relevant nutrients for reformulation across its main product categories in the United States, such as salt/sodium, added sugars and saturated fat. It also discloses performance against its high-level nutrition targets. Its Nutrient Profiling System (NPS) encompasses all of the main aspects that are assessed in the ATNI methodology and is published in full.
- Unilever has a strong policy on responsible marketing to children and pledges to follow the two main sets of industry self-regulation commitments by being a Children's Food and Beverage Advertising Initiative (CFBAI) member and supporting the Children's Advertising Review Unit (CARU) Guidelines. It makes a near-complete set of explicit commitments regarding marketing channels, techniques and messages to ensure responsible marketing practices in the United States.
- The company has an extensive Health and Wellness program that is accessible for all U.S. employees and extends the program to family members. It encompasses among others, health assessments, exercise and nutrition components and individual incentives to participate.
- Unilever employees in the United States are eligible for 16 weeks of paid maternity leave. The company provides dedicated and fully equipped rooms for breastfeeding mothers in all U.S. facilities.
- Unilever provides nutrition label information online through the Grocery Manufacturers Association (GMA) SmartLabel system for all products in the United States.

Priority areas for improvement

- Unilever ranks seventh on the U.S. Index Product Profile with a score of 3.9 out of 10. About 7% of sales was estimated to be derived from healthy products (defined as a Health Star Rating (HSR) of 3.5 or more) and 5% from products that meet World Health Organization (WHO) Euro criteria for marketing to children. However, Unilever reports that 29% of its sales volume meets its Highest Nutritional Standards, which it uses as its definition of healthy products. It should review this discrepancy and align its healthy definition to internationally recognized systems such as the HSR. Unilever should step up its efforts to reformulate products to make them healthier and to meet its goal of doubling the number of healthy products by 2020.
- Unilever does not always disclose details about how it implements its global commitments and programs in the United States. It should increase its public disclosure and start reporting formally and regularly on its approach and progress to tackling nutrition issues in the United States.
- Given the absence of a clear policy or strategy, Unilever should codify how it aims to improve the affordability and accessibility of its healthy products in the United States, focusing specifically on priority populations whose access to healthy food is constrained by low income or geographic factors.
- Unilever's responsible marketing to children commitments only apply in elementary schools. The company should extend these to older children, e.g. up to age 18, and to middle or high schools and other places popular with children. Further, it should improve its policy by lowering its audience threshold to <25%.
- Unilever runs many public health and nutrition programs but does not disclose information about the type of programs it funds and its involvement in their design, nor does it commit to refrain from brand-level sponsorship within these programs. Unilever should strengthen its commitments in these areas.
- Unilever does not make a commitment to only lobby in support of measures to support public health. The company should do so, or at least commit not to lobby against such measures.

** The mean HSR is calculated per category and multiplied by the percentage of 2016 sales per category. These figures are totalled and doubled to give a maximum Product Profile score of 10.

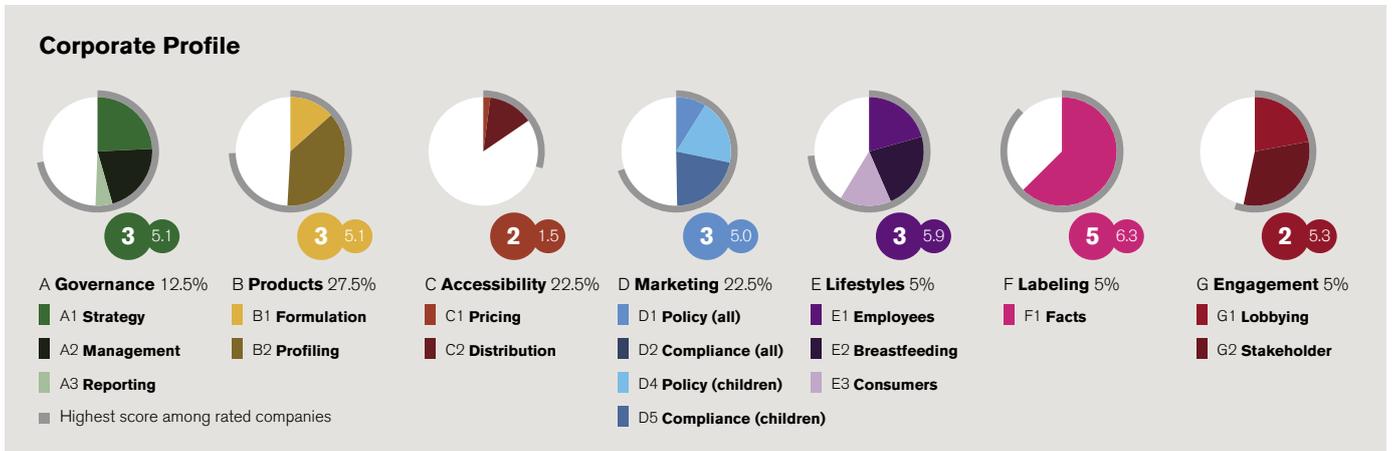


PepsiCo, Inc.



Company type	Publicly traded	Product Profile**	Revenue range	Mean HSR rating
Headquarters	U.S.	Bottled water	0-10%	2.1
No. of U.S. employees	113,000	Carbonates	20-30%	2.2
U.S. revenue range*	USD 40-45 billion	Juice	0-10%	3.8
		Sports and Energy Drinks	10-20%	1.5
		Savory Snacks	40-50%	2.7

* Source: Euromonitor International, 2017.



Main areas of strength

- PepsiCo ranks third in the U.S. Index Corporate Profile with a score of 4.4 out of 10.
- PepsiCo's strategy 'Performance with Purpose', and its goal to transform its portfolio to meet consumers' changing taste preferences and make healthier foods and beverages, is central to its growth strategy. This global strategy applies to the United States with formal accountability and day-to-day responsibility arrangements being in place.
- The progress on PepsiCo's nutrition commitments in the United States was independently verified by the Partnership for a Healthier America (PHA) for the year 2016 and this arrangement will be continued until 2025. This is considered a leading practice among companies assessed.
- PepsiCo based its approach to added sugar reformulation on U.S. Food and Drug Administration (FDA) recommendations and commits to increase 'positive nutrients' such as whole grains, fruits and vegetables in its products.
- The company commits to improve the accessibility and affordability of its healthy products. This commitment is supported by commercial and non-commercial programs and includes a focus, especially within non-commercial programs, on priority populations in the United States whose access to healthy food is constrained by low income or geographic factors. Further, PepsiCo commits that products donated through its Food for Good program meet or exceed governmental standards, and include fresh fruits and vegetables, whole grains, low-fat milk and high-quality snacks.
- PepsiCo makes relatively strong commitments on responsible marketing to children in the United States, including the commitment not to perform marketing activities in elementary and middle or high schools.
- PepsiCo provides online nutrition information for more than 90% of its U.S. products through various websites and the Grocery Manufacturers Association (GMA) SmartLabel system.
- PepsiCo is one of two companies that expressed a commitment to engage with governments and policymakers to support measures that prevent and address obesity and diet-related chronic diseases. PepsiCo also provides information about its lobbying positions related to nutrition.

Priority areas for improvement

- PepsiCo ranks sixth on the U.S. Index Product Profile with a relatively low score of 4.8 out of 10. About 21% of sales were estimated to be derived from healthy products (defined as a Health Star Rating (HSR) of 3.5 or more) and 4% from products that meet World Health Organization (WHO) EURO criteria for marketing to children. PepsiCo does not disclose the percentage of healthy products in the United States, or the sales derived from them. It should improve its transparency in this area and step up its product reformulation, portion control, new product development and/or make acquisitions to improve the healthiness of its U.S. product portfolio.
- The company's nutrition strategy in the United States should be strengthened by defining more nutrition objectives and by explicitly referencing priority populations in its commercial strategy and focus on nutrition and health, disclosing how it intends to reach these populations with healthy products in its commercial programs.
- PepsiCo's product reformulation targets are not fully defined and do not cover all relevant products. PepsiCo should improve on this and it should report publicly what percentage of products already meet the company's targets in the U.S. market. In addition, it should commit to formulate all products sold under the Smart Snacks in School regulation in the same way as equivalent products, with a similar look and feel, are sold through other channels.
- The company publishes annual reports that cover global operations but provides limited specific information about the United States. PepsiCo should step up to industry-leading practice by reporting formally and regularly on its approach and progress to tackling nutrition issues in the United States.
- The company does not exclude brand-level sponsorship in relation to all public health and nutrition programs it funds. The company should commit that all public health and nutrition programs it funds are underpinned by a sound evidence base, are designed with expert advice and draw on stakeholder inputs.

** The mean HSR is calculated per category and multiplied by the percentage of 2016 sales per category. These figures are totalled and doubled to give a maximum Product Profile score of 10.

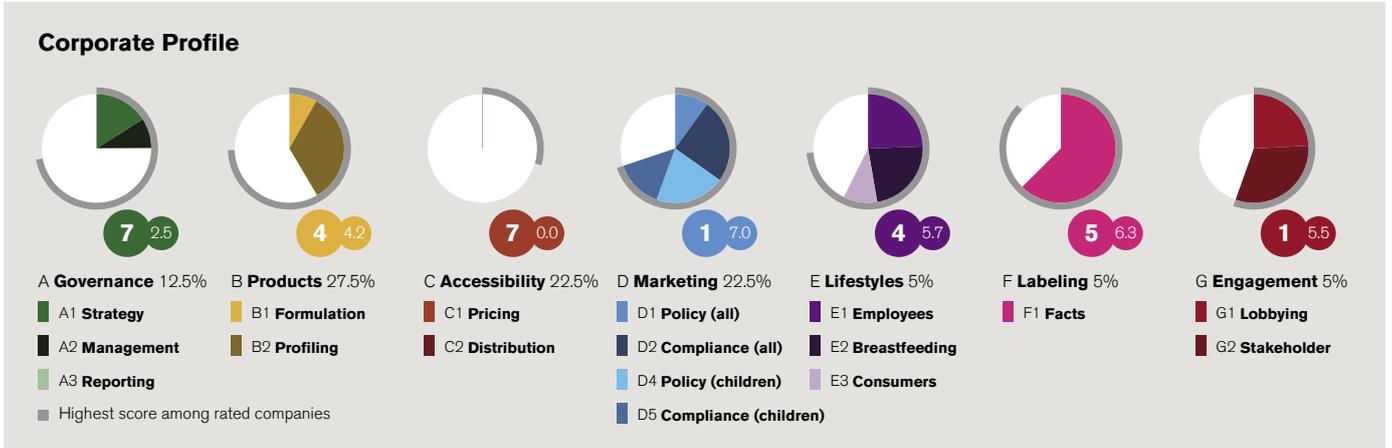


Mars, Inc.



Company type	Privately held	Product Profile**	Revenue range	Mean HSR rating
Headquarters	U.S.	Confectionery	90-100%	0.7
No. of U.S. employees	Not available	Ice Cream and Frozen Desserts	0-10%	1.5
U.S. revenue range*	USD 5-10 billion	Rice, Pasta and Noodles	0-10%	3.0
		Savory Snacks	0-10%	0.5

* Source: Euromonitor International, 2017.



Main areas of strength

- Mars ranks fourth on the U.S. Index Corporate Profile with a score of 3.9 out of 10.
- Mars has recently implemented the 'Sustainable in a Generation' plan, which contains a strategic focus on improving nutrition and health. The company recognizes it has a role to play in tackling the challenges of obesity and recognizes the key public health priorities as set out in the World Health Organization (WHO) Global Action Plan 2013-2020.
- Mars leads the ranking for responsible marketing commitments and performance. Its policy covers marketing to all consumers, with specific attention for marketing to children. Mars does not market any products to children under 12 and applies the industry-leading audience threshold of 25% to identify child audiences all media. Mars commissions comprehensive external audits of its marketing compliance to all consumers and to children, in addition to auditing by the Council of Better Business Bureaus (CBBB) related to marketing to children.
- Mars' employee health and wellness program focuses on healthy diets, active lifestyles and healthy behaviors. It is available to all U.S. employees, and those family members covered by the company's medical plan. The information that Mars discloses regarding its employee health and wellness program includes health outcomes.
- Mars provides a narrative and discloses extensive information about its lobbying activities in the United States, including information on board seats, conflicts of interest and lobbying positions.

Priority areas for improvement

- Mars ranks tenth on the U.S. Index Product Profile with a score of 1.6 out of 10. It is estimated that 1% of its 2016 sales were from healthy products (i.e. those with a Health Star Rating (HSR) of 3.5 or more) and 1% from products that meet WHO Euro criteria for marketing to children. Mars does not disclose the percentage of healthy products in the United States, or the sales derived from them. It should improve its transparency in this area and step up its product reformulation, portion control, new product development and/or make acquisitions to improve the healthiness of its U.S. product portfolio.
- Mars discloses limited information regarding its U.S. commitments and performance. It should increase its U.S.-specific public disclosure and it should step up to industry leading practice by reporting formally and regularly on its approach and progress to tackling nutrition issues in the United States.
- Mars does not have a policy on improving the affordability and accessibility of its healthy (Food) products that focuses on priority populations in the United States. It does not commit to ensuring that a high percentage of products donated to programs to address food insecurity are healthy, either. The company should improve and disclose more information on these topics.
- Mars could improve its policy on marketing to children by extending its commitments to middle and high schools and to other places popular with children. Further, to address concerns about 'copy-cat' products, Mars should ensure that all products sold under the Smart Snacks in School regulation meet the same nutrition standards everywhere, including those products that are sold through other channels with a similar 'look and feel'.
- The company does not make a commitment to only lobby with the intention to support measures to prevent and address obesity and diet-related chronic diseases. It is encouraged to make an explicit commitment not to lobby against public health-supporting initiatives.

** The mean HSR is calculated per category and multiplied by the percentage of 2016 sales per category. These figures are totaled and doubled to give a maximum Product Profile score of 10.

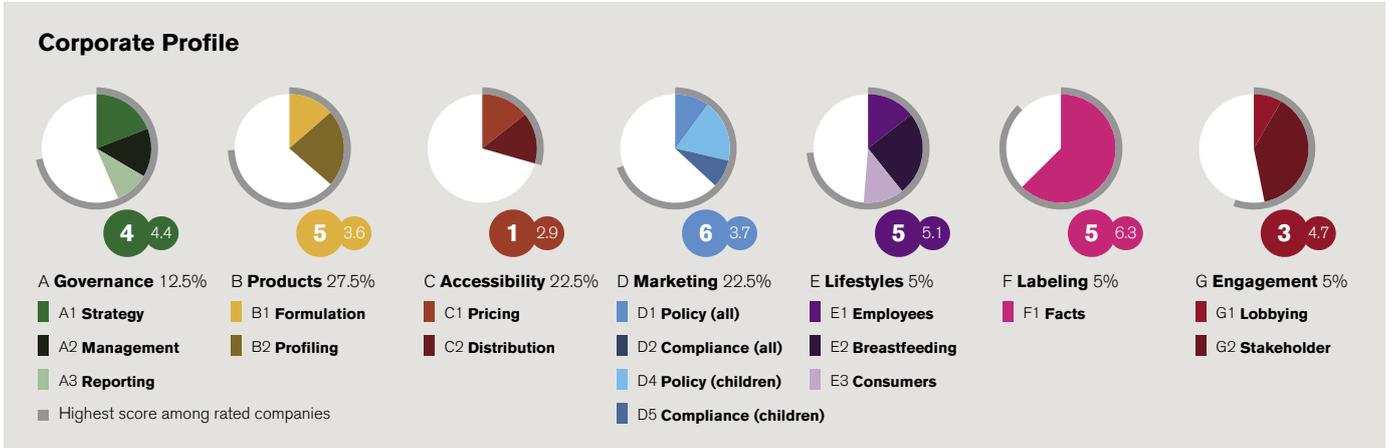


Kellogg Company



Company type	Publicly traded	Product Profile**	Revenue range	Mean HSR rating
Headquarters	U.S.	Baked Goods	10-20%	2.2
No. of U.S. employees	Not available	Breakfast Cereals	30-40%	3.3
U.S. revenue range*	USD 5-10 billion	Processed Meat and Seafood	0-10%	3.9
		Savory Snacks	30-40%	2.0
		Sweet Biscuits, Snack Bars and Fruit Snacks	10-20%	1.8

* Source: Euromonitor International, 2017.



Main areas of strength

- Kellogg ranks fifth on the U.S. Index Corporate Profile with a score of 3.8 out of 10 and is tied for fourth on the U.S. Index Product Profile with a score of 4.9 out of 10.
- The company published its Kellogg Nutrition Milestones document, which clarifies how the various aspects of its nutrition strategy relate to its central business strategy. The document provides specific and extensive information on the company's commercial programs, as well as on its participation in food insecurity programs and its support for public health and nutrition programs in the United States.
- Relative to other companies, Kellogg performs best on its approach to the affordability and accessibility of healthy products in the United States by expressing clear commitments to address these issues in its Milestones document. Despite leading on Category C, the company's low score illustrates a clear need for Kellogg and all other companies to increase their focus on priority populations whose access to healthy food is constrained by low income or geographic factors.
- Kellogg's approach to responsible marketing is codified in a policy that includes a wide range of commitments covering marketing to all consumers, as well as specific commitments regarding marketing to children.
- Through various programs and Kellogg's Healthy Beginnings website, the company provides nutrition education on a wide variety of relevant topics, including on the benefits of exclusive breastfeeding and of safe, timely and adequate complementary feeding. In addition, the company has a policy formalizing its commitment to supporting breastfeeding among its employees, including paid leave arrangements.
- Kellogg interacts extensively with U.S. stakeholders to inform and improve its nutrition strategy, as well as on public health and nutrition programs.

Priority areas for improvement

- Kellogg was estimated in the Product Profile to generate 22% of 2016 sales from healthy products (defined as a Health Star Rating (HSR) of 3.5 or more) and 6% of its 2016 sales from products that meet World Health Organization (WHO) Euro criteria for marketing to children. Kellogg does not disclose the percentage of products it considers healthy in the United States, but it does disclose that 18% of its products meet Children's Food and Beverage Advertising Initiative (CFBAI) standards. The Product Profile found that 8% of its products were suitable to be marketed to children. Kellogg should step up its efforts to reformulate products to make them healthier.
- Kellogg should define and disclose a clear definition of healthy products, aligned with national and international guidance. A full Nutrient Profiling System (NPS) should be the basis of that definition, guiding the company's reformulation efforts. Kellogg should define a comprehensive set of reformulation targets, covering all U.S. products and all relevant nutrients, such as salt/sodium, added sugars, saturated fat and fruits and vegetables.
- Kellogg describes its strategy as being focused on building a progressive health portfolio, but it does not disclose a comprehensive set of concrete objectives to show how it will achieve this goal. It should do so and report formally on its U.S. approach and progress.
- Kellogg should focus its affordability and accessibility initiatives more explicitly on healthy products and clarify how it addresses priority populations in the United States.
- The company should start auditing its compliance regarding marketing to all consumers and further extend its commitments on marketing to children in and near schools and other places where children gather. Further, to address concerns about 'copy-cat' products, Kellogg should ensure that all products sold under the Smart Snacks in School regulation meet the same nutrition standards everywhere, including those products that are sold through other channels with a similar 'look and feel'.
- Kellogg does not make a commitment to only lobby in support of measures to support public health. The company should, at a minimum, make a commitment to not lobby against measures to support public health and disclose more information about its lobbying activities.

** The mean HSR is calculated per category and multiplied by the percentage of 2016 sales per category. These figures are totalled and doubled to give a maximum Product Profile score of 10.

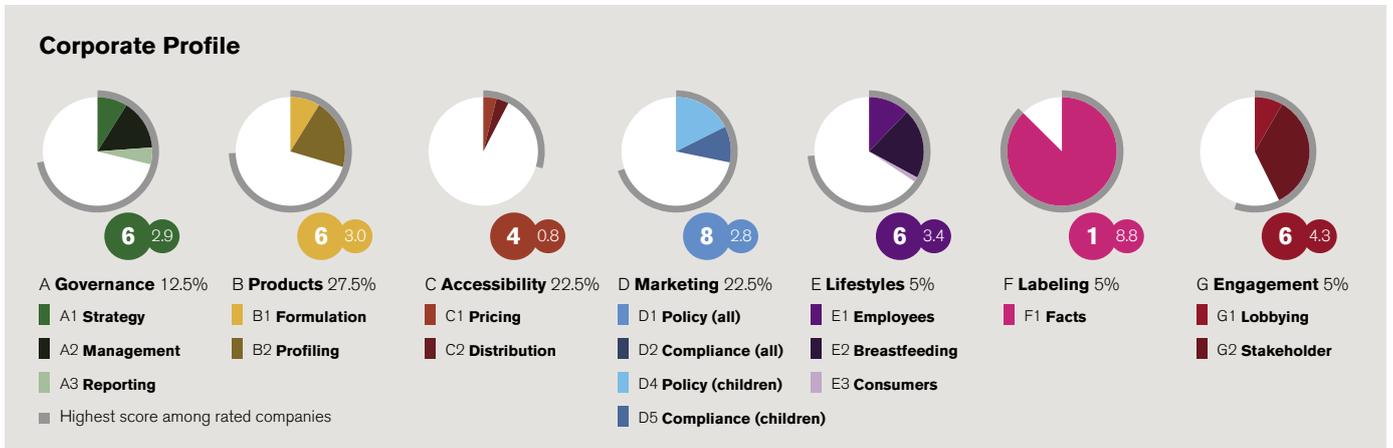


General Mills, Inc.



Company type	Publicly traded	Product Profile**	Revenue range	Mean HSR rating
Headquarters	U.S.	Baked Goods	0-10%	1.4
No. of U.S. employees	Not available	Breakfast Cereals	30-40%	2.7
U.S. revenue range*	USD 10-15 billion	Dairy	20-30%	3.4
		Ready Meals	10-20%	2.4
		Sweet Biscuits, Snack Bars and Fruit Snacks	20-30%	2.2

* Source: Euromonitor International, 2017.



Main areas of strength

- General Mills ranks third on the U.S. Index Product Profile with score of 5.2 out of 10.
- General Mills' non-commercial public health and nutrition programs are based on a clear strategy and plan. The company focuses, among other topics, on increasing food availability, variety and quality in the United States. Its approach entails strategic initiatives, grant-making, food donations and knowledge sharing.
- General Mills' U.S. Health Metric Criteria, applied for formulating/reformulating, is based on requirements as defined by the U.S. Food and Drug Administration (FDA) and the 2015 – 2020 Dietary Guidelines for Americans (DGA).
- General Mills has a relatively strong policy on responsible marketing to children and pledges to follow the two main sets of industry self-regulation commitments by being a Children's Food and Beverage Advertising Initiative (CFBAI) member and supporting the Children's Advertising Review Unit (CARU) Guidelines, administered by the U.S. Council of Better Business Bureaus (CBBB). It has adopted the best practice of not marketing in elementary or middle and high schools.
- General Mills is one of the high-ranking companies on nutrition labeling by committing to provide nutrition information through the industry-developed Facts Up Front system on Front-Of-Pack (FOP) and the Grocery Manufacturers Association (GMA) SmartLabel online system in the U.S. market. In addition, the company website features product nutrition information for all General Mills' U.S. products.

Priority areas for improvement

- General Mills ranks sixth on the U.S. Index Corporate Profile with a score of 2.8 out of 10.
- The company was estimated in the Product Profile to generate 19% of 2016 sales from healthy products (having a Health Star Rating (HSR) of 3.5 or more) and 6% from products that meet World Health Organization (WHO) Euro criteria for marketing to children. The company does not publicly disclose the percentage of healthy products it offers or sells in the United States. It should improve its transparency and step up its product reformulation, new product development and/or make acquisitions to improve the healthiness of its U.S. product portfolio.
- Overall, the company's disclosure and transparency regarding nutrition-related policies, practices and performance, as these apply to the United States, are limited. The company should disclose more information publicly.
- General Mills only reports retrospectively on the percentage of products that have met certain nutrition criteria (Health Metric). The company should publish comprehensive and forward-looking reformulation targets covering its entire U.S. portfolio. It should also adopt a robust Nutrition Profiling System (NPS) to guide its product innovation and reformulation activities.
- General Mills manufactures products for federal food assistance programs. To strengthen its performance, the company could publish more information about its commercial approach to addressing food insecurity and diet-related diseases, with a particular reference to priority populations in the United States, whose access to healthy food is constrained by low income or geographic factors.
- The company makes a broad commitment to address accessibility and affordability of healthy products in the United States. However, evidence of a strategic commercial approach to address this was not provided. The company should extend its commitments, performance and public disclosure in this area.
- To address concerns about 'copy-cat' products, General Mills should ensure that all products sold under the Smart Snacks in School regulation meet the same nutrition standards everywhere, including those products that are sold through other channels with a similar 'look and feel'. In terms of consumer education programs, the company should exclude brand-level sponsorship and commit to funding public health and nutrition programs that are underpinned by a sound evidence base, designed with expert advice and that draw on stakeholder inputs.

** The mean HSR is calculated per category and multiplied by the percentage of 2016 sales per category. These figures are totalled and doubled to give a maximum Product Profile score of 10.

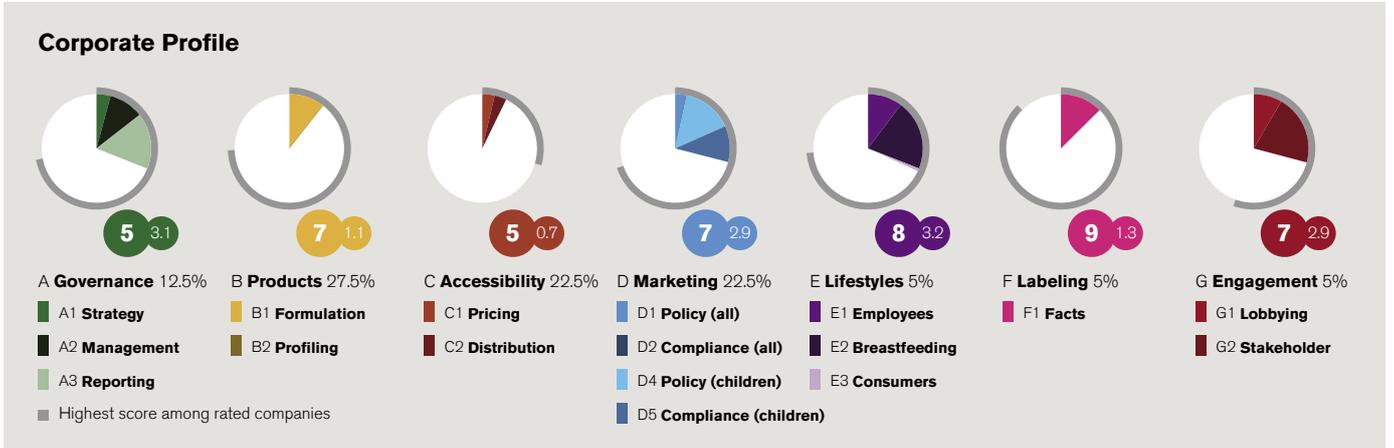


ConAgra Brands



Company type	Publicly traded	Product Profile**	Revenue range	Mean HSR rating
Headquarters	U.S.	Dairy	10-20%	2.1
No. of U.S. employees	12,600	Processed Fruit and Vegetables	10-20%	4.1
U.S. revenue range*	USD 5-10 billion	Processed Meat and Seafood	10-20%	2.4
		Ready Meals	40-50%	3.3
		Savory Snacks	20-30%	2.1

* Source: Euromonitor International, 2017.



Main areas of strength

- ConAgra ranks first on the U.S. Index Product Profile with a score of 5.8 out of 10. Although the performance of companies across the industry is disappointing, ConAgra outperforms its peers.
- ConAgra's approach to nutrition focuses on three areas - portion and calorie control, dietary variety and heart health. In Fiscal Year (FY) 2016, the company launched various new products in each focus area.
- ConAgra's non-commercial public health and nutrition approach is based on a comprehensive strategy. Both the company and its foundation support programs within five broad areas: Create awareness, build effective partnerships, engage people, support its communities and donate products. The company's reporting on its non-commercial work is comprehensive and is best practice among the companies assessed.
- ConAgra pledges to follow the two main sets of industry self-regulation commitments by being a Children's Food and Beverage Advertising Initiative (CFBAI) member and supporting the Children's Advertising Review Unit (CARU) Guidelines, administered by the U.S. Council of Better Business Bureaus (CBBB). ConAgra does not market to children under the age of six where children make up more than 35% of the audience.
- ConAgra labels its products according to the Grocery Manufacturers Association (GMA) Facts Up Front program and provides nutrition information online through the GMA SmartLabel system.

Priority areas for improvement

- ConAgra ranks joint seventh on the U.S. Index Corporate Profile with a score of 1.9 out of 10.
- ConAgra was estimated in the Product Profile to generate 44% of 2016 sales from healthy products (having a Health Star Rating (HSR) of 3.5 or more) and 32% from products that meet World Health Organization (WHO) Euro criteria for marketing to children. Despite placing first in the Product Profile ranking, the company could step up its product reformulation, new product development and/or make acquisitions to improve the healthiness of its U.S. product portfolio.
- Because the company did not engage with ATNF, its score is based on publicly available information only. ConAgra is encouraged to engage with ATNF for the next Index to allow for a more complete assessment of its policies and practices.
- The company's approach to nutrition lacks measurable objectives on a broad range of nutrition-related topics. The company should clarify whether its focus on nutrition and health and the 'Good Food' pillar of its 'Citizenship Strategy' are integral parts of its commercial growth strategy.
- ConAgra should publish more information about its commercial approach, as it does for its non-commercial approach, on addressing obesity and diet-related diseases, particularly in relation to addressing priority populations in the United States. This should include an approach to improve the accessibility and affordability of its healthy products.
- The company does not appear to have a Nutrient Profiling System (NPS) to guide its product reformulation and its R&D and does not publish currently applicable product reformulation targets. ConAgra should adopt and disclose these.
- ConAgra should improve its responsible marketing to children policy by lowering its audience threshold to <25%. It should extend its commitments related to marketing activities in or near schools and other places popular with children. Further, to address concerns about 'copy-cat' products, ConAgra should ensure that all products sold under the Smart Snacks in School regulation meet the same nutrition standards everywhere, including those products that are sold through other channels with a similar 'look and feel'.

i ConAgra Brands did not actively participate in the U.S. Index 2018 research process; its assessment is therefore based on publicly available information. Scorecard version 2, 31 October 2018.

****** The mean HSR is calculated per category and multiplied by the percentage of 2016 sales per category. These figures are totalled and doubled to give a maximum Product Profile score of 10.

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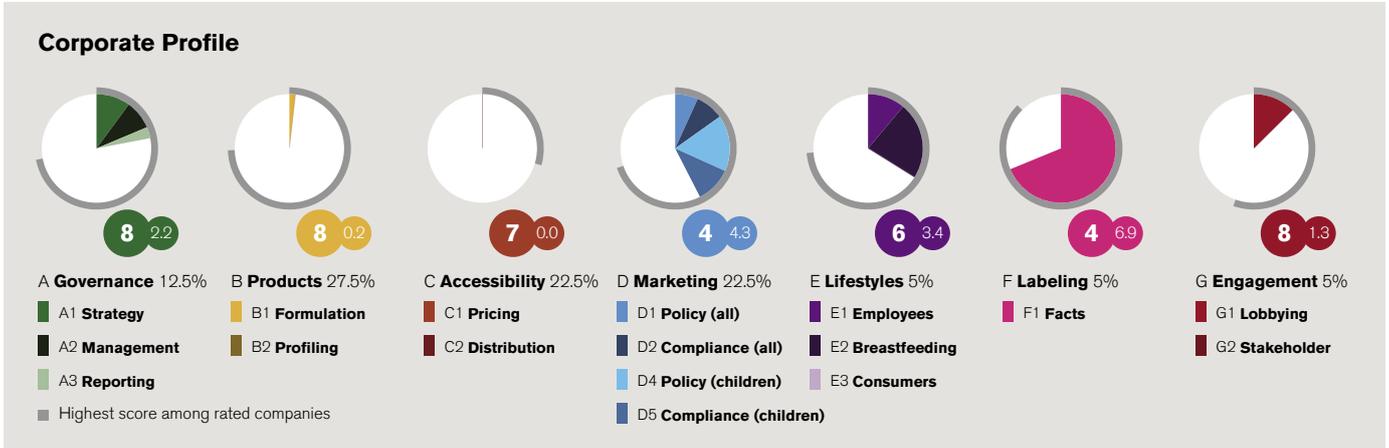


The Coca-Cola Company



Company type	Publicly traded	Product Profile**	Revenue range	Mean HSR rating
Headquarters	U.S.	Bottled Water	10-20%	2.2
No. of U.S. employees	12,400	Carbonates	60-70%	1.4
U.S. revenue range*	USD 20-25 billion	Juice	10-20%	2.5
		RTD Tea	0-10%	1.8
		Sports and Energy Drinks	0-10%	1.6

* Source: Euromonitor International, 2017.



Main areas of strength

- The company recognizes that it has a role to play in addressing obesity and has adopted a new global strategy in 2017, the 'Way Forward', which includes a focus on sugar reduction and applies to the United States.
- The company makes a broad set of responsible marketing commitments covering its marketing activities to children and other consumers. Similar to its global commitment, it demonstrates strong performance by not marketing any products to children under 12. It also pledges to follow the two main sets of industry self-regulation commitments by being a Children's Food and Beverage Advertising Initiative (CFBAI) member and supporting the Children's Advertising Review Unit (CARU) Guidelines, administered by the U.S. Council of Better Business Bureaus (CBBB).
- Coca-Cola has implemented an employee health and wellbeing program that integrates aspects of healthy diets and physical activity, available to all U.S. employees. In addition, it commits to assist breastfeeding mothers by providing parental leave arrangements and other facilities.
- Coca-Cola commits to providing nutrition information through the Grocery Manufacturers Association (GMA) Facts Up Front system on Front-Of-Pack (FOP) and SmartLabel online system in the United States, although the latter was not yet fully implemented in 2017.

Priority areas for improvement

- Coca-Cola ranks joint seventh on the U.S. Index Corporate Profile with a score of 1.9 out of 10 and is tied for eighth on the Product Profile with a score of 3.4 out of 10.
- The company was estimated in its Product Profile to generate 6% of 2016 sales from healthy products (having a Health Star Rating (HSR) of 3.5 or more) and 19% from products that meet World Health Organization (WHO) Euro criteria for marketing to children. The company does not disclose the percentage of healthy products in the U.S. market. It should improve its transparency in this area and step up its product reformulation, new product development and/or make acquisitions to improve the healthiness of its U.S. product portfolio.
- The company's nutrition strategy in the United States is limited and could be strengthened by defining more nutrition objectives. For example, those related to the affordability and accessibility of healthy products, supporting public health and nutrition programs and stakeholder engagement. Further, it could be improved by referencing U.S. priority populations explicitly in its strategic focus on nutrition and health, disclosing how it intends to reach these populations with healthy products and/or how it intends to address issues of food insecurity. The company should start reporting formally and regularly on its approach and progress to tackling nutrition issues in the United States.
- Coca-Cola has not defined a comprehensive set of product reformulation targets. It should urgently do so, defining both 'positive' and 'negative nutrient' targets.
- Coca-Cola has not implemented a Nutrient Profiling System (NPS), nor has it defined nutritional criteria for healthy products. The company should do so to have a clear basis for its nutritional strategy to make its portfolio healthier.
- Coca-Cola could improve its policy on marketing to children by lowering its audience threshold to <25% and by extending its commitments to middle and high schools and to other places popular with children. Further, to address concerns about 'copy-cat' products, Coca-Cola should ensure that all products sold under the Smart Snacks in School regulation meet the same nutrition standards everywhere, including those products that are sold through other channels with a similar 'look and feel'.

** The mean HSR is calculated per category and multiplied by the percentage of 2016 sales per category. These figures are totalled and doubled to give a maximum Product Profile score of 10.

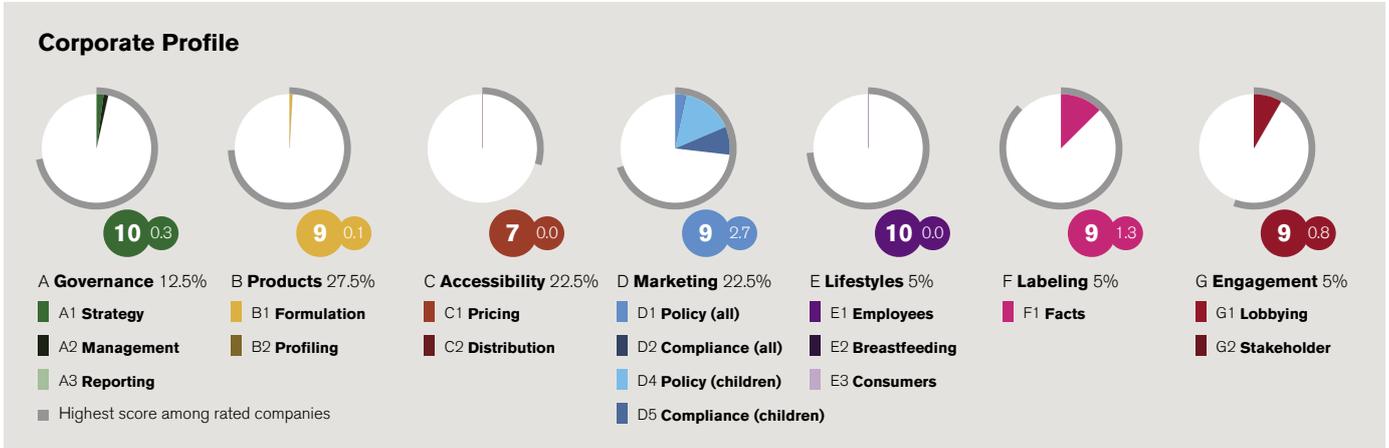


The Kraft Heinz Company



Company type	Publicly traded	Product Profile**	Revenue range	Mean HSR rating
Headquarters	U.S.	Dairy	30-40%	2.4
No. of U.S. employees	Not available	Processed Meat and Seafood	20-30%	3.9
U.S. revenue range*	USD 20-25 billion	Ready Meals	10-20%	2.1
		Sauces, Dressings and Condiments	10-20%	2.4
		Savory Snacks	0-10%	4.0

* Source: Euromonitor International, 2017.



Main areas of strength

- Kraft Heinz ranks second on the U.S. Index Product Profile with a score of 5.6 out of 10.
- Although the company's score on the Corporate Profile is low, it has put in place some commitments and initiatives which it reports publicly. The company did not engage with ATNF during the research process.
- The company conducts some nutrition-related risk assessments and reports this in its Form 10-K Annual Report.
- The company supports some social service programs, in collaboration with Feeding America and Boys & Girls Clubs of America.
- There is evidence that Kraft Heinz has introduced new products with an improved nutritional profile in the last three years.
- Kraft Heinz pledges to follow the two main sets of industry self-regulation commitments by being a Children's Food and Beverage Advertising Initiative (CFBAI) member and supporting the Children's Advertising Review Unit (CARU) Guidelines, administered by the U.S. Council of Better Business Bureaus (CBBB). It has adopted the best practice of not marketing in elementary or middle and high schools.

Priority areas for improvement

- Kraft Heinz ranks ninth on the U.S. Index Corporate Profile with a score of 0.8 out of 10.
- The company was estimated in the Product Profile to generate 41% of 2016 sales from healthy products (having a Health Star Rating (HSR) of 3.5 or more) and 11% from products that meet World Health Organization (WHO) Euro criteria for marketing to children. The company should step up its product reformulation, new product development and/or make acquisitions to improve the healthiness of its U.S. product portfolio.
- In late 2017, the company published its first CSR report providing more nutrition-related information. As this report was released after the assessment deadline, the information was not taken into consideration for scoring. The company could further increase its public disclosure and is encouraged to engage with ATNF to allow for a more complete assessment of its policies and practices.
- The company should increase its focus on nutrition and health, starting by adopting a mission statement and corporate growth strategy that explicitly refer to these business-critical issues. It should publish more information about its commercial approach to improving the accessibility of healthy foods and addressing obesity and diet-related diseases, with a particular reference to priority populations, and its approach to addressing food insecurity in the United States.
- Kraft Heinz should adopt and disclose a Nutrient Profiling System (NPS) to guide its product innovation and reformulation activities, and as the basis for its definition of healthy products.
- Commitments and examples of activities related to the affordability and accessibility of healthy products, support for healthy lifestyles or stakeholder engagement, are limited or non-existent. Kraft Heinz should improve in these areas.
- Kraft Heinz should improve its commitments on responsible marketing to children and other consumers. For example, it could improve its responsible marketing to children policy by lowering its audience threshold to <25%. Further, to address concerns about 'copy-cat' products, the company should ensure that all products sold under the Smart Snacks in School regulation meet the same nutrition standards everywhere, including those products that are sold through other channels with a similar 'look and feel'.

i The company did not actively participate in the U.S. Index 2018 research process; its assessment is therefore based on publicly available information.

****** The mean HSR is calculated per category and multiplied by the percentage of 2016 sales per category. These figures are totalled and doubled to give a maximum Product Profile score of 10.

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Dr Pepper Snapple Group



CORPORATE PROFILE

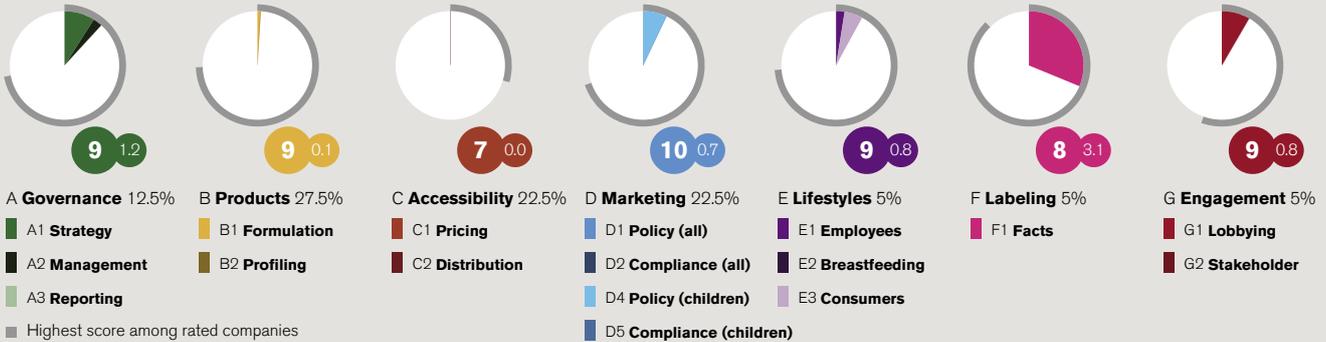
PRODUCT PROFILE

Company type	Publicly traded
Headquarters	U.S.
No. of U.S. employees	17,000
U.S. revenue range*	USD 5-10 billion

* Source: Euromonitor International, 2017.

Product Profile**	Revenue range	Mean HSR rating
Carbonates	70-80%	1.4
Juice	10-20%	2.8
RTD Tea	0-10%	1.6
Processed Fruit and Vegetables	0-10%	3.4

Corporate Profile



Main areas of strength

- Although Dr Pepper Snapple's score on the Corporate Profile is low, it has put in place some commitments and initiatives which it reports publicly.
- The company conducts some nutrition-related risk assessment and reports this in its Form 10-K Annual Report. In addition, Dr Pepper Snapple publicly reported on taking nutrition issues into consideration in its decision about the recent Bai Brands merger.
- Dr Pepper Snapple commits not to market its beverage brands in print, broadcast or online media to children under 12.
- The company funds some non-commercial public health and nutrition programs, working with United Way and the Boys & Girls Clubs of America. It also runs a physical activity program called Let's Play, in partnership with KaBoom! and Good Sports.
- Dr Pepper Snapple provides nutrition panel information online through dedicated web pages, which appears to cover all of its U.S. products.

Priority areas for improvement

- Dr Pepper Snapple ranks tenth on the U.S. Index Corporate Profile with a score of 0.6 out of 10 and is tied for eighth on the U.S. Index Product Profile with a score of 3.4 out of 10.
- The company was estimated to generate 9% of 2016 sales from healthy products (having a Health Star Rating (HSR) of 3.5 or more) and 7% from products that meet World Health Organization (WHO) Euro criteria for marketing to children. The company should step up its product reformulation, new product development and/or make acquisitions to improve the healthiness of its U.S. product portfolio.
- The company should increase its focus on nutrition and health, starting by adopting a mission statement and corporate growth strategy that explicitly refer to these business-critical topics. It should publish more information about its commercial approach to improving the accessibility of healthy foods and addressing obesity and diet-related diseases, with a particular reference to priority populations. It could also publish its approach to addressing food insecurity in the United States.
- The company could further increase public disclosure about its nutrition-related commitments, policies and practices in the United States and is encouraged to engage with ATNF to allow for a more complete assessment of its policies and practices.
- Dr Pepper Snapple should adopt and disclose a Nutrient Profiling System (NPS) and use it as the basis for defining healthy products and to guide a business-wide reformulation program underpinned by a comprehensive set of product reformulation targets.
- Commitments and evidence of activities related to improving the affordability and accessibility of healthy products, support for healthy lifestyles or stakeholder engagement are limited or non-existent. Dr Pepper Snapple should improve in these areas.
- The company should improve its minimal responsible marketing policy and, to address concerns about 'copy-cat' products, Dr Pepper Snapple should ensure that all products sold under the Smart Snacks in School regulation meet the same nutrition standards everywhere, including those products that are sold through other channels with a similar 'look and feel'.

i The assessment for the U.S. Index 2018 was conducted prior to the merger between Keurig Green Mountain and Dr Pepper Snapple Group. Dr Pepper Snapple did not actively participate in the U.S. Index 2018 research process; its assessment is therefore based on publicly available information.

****** The mean HSR is calculated per category and multiplied by the percentage of 2016 sales per category. These figures are tallied and doubled to give a maximum Product Profile score of 10.

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Annexes

1 Board, Independent Advisory Panel and ATNI Expert Group

Two multi-stakeholder groups – the Expert Group and the Independent Advisory Panel – have provided advice on many aspects of ATNF’s development since January 2011. Because part of the intended impact of ATNF includes active engagement by various stakeholder groups with food and beverage manufacturers, the Indexes need to be a useful tool for a range of interested parties. This led to the selection of Expert Group and International Advisory Panel members with a wide range of nutrition related expertise. In order to ensure the independence of the Index development process, no current executives from food and beverage companies are members of either group. Moreover, for this U.S. Index specifically a sub-Expert Group with members based in the United States was formed.

Members of each of these groups have served in their personal capacities and in an advisory role. The views in this report do not necessarily reflect the views of these groups’ members or of their institutions. The ATNF team is responsible for the final scope and content of the Index.

Board

Board	
Paulus Verschuren	<i>Acting Chair of the board of ATNF; Founder, WorldFed NL; Former Special Envoy Food and Nutrition Security, Ministry of Foreign Affairs, The Netherlands; Former Senior Director, Unilever Global Health Partnerships; Former Executive Director, International Life Sciences Institute – ILSI Europe</i>
Lauren Compere	<i>Managing Director, Boston Common Asset Management</i>
Inge Kauer	<i>Executive Director, Access to Nutrition Foundation</i>
Paula Luff	<i>Director, Sustainability and Impact Inherent Group</i>
Kathy Spahn	<i>President and Chief Executive Officer, Helen Keller International; Board member, InterAction, and International Agency for the Prevention of Blindness (IAPB)</i>
Susanne Stormer	<i>Vice President, Chief Sustainability Officer, Novo Nordisk, Denmark; Adjunct professor, Corporate Sustainability, Copenhagen Business School; Member, International Integrated Reporting Council</i>
Marc van Ameringen	<i>Former Executive Director, Global Alliance for Improved Nutrition (GAIN)</i>

Independent Advisory Panel

The mandate of the Independent Advisory Panel is to provide strategic advice on the development of ATNF. It has focused on how to make ATNF more useful and effective, what institutional arrangements should be made to sustain ATNF over time, and how to engage with a variety of stakeholder groups regarding the objectives and findings of the Access to Nutrition Indexes.

Independent Advisory Panel	
Paulus Verschuren	<i>Acting Chair of the Independent Advisory Panel;</i> <i>Founder,</i> WorldFed NL; <i>Former Special Envoy Food and Nutrition Security,</i> Ministry of Foreign Affairs, The Netherlands; <i>Former Senior Director,</i> Unilever Global Health Partnerships; <i>Former Executive Director,</i> International Life Sciences Institute – ILSI Europe
Cindy van den Boom	<i>Senior Policy Officer,</i> Ministry of Foreign Affairs of the Netherlands
Shiriki Kumanyika	<i>Chair, ATNI Expert Group;</i> <i>Professor Emerita of Epidemiology, University of Pennsylvania;</i> <i>Research Professor in Community Health & Prevention,</i> Drexel University Dornsife School of Public Health
Juan Rivera	<i>Founding Director,</i> Center for Research in Nutrition and Health, National Institute of Public Health, Mexico
Marie Ruel	<i>Division Director,</i> Poverty, Health and Nutrition, IFPRI
Ana Fazoli	<i>Senior Program Officer,</i> Bill & Melinda Gates Foundation
Victoria Quinn	<i>Senior Vice President of Programs,</i> Helen Keller International
Observer: Francesco Branca	<i>Director,</i> Department of Nutrition for Health and Development, World Health Organization

ATNI Expert Group

The function of the ATNI Expert Group is to provide input into the development of the company assessment methodology, and to review the analysis and Index report. This group consists of members with expertise in various aspects of nutrition (including both undernutrition and obesity and diet-related chronic diseases) and the role of the food and beverage industry with respect to nutrition.

ATNI Expert Group	
Shiriki Kumanyika	<i>Chair, ATNI Expert Group;</i> <i>Professor Emerita of Epidemiology, University of Pennsylvania;</i> <i>Research Professor in Community Health & Prevention,</i> <i>Drexel University Dornsife School of Public Health</i>
Boyd Swinburn	<i>Professor,</i> <i>Population Nutrition and Global Health at the University of</i> <i>Auckland and Alfred Deakin;</i> <i>Professor and Director of the World Health Organization (WHO) Collaborating</i> <i>Centre for Obesity Prevention at Deakin University in Melbourne</i>
CS Pandav	<i>Professor and Head,</i> <i>Centre for Community Medicine,</i> <i>All India Institute of Medical Sciences (AIIMS)</i>
Kapil Yadav	<i>Assistant Professor,</i> <i>All India Institute of Medical Sciences (AIIMS)</i>
Linda Meyers	<i>Senior Director (retired),</i> <i>Food and Nutrition Board, National Academies of Sciences, Engineering, and Medicine</i>
Lindsay H. Allen	<i>Director,</i> <i>USDA ARS Western Human Nutrition Research Center;</i> <i>Research Professor,</i> <i>Department of Nutrition, UC Davis</i>
Mike Rayner	<i>Professor,</i> <i>Population Health, Nuffield Department of Population Health, University of Oxford</i> <i>Director,</i> <i>Centre on Population Approaches for Non-Communicable Disease Prevention, University of Oxford</i>
Terry T-K Huang	<i>Professor,</i> <i>School of Public Health, City University of New York</i>

In addition, for the U.S. Access to Nutrition Index specifically, a sub-Expert Group was established.

ATNI sub-Expert Group	
Shiriki Kumanyika	<i>Chair, ATNI Expert Group;</i> <i>Professor Emerita of Epidemiology, University of Pennsylvania;</i> <i>Research Professor in Community Health & Prevention,</i> <i>Drexel University Dornsife School of Public Health</i>
Linda Meyers	<i>Senior Director (retired),</i> <i>Food and Nutrition Board, National Academies of Sciences, Engineering, and Medicine</i>
Lindsay H. Allen	<i>Director,</i> <i>USDA ARS Western Human Nutrition Research Center;</i> <i>Research Professor,</i> <i>Department of Nutrition, UC Davis</i>
Mary Story	<i>Professor,</i> <i>Community and Family Medicine and Global Health, Duke University</i>
Mike Rayner	<i>Professor,</i> <i>Population Health, Nuffield Department of Population Health, University of Oxford</i> <i>Director,</i> <i>Centre on Population Approaches for Non-Communicable Disease Prevention, University of Oxford</i>
Terry T-K Huang	<i>Professor,</i> <i>School of Public Health, City University of New York</i>

2 Acronyms

AAP	American Academy of Pediatrics
ABA	American Beverage Association
AHRQ	United States Agency for Healthcare Research and Quality
ATNF	Access to Nutrition Foundation
ATNI	Access to Nutrition Index
BMI	Body Mass Index
BMS	Breast-milk substitutes
BMSG	Berkeley Media Studies Group
CARU	Children's Advertising Review Unit
CBBB	Council of Better Business Bureaus
CDC	Centers for Disease Control and Prevention
CEO	Chief Executive Officer
CFBAI	Children's Food and Beverage Advertising Initiative
COPPA	Children's Online Privacy Protection Act
CSR	Corporate Social Responsibility
CUNY SPH	City University of New York, School of Public Health
EU	European Union
FAO	Food and Agriculture Organization
FDA	United States Food and Drug Administration
FOP	Front-Of-Pack
FTC	Federal Trade Commission
FVNL	Fruits, vegetables, nuts, legumes
FY	Fiscal Year
GDP	Gross Domestic Product
GMA	Grocery Manufacturers Association
GMO	Genetically modified organism
HHS	U.S. Department of Health and Human Services
HNS	Highest Nutritional Standards
HRSA	Health Resources and Services Administration
HSR	Health Star Rating
HWCF	Healthy Weight Commitment Foundation
IAP	Independent Advisory Panel
ICC	International Chamber of Commerce
ICC Code	Consolidated International Chambers of Commerce Code of Advertising and Marketing Communications Practice
IFBA	International Food and Beverage Alliance
ILO	International Labour Organization
JAB	Luxembourg based investment vehicle
NAD	National Advertising Division
NARC	National Advertising Review Council
NCD	Non-communicable disease
NEA HIN	National Education Association Health Information Network
NDA	Non-Disclosure Agreement
NF	Nutritional Foundation
NGO	Non-governmental organization
NPS	Nutrient Profiling System
PAHO	Pan American Health Organization
PHA	Partnership for a Healthier America
PwP	PepsiCo's Performance with Purpose Strategy
RB/MJN	RB/Mead Johnson Nutrition
R&D	Research and development
RTD	Ready-to-drink
SDG	Sustainable Development Goal
SMART	Specific, Measurable, Achievable, Relevant and Time-bound

SNAP	Supplemental Nutrition Assistance Program
TGI	The George Institute for Global Health
The Code	The International Code of Marketing of Breast-milk Substitutes
U.S.	United States
USCIB	United States Council for International Business
USDA	U.S. Department of Agriculture
USLP	Unilever Sustainable Living Plan
WHA	World Health Assembly
WHO	World Health Organization
WIC	Special Supplemental Nutrition Program for Women, Infants, and Children

Disclaimer

General Disclaimer

The findings, interpretations, and conclusions expressed in the report are those of ATNF only, and should not be attributed to any other entity. This report is intended to be for informational purposes only and is not intended as promotional material in any respect. This report is not intended to provide accounting, legal or tax advice or investment recommendations. Whilst based on information believed to be reliable, no guarantee can be given that it is accurate or complete.

Note

The George Institute for Global Health (TGI) is responsible for the data collection for the Product Profile, using data from available databases that was supplemented with data provided by companies to ATNF. TGI is also responsible for the analysis of the data related to the Product Profile and the TGI Product Profile final report, the results of which have been incorporated by ATNF into the Global Access to Nutrition 2018 report and the U.S. Spotlight Index report.

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Page 172

73BIT Development

Development 73BIT, a British IT developer, set up the online data platform used to collect and process company data. It also developed automatic scoring sheets and reports that fed into the scorecards.



Design & development

Ontwerpwerk Design and development, a Dutch design agency in The Hague, designed and developed the report and website.

ontwerpwerk

Language editor

ESG Communications Language and copy editing, report and scorecards.



