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Soda Contracts in Oregon Public Schools: Who Really Benefits?

Portland, OR – Analysis of contracts between Oregon public school districts and soda companies suggests that Oregonians may want to take a closer look at the value of these agreements according to a report released today by Community Health Partnership (CHP), a not-for-profit organization dedicated to promoting the public's health.

At first glance, contracts appear lucrative – millions or thousands of dollars in vendor payments, sales commissions, and other non-cash items – all providing a steady stream of funding to keep important school activities afloat. But most of the money generated comes from students purchasing beverages, and a significant portion of this revenue goes directly to soft drink companies, as opposed to schools.

“The report clearly demonstrates that funds from vending machines aren't philanthropic donations from soft drink companies to schools. The money comes out of children's and parents' pockets,” said Margo Wootan, Ph.D., director of nutrition policy at the Center for Science in the Public Interest, a national health advocacy organization based in Washington, D.C.

Among key report findings:

Vendors gain exclusive advertising rights to promote and increase the sale of products in schools.

Contracts are far more lucrative for vendors than they are for school districts.

Contract lengths range from 3 to 15 years, with an average length of 9 years.

Given the comparatively small amounts paid to schools by vendors, Oregon communities may want to rethink the restrictions placed on their freedom to provide beverages, and the merit of allowing soda companies to market and advertise brand products in schools. If the fundamental purpose of the contracts is to generate money for under-funded school activities, are these agreements truly helping communities achieve that goal?

“The incidence of childhood obesity has tripled in the last few decades; in some populations in the U.S. the incidence of type 2 diabetes in children has increased 10-fold. It is the responsibility of parents, local school boards, and legislators to insure that schools don't exacerbate this public health epidemic by serving unhealthy foods and beverages to children,” said Roger D. Cone, Ph.D., director of the Center for the Study of Weight Regulation and Associated Disorders at the Oregon Health and Science University.

For a copy of the full report, *School Soda Contracts: A Sample Review of Contracts in Oregon Public School Districts*, please visit www.communityhealthpartnership.org. CHP is an independent, not-for-profit organization committed to improving the health of Oregonians through advocacy and support of effective public health policy and activities.

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