

THE HINDU
Business Line

PepsiCo working on nutritious product for women

Product keeping in line with UN's millennium goal

Our Bureau

New Delhi, Sept. 21

PepsiCo, which is striving to shift from being perceived as only a soft drink player to one that has a healthier image, is working on developing a nutritious product targeted at young women.

Aiming to have its portfolio split equally between "foods good for you" and foods that are a "treat for you" in five years, the company is developing products under the supervision of a Chief Scientific Officer.

The product being developed for India and South Africa by special teams, which are studying the micronutrient deficiencies in the two countries where it will be sold eventually, will also be taken to Nigeria.

FIGHTING POVERTY

The nutritious product is being developed keeping the UN's millennium goal of eradicating extreme poverty and hunger by 2015. It is to be distributed through PepsiCo's channel and sustained by a private-public partnership,



Ms Indra Nooyi, Chairman and CEO, PepsiCo; with Mr Saad Abdul-Latif (right), President, SAMEA Region, PepsiCo International; and Mr Michael D. White, Vice-Chairman, PepsiCo International, and at a press conference in Gurgaon on Sunday. - Ramesh Sharma

said the company's first Chief Scientific Officer, Mr Mehmood Khan.

Pepsi would be working to meet nutrition deficiencies, taste, price point and climatic challenges in creating this product. Products targeting micronutrient deficiencies are often seen as a medicine, said Mr Khan. "PepsiCo's expertise would also help make this more appealing."

The Chairman and CEO, Ms Indra Nooyi, added that the company believed the project would help address the nutrition needs of thousands of people, particularly young women in India. There was no expected date of launch. "If you are a scientist working for Indra, however, she wants it tomorrow," said Mr Khan.

GREEN FOCUS, TOO

It is an initiative in line with the company's efforts to break free from those ethical issues facing soft drink makers in the face of growing health awareness. Under its mandate of performance with purpose, the company has set itself environmental and human sustainability efforts. And India, says Mr Michael White, Vice-Chairman, Pep-

siCo International, "is clear leader and shining example."

In 2009, India operations are expected to become water balanced by saving, re-using and replenishing as much water as it consumes. Its snack portfolio has also adopted the healthier rice bran oil. Six million citrus trees have been planted, and PepsiCo has been working with farmers and States to grow less water-dependent and higher yielding potato and tomato crops. However, its agri-efforts in India will not make the country a potential sourcing hub.

As Mr White points out, most food businesses source locally. There is another good reason for that. According to Ms Nooyi, in India, which would have a bigger population of youth than China and the US, consumer spending was to increase significantly, the opportunities and potential for such a market was huge and would barely be met by its own agri-initiatives.