



# News Release

November 18, 2003

## **New Surrey School Board cold beverage contract meets education minister's suggested guidelines**

### *Contract restricts logos and supports schools*

The Surrey school district has awarded an elementary school cold beverage distribution contract to the Pepsi Bottling Group (Canada). The agreement is expected to generate more than \$250,000 in additional funds to elementary schools over the five-year term of the agreement. Ten per cent of the total commissions collected will go directly to support needy schools and programs.

“This contract meets all the guidelines and addresses all the issues the education minister today indicated through the media that she would like to see in a school beverage contract,” says Surrey school board chairperson Mary Polak. “I’m pleased to see that the minister appears to support the direction we have already taken. As more than 80 per cent of our elementary schools each had their own beverage vending contract for many years now, it just makes sense to take advantage of the economies of scale and increase the policy controls and revenues we can get through a district-wide contract.”

The contract terms include:

- All brand identification (logos etc.) will now be eliminated from vending machines with the exception of the product selection button
- Pepsi will donate ten cases (240 drinks) to each participating elementary school every year of the contract for use in fundraising or events of the schools’ choosing
- The contract is effective for five years, beginning November 1, 2003
- Vending machine carbonated drinks are “locked off” during school hours, but available to community groups using school facilities on evenings and weekends.

School district procedures regarding elementary school vending machines include:

- Elementary school principals decide whether to have vending machines in their school
- Carbonated beverages are not to be available to students



# News Release

- Principals decide which Pepsi Bottling Group drinks, including Aquafina, Dole, and SunRype, will be available to students within school board policies
- Each school keeps 90 per cent of the cold beverage sales commissions its site has earned with the remaining ten per cent going into a pool of funds directed towards schools and programs deemed in need

“Vending machines provide choices for students, including bottled water, apple and orange juices and other fruit drinks,” says Polak. “The board takes student nutrition very seriously and our Food Services Department is in the midst of developing a new nutritional policy encompassing all facets of food and drink distribution in our schools. That policy is expected in the coming months.”

“Schools have always set the rules in these partnerships and that’s the way it should be. This is a great example of working together to structure a partnership that respects a balanced approach to beverage vending in the elementary school environment while delivering much-needed revenues to schools. It’s a win-win and it’s the way of the future for Pepsi and our school partners,” said Richard Burjaw, vice president of marketing, Pepsi Cola Canada Ltd.

The contract only applies to elementary schools, however, any secondary school, learning centre or administrative site may opt in to take advantage of the terms of the agreement.

The new contract is expected to be fully implemented by February 2004.

-30-

For more information, please contact:

Doug Strachan  
Manager, Communication Services  
(604) 599-7468  
strachan\_d@fc.sd36.bc.ca

Mary Polak  
Chairperson, Surrey School Board  
(778) 772-5339