

Response to Ellen Valentino's Comments on CB 17-2015

Glenn Schneider [GSchneider@thehorizonfoundation.org]

Sent: Monday, July 06, 2015 3:34 PM
To: CouncilMail
Attachments: MYTH-FACT CB 17-2015_FINAL.pdf (193 KB)

Dear Madam Chair and Members of the Council,

Councilman Ball asked the Horizon Foundation to comment on the email below from Ms. Valentino who represents the American Beverage Association.

Our comments are attached. Please do not hesitate to call or email me if you have any questions or need any further information leading up to tonight's vote.

Thanks,

Glenn

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Begin forwarded message:

From: Ellen Valentino <evalentino@ellenvalentino.com>
Date: July 6, 2015 at 9:53:26 AM EDT
To: <Councilmail@howardcountymd.gov>
Cc: <mclay@howardcountymd.gov>, 'Leonardo McClarty' <lmccarty@howardchamber.com>
Subject: Comments on CB 17 Amendments

Dear Chairwoman Sigaty,

We just received the proposed amendments to CB 17 and feel as though there are very significant issues that have not been addressed and need further review.

1. The healthy food and beverage standards coupled with the requirement that 75% of the offerings meet this standard, and adding in the restrictive language on diet offerings, will have the consequence of eliminating product offerings many of which are healthy popular

alternatives like teas and other low-cal options. **Examples of healthy options that do not meet these standards are many of the Vitamin Water offerings, Gatorade, Gold Peak Iced Tea, most Honest Tea Products, and many others.**

(These standards are more restrictive than the CDC guidelines that were mentioned in the workgroup.)

2. The packaged food and beverage placement requirements again coupled with the restrictive food and beverage standard will cause great difficulty for county vendors to literally comply, stock, maintain, and turn a profit from vending sales.
3. **The practicality is as follows: A beverage vending machine with "10" offerings of which "2" can be outside the scope of the standard; coupled with the restriction that only 1/3 can be diet offerings; coupled with the marketing requirement that 1/2 of each row meet the healthy standard – does not work and will render vending machine sales for the vendor and county, stranded assets – as well as leaving county employees and visitors frustrated with the lack of popular healthy choice options and sold out flashing buttons.**
4. There will be a negative financial impact to the County since the County receives commissions from vending machine sales.

Other issues:

1. You should know that the definition of packaging will cause significant issues teams, groups, vendors, and consumers. This creates a whole new set of consequences not previously discussed.
2. The issue of providing free water is difficult. There are health standards and real security issues.

The better direction:

1. Evaluation first. The Council needs a better understanding of the impact of the legislation. How many vending locations are impacted? Where? What Properties? What products are being sold now? What food and beverages meet this list? What does not? Can vendors comply? How much revenue does the County derive? How much will be lost to sales? And most importantly will this have an impact on individual lifestyles or just restrict choices from county employees, and visitors?
2. The industry is committed to working to provide The Calories Count™ Beverage Vending Program which will offer consumers clear calorie information, encourage lower-calorie beverage choices and remind them that calories count in all the choices they make. On the front of vending machines, they'll see Calories Count™ signs that include one of the following messages: "Check Then Choose" or "Try A Low-Calorie Beverage." The selection buttons will also include calorie labels that show calorie counts per beverage container.
3. We can meet at your convenience, respond in a workgroup to any of the issues raised above or to specific questions you, the sponsor, or others may have.

Thank you.

Cc: Howard County Council Members

Responses to American Beverage Association's Comments on Councilman Ball's Amendment (CB 17-2015)

MYTH: The packaged food and beverage placement requirements coupled with the restrictive food and beverage standard will cause great difficulty for county vendors to comply, stock, maintain, and turn a profit from a vending sale.

FACT: The standards and % requirements for healthier items proposed in Councilman Ball's amendment are national standards that are currently in place across the country. The food and beverage industry has responded to the changing market and provides many snacks and drinks that meet even the "strongest" of standards. Here's just one list of sourced snack foods that meet similar standards as the ones proposed in Councilman Ball's amendment. <http://www.johnstalkerinstitute.org/alist/alist.pdf>

MYTH: [These standards] will cause great difficulty for county vendors to turn a profit from vending sales.

FACT: Numerous studies, previously sent to Councilmembers, detail how vending machine revenues have either grown or stayed the same after similar policy changes across the country. As profiled in recent news articles, new companies are forming to meet community demand for healthier vending (e.g., VendNatural, Healthier4UVending, Fresh Healthy Vending, etc.).

MYTH: These [beverage] standards are more restrictive than the CDC guidelines that were mentioned in the workgroup.

FACT: The Centers for Disease Control and Prevention suggest that high-performing government agencies should consider a standard where, "At least 75% of beverage choices (other than 100% juice and unsweetened milk) must contain ≤ 40 calories/serving." This is exactly what Councilman Ball proposes in his amendment.

MYTH: The definition of packaging will cause significant issues for teams, groups, vendors, and consumers. This creates a whole new set of consequences not previously discussed.

FACT: The definition of "packaged" found in Councilman Ball's amendment comes from federal code. This bill does not apply to teams, groups, or consumers. It only applies to what is sold or offered by the county government on public property.

MYTH: The issue of providing free water is difficult. There are health standards and real security issues.

FACT: Providing clean, safe, accessible drinking water is not difficult to provide. Dr. Rossman indicated that there are no health or security issues at play during the work session. Furthermore, this provision applies to County Government directly and not vendors.

MYTH: Instituting “The Calories Count™ Beverage Vending Program” which offers consumers clear calorie information is a big industry concession.

FACT: The Affordable Care Act, Public Law 111-148, Section 4205 requires that owners of 20 or more vending machines must make calorie information for each item sold visible to consumers prior to purchase, either by making nutrition information on individual packages visible or by posting calorie information in close proximity to the food. Compliance is required by December 1, 2016.