

Shareholder Activists Pushing Coke to Rid Cans of BPA

By Matthew Heller on April 25, 2011

Shareholder activists are resuming their campaign to pressure Coca-Cola to stop using the controversial chemical BPA, or Bisphenol A, to coat the lining of its soft drinks cans.

A shareholder proposal will go before Coca-Cola's annual meeting in Atlanta Wednesday that asks the company to outline a plan to develop an alternative can liner. A similar resolution won 22 percent of shareholder votes last year.

"Coca-Cola has failed year after year to provide investors or consumers with sufficient evidence that it is taking steps to address these very serious public health concerns," Michael Passoff of **As You Sow**, a shareholder advocacy organization, told The Atlanta Journal-Constitution.

BPA, which is widely used in plastics and in food and beverage containers, has become a growing health concern internationally, and researchers have linked it to issues ranging from breast and prostate cancer to infertility and obesity. The FDA has said it had "some concern" about the potential effects of BPA on the brains and prostate glands of fetuses, infants and young children.

The board of Coca-Cola, which has a corporate policy stating that it uses "the highest standards and processes for ensuring consistent product safety and quality," opposes the BPA resolution. "We believe that we are already more than adequately transparent" on the BPA issue, Coke said. "Beyond what we currently disclose, the company has a legitimate need to protect proprietary information — both ours and our suppliers."

But **As You Sow** as well as Green Century Capital Management, a "green" investor group, last year gave Coca-Cola an "F" grade in a report that ranked 20 packaged food companies on their efforts to eliminate BPA from products and reduce BPA-related risk.

"Investors need Coca-Cola to improve its disclosure of the significant risks associated with its use of BPA in beverage cans and how it is managing those risks," Jonas Kron of Trillium Asset Management, a Coca-Cola shareholder, told Packaging Digest.