

Going Global – PepsiCo

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Abstract:

PepsiCo (PEP) is well known in the United States as having leading trademarks such as Pepsi-Cola, Mountain Dew, Frito-Lay, Quaker Oats and Tropicana with 17 brands each exceeding \$1 billion dollars in sales. PEP is also a leading multi-national company that sells these brands in nearly 200 countries & territories around the world.

This presentation will touch on some of the lesson in learned developing successful new products around the world. The first part of the presentation will focus on the challenges of getting products into new markets including development of flavors & formulations to meet local tastes, ensuring regulatory compliance of the formulations and making sure that the consumer can experience the intended product “design” wherever they buy and drink our products.

The second part of the presentation will include a short case study of PEP’s experiences in India, outlining the issues companies may face and the strategies that may be employed to protect brand equity from today’s challenges including those from non-government organizations (NGOs).

PEP’s ability to successfully develop and deliver new products into markets around the world and then protect the brand equity once they get established, is essential for PEP’s current and future growth.

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Abstract:

"An old saying in agricultural lending goes: 'in most business, risk is on the demand side. In agribusiness, risk is on the supply side.' Most businesses wonder whether the customer will actually show up—farmers wonder whether the crop will actually show up after it's been planted. Despite the differentiation of much business from agriculture, common patterns of risk cross over between the two. Price volatility is widely used to characterize risk or uncertainty. For example, recent financial markets' volatility reflects a breakdown in the 'price discovery' process that markets usually provide to investors seeking to evaluate what assets are worth. Complexity has clouded that evaluation because of higher than expected loss experience of home mortgages. The result has been a "sudden stop" in price discovery. As a result, many asset values will have to fall substantially until they are willingly held again by investors--equivalently, asset values will have to fall until investors' expectations of future returns compensate them for today's perception of increased risk. Patterns of volatility from the Asian Financial Crisis of 1997-98, and other more recent phenomena, often share common forms that may help one anticipate the consequences of future risky events. This presentation describes a few of those seemingly disparate experiences, draws from them some common themes, and considers two forms of volatility: white noise and jumps."

Challenges of Doing Business in a Global Platform

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Abstract:

As countries develop their economies and shift from barter to cash, there is an exponential growth in demand for processed foods and beverages. These “new” consumers are eager to purchase any processed foods and especially those from internationally recognized brands. Because most of these consumers lack a frame of reference, their choices are difficult to measure and to understand. Local entrepreneurs are well positioned to exploit the situation and are quick to introduce their own products as well as copies of the international brands. The Asian market and especially China is a fertile environment for these kinds of developments. This presentation will examine some of the issues that all companies face as they grow their businesses and deal with the rapidly changing business environment. We also will share highlights from survey work in China and the United States about food safety and food quality.