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Detail Analysis On Pepsi & Coca Cola Co.

SOURIK DAS

ORGANIZATION 1



History of the company:

Pepsi was first introduced as "Brad's Drink" in New Bern, North Carolina, United States, in 1893 by Caleb Bradham, who made it at his drugstore where the drink was sold. It was renamed Pepsi-Cola in 1898 after the Greek word for "digestion" (pronounced the same as Pepsi), which the drink was purported to aid, and "cola" after the kola nut. The original recipe also included sugar and vanilla.Bradham sought to create a fountain drink that was appealing and would aid in digestion and boost energy. In 1903, Bradham moved the bottling of Pepsi-Cola from his drugstore to a rented warehouse. That year, Bradham sold 7,968 gallons of syrup. The next year, Pepsi was sold in six-ounce bottles, and sales increased to 19,848 gallons. In 1909, automobile race pioneer Barney Oldfield was the first celebrity to endorse Pepsi-Cola, describing it as "A bully drink...refreshing, invigorating, a fine bracer before a race." The advertising theme "Delicious and Healthful" was then used over the next two decades. In 1923, the Pepsi-Cola Company entered bankruptcy—in large part due to financial losses incurred by speculating on the wildly fluctuating sugar prices as a result of World War I. Assets were sold and Roy C. Megargel bought the Pepsi trademark. Megargel was unsuccessful in efforts to find funding to revive the brand and soon Pepsi's assets were purchased by Charles Guth, the President of Loft, Inc. Loft was a candy manufacturer with retail stores that contained soda fountains. He sought to replace Coca-Cola at his stores' fountains after The Coca-Cola Company refused to give him additional discounts on syrup. Guth then had Loft's chemists reformulate the Pepsi-Cola syrup formula.

On three separate occasions between 1922 and 1933, The Coca-Cola Company was offered the opportunity to purchase the Pepsi-Cola company, and it declined on each occasion.During the Great Depression, Pepsi-Cola gained popularity following the introduction in 1934 of a 12-ounce bottle. Prior to that, Pepsi and Coca-Cola sold their drinks in 6.5-ounce servings for about \$0.05 a bottle. With a radio advertising campaign featuring the popular jingle "Nickel, Nickel," Pepsi encouraged price-conscious consumers to double the volume their nickels could purchase.

The jingle is arranged in a way that loops, creating a never-ending tune: Pepsi's success under Guth came while the Loft Candy business was faltering. Since he had initially used Loft's finances and facilities to establish the new Pepsi success, the near-bankrupt Loft Company sued Guth for possession of the Pepsi-Cola company. A long legal battle, Guth v. Loft, then ensued, with the case reaching the Delaware Supreme Court and ultimately ending in a loss for Guth.

<mark>↓ Vision:</mark>

CREATE MORE SMILES WITH EVERY SIP AND EVERY BITE

• FOR CONSUMERS:

We will create smiles for our Consumers — currently more than 1 billion a day — creating joyful moments through our delicious, nourishing products and unique brand experiences.

• FOR CUSTOMERS:

We bring smiles to our Customers by being the best possible partner, driving gamechanging innovation, and delivering a level of growth unmatched in our industry.

• FOR ASSOCIATES AND OUR COMMUNITIES:

We bring smiles to our Associates and Our Communities by creating meaningful opportunities to work, gain new skills and build successful careers, and a diverse and

inclusive workplace where people are committed to ethically delivering top-tier performance.

• FOR WORLD:

We bring smiles to people around the World by conserving nature's precious resources and fostering a more sustainable planet for our children and grandchildren.

• FOR SHAREHOLDERS:

We bring smiles to our Shareholders by delivering top-tier TSR and embracing bestin-class corporate governance

4 <u>Vision:</u>

BE THE GLOBAL LEADER IN CONVENIENT FOODS AND BEVERAGESBY WINNING WITH PURPOSE

Winning with Purpose is an evolution of Performance with Purpose. It is the next step on PepsiCo's journey, building on everything we've achieved over the last 12 years with Performance with Purpose, while propelling our company forward into a new era of growth and prosperity. It reflects our ambition to Win sustainably in the marketplace and accelerate our top line growth, whilst keeping our commitment to do good for the planet and our communities. To help us achieve this vision, we've defined a clear set of strategies: Faster, Stronger, and Better.

4 <u>Top Management of the Company :</u>

CEO- Ramon Laguarta CFO- Hugh Johnston CTO- Anil Sharma

4 CSR Initiatives:

PepsiCo entered India in 1989 and has grown to become one of the largest food and beverage businesses in India. PepsiCo India Holdings Private Ltd. ("PepsiCo India") has been consistently investing in the country and has built an expansive beverage and snack food business supported by 10 beverage bottling plants and 3 food plants. PepsiCo India's diverse portfolio includes iconic brands like Pepsi, Lay's, Kurkure, Tropicana, Gatorade and Quaker. Within two decades, the company has been able to organically grow eight brands each of which generate Rs.1,000 crore or more in estimated annual retail sales and are household names, trusted across the country.

PepsiCo India is driven by its global commitment to sustainable growth, Performance with Purpose .PepsiCo's promise to provide a wide range of foods and beverages from treats to healthy eats; to find innovative ways to minimize our impact on the environment by conserving energy and water and reducing packaging volume; to provide a great workplace for our associates; and to respect, support and invest in the local communities where we operate. In 2009, PepsiCo India achieved a significant milestone, by becoming the first business to achieve 'Positive Water Balance' in the beverage world, a fact verified by Deloitte Touché Tohmatsu India Pvt. Ltd. The company has been Water Positive since then.

Title and Applicability:

The CSR Policy has been prepared by PepsiCo India in line with the provisions of Section 135 of the Companies Act 2013. This policy shall apply to all Corporate Social Responsibility (CSR) initiatives, projects, programmers, and activities undertaken by PepsiCo India.

CSR Program Areas – India:

The program areas shall be aligned with the PepsiCo Performance with Purpose philosophy which is in keeping with those in schedule VII of Section 135 of the Companies Act 2013. PepsiCo India through its CSR will support programs/projects and activities from among the following areas of action:

1. Programs promoting sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation

2. Programs promoting sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation

3. Programs promoting sanitation including contribution to the Swach Bharat Kosh set-up by the Central Government for the promotion of sanitation

4. Programs promoting gender equality and empowering women

5. Ensuring environmental sustainability, ecological balance, protection of flora and fauna

6. Natural resource conservation and management

7. Contribution to the Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, and other backward classes, minorities and women.

8. Natural resource conservation and management.

Responsibility of Board of Director:

As per the provisions of the Companies Act 2013 and the Rules of the Act, the Board of Directors of PepsiCo India shall:

After taking into account the recommendations made by the Corporate Social Responsibility Committee, approve the Corporate Social Responsibility Policy for the company and disclose contents of such Policy in its report and also place it on the company's website, if any, in such manner as may be prescribed.

Align the company's CSR activities to keep up with the Corporate Social Responsibility Policy.

Endeavor to spend, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy.

If the Company fails to spend such amount, the authorized signatory shall, in its report made under clause (o) of the sub-section (3) of the section 134 of the Companies Act 2013, specify the reasons for not spending the amount.

The Board of Director shall have the power to make any change(s) in the constitution of the CSR Committee.

Roles and Responsibilities of CSR Committee:

As defined under the provisions of the Companies Act 2013, the CSR Committee shall:

Prepare, revise and modify the CSR Policy for PepsiCo India and place the same with the Board of Director for its approval.

Provide guidelines for selection of projects/programmers and implementing partners to the CSR Coordinators and ensure that the programmers/projects undertaken by PepsiCo India are aligned with the approved CSR policy and Schedule VII of the Section 135, Companies Act 2013.

Review and approve annual budgets with respect to CSR programmers.

Develop a framework for monitoring of the CSR projects/programmers.

Assist the Board of Directors in preparation of the annual CSR report as required to be filed under the provisions of the Companies Act 2013/CSR rules;

Reviewing the findings and recommendations regards the CSR initiatives from any investigation or audit conducted by regulatory agencies or external auditors or consultants;

In case PepsiCo India is not able to spend the stipulated two percent of the average net profits of the preceding three financial years or any part thereof, the CSR Committee shall provide the reasons for not spending the amount to the Board of Directors;

Respond to any query, observation or clarification sought by the Ministry of Corporate Affairs or any other regulatory authority with regard to the Branch's CSR initiatives;

Implementation:

PepsiCo India shall implement its CSR programmers/projects:

Through an implementation partner that may be a public charitable trust or a society registered under applicable Act or a Company registered under Section 8 of the Companies Act 2013;

In case of any surplus arising out of CSR projects, the same shall not form part of business profits of PepsiCo India.

Monitoring:

PepsiCo India shall institute a monitoring and review mechanism to monitor its CSR project/programmers. The monitoring mechanisms shall include:

Clear targets, time lines and measureable indicators wherever possible

A progress monitoring and reporting framework that is aligned with the requirements of Section 135 of the Companies Act 2013 and the CSR Rules

Reporting

PepsiCo India shall monitor progress of CSR projects and report to the board of directors and the CSR Committee once in every quarter. The Company will report CSR performance in its annual report as per the structure and format prescribed in the notified CSR Rules.

ORGANIZATION 2

Confederate Colonel John Pemberton, who was wounded in the American Civil War and became addicted to morphine, began a quest to find a substitute for the problematic drug.In 1885 at Pemberton's Eagle Drug and Chemical House, a drugstore in Columbus, Georgia, he registered Pemberton's French Wine Coca nerve tonic. Pemberton's tonic may have been inspired by the formidable success of Vin Mariani, a French-Corsican coca wine,but his recipe additionally included the African kola nut, the beverage's source of caffeine.

It is also worth noting that a Spanish drink called "Kola Coca" was presented at a contest in Philadelphia in 1885, a year before the official birth of Coca-Cola. The rights for this Spanish drink were bought by Coca-Cola in 1953.

In 1886, when Atlanta and Fulton County passed prohibition legislation, Pemberton responded by developing Coca-Cola, a nonalcoholic version of Pemberton's French Wine Coca.The first sales were at Jacob's Pharmacy in Atlanta, Georgia, on May 8, 1886, where it initially sold for five cents a glass. Drugstore soda fountains were popular in the United

States at the time due to the belief that carbonated water was good for the health, and Pemberton's new drink was marketed and sold as a patent medicine, Pemberton claiming it a cure for many diseases, including morphine addiction, indigestion, nerve disorders, headaches, and impotence. Pemberton ran the first advertisement for the beverage on May 29 of the same year in the Atlanta Journal.

By 1888, three versions of Coca-Cola – sold by three separate businesses – were on the market. A co-partnership had been formed on January 14, 1888, between Pemberton and four Atlanta businessmen: J.C. Mayfield, A.O. Murphey, C.O. Mullahy, and E.H. Bloodworth. Not codified by any signed document, a verbal statement given by Asa Candler years later asserted under testimony that he had acquired a stake in Pemberton's company as early as 1887. John Pemberton declared that the name "Coca-Cola" belonged to his son, Charley, but the other two manufacturers could continue to use the formula.

Charley Pemberton's record of control over the "Coca-Cola" name was the underlying factor that allowed for him to participate as a major shareholder in the March 1888 Coca-Cola Company incorporation filing made in his father's place. Charley's exclusive control over the "Coca-Cola" name became a continual thorn in Asa Candler's side. Candler's oldest son, Charles Howard Candler, authored a book in 1950 published by Emory University. In this definitive biography about his father, Candler specifically states: "..., on April 14, 1888, the young druggist Asa Griggs Candler purchased a one-third interest in the formula of an almost completely unknown proprietary elixir known as Coca-Cola."The deal was actually between John Pemberton's son Charley and Walker, Candler & Co. – with John Pemberton acting as cosigner for his son. For \$50 down and \$500 in 30 days, Walker, Candler & Co. obtained all of the one-third interest in the Coca-Cola Company that Charley held, all while Charley still held on to the name. After the April 14 deal, on April 17, 1888, one-half of the Walker/Dozier interest shares were acquired by Candler for an additional \$750.

In 1892, Candler set out to incorporate a second company; "The Coca-Cola Company" (the current corporation). When Candler had the earliest records of the "Coca-Cola Company" destroyed in 1910, the action was claimed to have been made during a move to new corporation offices around this time.

After Candler had gained a better foothold on Coca-Cola in April 1888, he nevertheless was forced to sell the beverage he produced with the recipe he had under the names "Yum Yum" and "Koke". This was while Charley Pemberton was selling the elixir, although a cruder mixture, under the name "Coca-Cola", all with his father's blessing. After both names failed to catch on for Candler, by the middle of 1888, the Atlanta pharmacist was quite anxious to establish a firmer legal claim to Coca-Cola, and hoped he could force his two competitors, Walker and Dozier, completely out of the business, as well.

John Pemberton died suddenly on August 16, 1888. As aCandler then decided to move swiftly forward to attain full control of the entire Coca-Cola operation.

Charley Pemberton, an alcoholic and opium addict unnerved Asa Candler more than anyone else. Candler is said to have quickly maneuvered to purchase the exclusive rights to the name "Coca-Cola" from Pemberton's son Charley immediately after he learned of Dr. Pemberton's death. One of several stories states that Candler approached Charley's mother at John Pemberton's funeral and offered her \$300 in cash for the title to the name. Charley Pemberton was found on June 23, 1894, unconscious, with a stick of opium by his side. Ten days later, Charley died at Atlanta's Grady Hospital at the age of 40.

<u> Mission:</u>

- To refresh the world in mind, body and spirit
- To inspire moments of optimism and happiness through our brands and actions
- To create value and make a difference.

<mark>↓ Vision:</mark>

To achieve our mission, we have developed a set of goals, which we will work with our bottlers to deliver:

People: Inspiring each other to be the best we can be by providing a great place to work

Portfolio: Offering the world a that anticipate and satisfy people's desires and needs

Partners: Nurturing a winning network of partners and building mutual loyalty

Planet: Being a responsible global citize<u>n</u> that makes a difference by helping to build and support sustainable communities

Profit: Maximizing long-term return to shareholders, while being mindful of our overall responsibilities

Productivity: Being a highly effective, lean and fast-moving organization.



- Leadership: The courage to shape a better future
- Collaboration: Leverage collective genius
- Integrity: Be real
- Accountability: If it is to be, it's up to me
- Passion: Committed in heart and mind
- **Diversity:** As inclusive as our brands
- Quality: What we do, we do well

4 <u>Philosophy:</u>

This is a list of variants of Coca-Cola introduced around the world. In addition to the caffeine-free version of the original, additional fruit flavors have been included over the years. Not included here are versions of Diet Coke and Coca-Cola Zero Sugar; variant versions of those no-calorie colas can be found at their respective articles.

Caffeine-Free Coca-Cola (1983-present) - Coca-Cola without the caffeine.

Coca-Cola Cherry (1985–present) – Coca-Cola with a cherry flavor. Was available in Canada starting in 1996. Originally marketed as Cherry Coke (Cherry Coca-Cola) in North America until 2006.

New Coke / Coca-Cola II (1985–2002) - An unpopular formula change, remained after the original formula quickly returned and was later rebranded as Coca-Cola II until its full

discontinuation in 2002. In 2019, New Coke was re-introduced to the market to promote the third season of the Netflix original series, Stranger Things.

Golden Coca-Cola (2001) was a limited edition produced by Beijing Coca-Cola company to celebrate Beijing's successful bid to host the Olympics.

Coca-Cola with Lemon (2001–05) – Coca-Cola with a lemon flavor. Available in: Australia, American Samoa, Austria, Belgium, Brazil, China, Denmark, Federation of Bosnia and Herzegovina, Finland, France, Germany, Hong Kong, Iceland, Korea, Luxembourg, Macau, Malaysia, Mongolia, Netherlands, New Caledonia, New Zealand, Réunion, Singapore, Spain, Switzerland, Taiwan, Tunisia, United Kingdom, United States and West Bank-Gaza

Coca-Cola Vanilla (2002–05; 2007–present) – Coca-Cola with a vanilla flavor. Available in: Austria, Australia, China, Czech Republic, Finland, France, Germany, Hong Kong, New Zealand, Malaysia, Slovakia, South-Africa, Sweden, Switzerland, United Kingdom and United States. It was reintroduced in June 2007 by popular demand.

Coca-Cola with Lime (2005–present) – Coca-Cola with a lime flavor. Available in Belgium, Netherlands, Singapore, Canada, the United Kingdom and the United States.

Coca-Cola Raspberry (2005; 2009–present) – Coca-Cola with a raspberry flavor. Originally only available in New Zealand. Available in: Australia, United States and the United Kingdom in Coca-Cola Freestyle fountain since 2009.

Coca-Cola Black Cherry Vanilla (2006–07) – Coca-Cola with a combination of black cherry and vanilla flavor. It replaced and was replaced by Vanilla Coke in June 2007.

Coca-Cola Blāk (2006–08) – Coca-Cola with a rich coffee flavor, formula depends on country. Only available in the United States, France, Canada, Czech Republic, Bosnia and Herzegovina, Bulgaria and Lithuania

Coca-Cola Citra (2005–present) – Coca-Cola with a citrus flavor. Only available in Bosnia and Herzegovina, New Zealand and Japan.

Coca-Cola Orange (2007) – Coca-Cola with an orange flavor. Was available in the United Kingdom and Gibraltar for a limited time. In Germany, Austria, and Switzerland it is sold under the label Mezzo Mix. Currently available in Coca-Cola Freestyle fountain outlets in the United States since 2009 and in the United Kingdom since 2014.

Coca-Cola Life (2013–present) – A version of Coca-Cola with stevia and sugar as sweeteners rather than simply sugar.

Coca-Cola Ginger (2016–present) – A version that mixes in the taste of ginger beer. Available in Australia, New Zealand and as a limited edition in Vietnam.

Coca-Cola Orange Vanilla (2019–present) – Coca-Cola with an orange vanilla flavor (intended to imitate the flavor of an orange Creamsicle). Made available nationwide in the United States on February 25, 2019.

4 <u>Top Management of Coca Cola:</u>

CEO- James Quincey COO- Brain Smith CFO- John Murphy CTO- Boehme

CSR Initiatives:

Coca-Cola proudly serves more than 200 countries and territories from around the world, and Corporate Social Responsibility (CSR) is at the core of our business in each one of them.

At Coca-Cola, CSR is part of our commitment to establishing sustainable communities. Did you know that we give back at least 1% of the Company's operating income annually to various programs, initiatives and causes? In 2014 alone, we gave back \$126 million, or 1.3% of our operating income, which was invested in active and healthy living initiatives, water stewardship programs, education, women's empowerment, humanitarian and disaster relief programs, to name a few.

Here in the Middle East, we have launched a number of campaigns as part of our corporate citizenship program. These range from supporting university students who are hoping to become entrepreneurs through our 'Ripples of Happiness' program, to providing refugees in the region with clean drinking water, through the Arwa 'Price of Water' campaign that we launched in 2014.

CSR Initiatives- INDIA:

Key CSR Programs / Projects/ Activities to be undertaken during financial year 2016-17:

In terms of the attached CSR Policy adopted by the Board of Directors of the company (hereinafter referred to as "CCIPL") at their meeting held on June 27, 2016 the CSR Committee of the Board has identified the following CSR Projects/ Activities / Programmes for implementation by the Company during the financial year 2016-17.

CCIPL's contribution in ensuring Environmental Sustainability: Coca-Cola India Foundation: Water Sustainability and Solar Energy Projects to be undertaken by the wholly owned subsidiary, Coca-Cola India Foundation ("the Foundation");

Employment and livelihood enhancing vocation skills for differently abled

people: The 'VEER' campaign being undertaken by CCIPL in partnership with CNN IBN and the "Being Human Foundation" along with American India Foundation ("AIF"), aimed at reaching out to the differently abled people across India and giving them a voice and an opportunity to fulfill their own ambition and for enhancement of their livelihood;

Employment enhancing vocation skills: 'Parivartan' training program for retailers: 'Parivartan' training program conducted by CCIPL for retailers (including women retailers), aimed at and focused on enhancing vocation skills.

Promotion of Education: 'Support My School' ("SMS") campaign, aimed at revitalizing schools by providing them with adequate sanitation and basic amenities like toilets and other facilities, especially for the girl child.

Donation under Employee Volunteering Programme and PET re-cycling:

The Employee Volunteering Programme is aimed at facilitating, systematization and quantification of engagement of the employees' with CSR and social initiatives both within and outside CCIPL. The PET recycling initiative is aimed at creating awareness about recycling of PET amongst the employees and CCIPL's customers and their employees;

Protection of Flora and Fauna: CCIPL's initiative in supporting the conversion of a dumping ground for waste into a dedicated repository for the original flora and fauna of the Aravalis- the "Aravali Biodiversity Park" in Gurgaon;

Better Waste Management System: "Doh Bin" - aimed at sensitizing residents and increasing their involvement to bring about a better waste management system through the simple act of segregating wet and dry waste in homes, offices, etc.

Lake Rejuvenation Project- Gurgaon: In line with CCIPL's commitment to strengthen community engagement and development around its Corporate Office in Gurgaon, a six month project is being implemented from June 2016 onwards towards water rejuvenation in the Sukhrali Lake in Gurgaon.

Pilot Project to test Reverse Vending Machines: To achieve long term environmental sustainability by educating and encouraging people to be environmentally responsible in the handling of post consumption PET products by rewarding and incentivizing positive behavior.

Multi Stakeholder Programme on Livelihood Enhancement: In line with the emerging importance of PET recycling in the light of the "Swaach Bharat Abhiyan" and "Clean India campaign" launched by the Tourism Ministry, Government of India and the key role that is played by the informal sector in collection of recyclable waste, CCIPL has decided to design a scalable program on waste management.

CCIPL aims to achieve the following:

- Work with NGOs to provide training to people with disabilities to make them employable. It will be achieved through direct donation by CCIPL to the NGO American India Foundation towards core funds for training and also through encouraging donations from others into the funds.
- 2. Sensitize corporate to hire differently abled people and this is being accomplished through hosting of workshops across different cities
- **3.** Through mass media, celebrate extraordinary stories of successful people with disabilities and inspire others like them to unleash their true potential. We hope that

his campaign will help people at large will change their lens in the way they look at differently abled people and realize the huge talent and potential waiting to be unleashed.

Collaboration:

The Coca-Cola Company is a leading member of AIM-PROGRESS, a forum of 30 Fast Moving Consumer Goods manufacturers and suppliers assembled to enable and promote responsible sourcing practices through brand collaboration.

AIM-PROGRESS is a global initiative supported and sponsored by the European Brands Association, AIM, in Europe and the Grocer Manufacturers Association, in North America. Participating companies include Unilever, Nestlé, Danone , Diageo, PepsiCo, Cadbury, Kraft Foods, Mars, General Mills, Kellogg's, Bacardi and Procter & Gamble and others. AIM-PROGRESS has a number of workstreams focused on topics such as Mutual Recognition, joint supplier training, and Business Integrity through which companies work together to promote responsible sourcing.

Through our joint training initiative we conduct in-person and virtual supplier sessions around the world. The one day training covers the four major pillars of responsible sourcing: labor standards, health and safety, environmental compliance and business integrity. Key business leaders from participating companies provide perspectives on why responsible sourcing is important to our customers, our stakeholders and to the sustainability of our businesses. In 2010 and 2011 AIM-PROGRESS conducted 8 in-person trainings in Kenya, South Africa, Mexico, China, India, Russia and Brazil and 6 webex sessions in Europe and North America. Over the last two years the sessions have reached approximately 2,000 suppliers and 4,000 people.



ORGANIZATION

ORGANIZATION 1



Organization structure:

PepsiCo originally had a hierarchical organizational structure in its early years. However, after a number of key mergers and acquisitions, along with global expansion, the company has changed its organizational structure accordingly. The following are the main characteristics of PepsiCo's organizational structure:

- 1. Market divisions
- 2. Functional corporate groups/offices
- 3. Global hierarchy

<u>Market Divisions</u>: The most prominent feature of PepsiCo's organizational structure is its market divisions. These divisions are based on two variables: business and geography. In terms of business, PepsiCo's maintains one global division for Frito-Lay and another global division for Quaker Foods. In terms of geography, the company has divisions for the Americas, Europe, and other regions. The following are the market division in PepsiCo's organizational structure:

- 1. PepsiCo Americas Beverages
- 2. Frito-Lay
- 3. Quaker Foods
- 4. Latin America Foods
- 5. PepsiCo Europe
- 6. PepsiCo Asia, Middle East & Africa

<u>Corporate Groups/Offices</u>: This characteristic of PepsiCo's organizational structure refers to basic business functions. The company has global or corporate offices for these functions. PepsiCo's objective in having functional groups is to ensure corporate control and rapid implementation of policies and strategies. An Executive Vice President or Senior Vice President heads each of these groups. The following are the main functional corporate groups/offices at PepsiCo:

- 1. Global Categories and Operations
- 2. Global Research and Development
- 3. Human Resources
- 4. Finance
- 5. Government Affairs and Legal
- 6. Talent Management, Training and Development
- 7. Communications

<u>Global Hierarchy</u>. PepsiCo's organizational structure also features a hierarchy that spans the global organization. A hierarchy typically supports monitoring, control and governance at the global/corporate level. PepsiCo has maintained considerable hierarchy for top-down communications, monitoring and control. This characteristic of the organizational structure also provides a means through which PepsiCo minimizes deviations from its policies and strategies.

4 <u>Global Headquarters</u>:

Donald M. Kendali sculpture gardens in Harrison, New York.

Indian Registered Office: Anchorage building Near Amarnath pati ground, Govandi Station Rd, Mumbai, Maharashtra.

Certification:

- ▶ ISO 14001:2004 for the production facilities at Jaipur(2010)
- ▶ ISO 14001:2004 for the production facilities at Bhiwadi(2011)
- ▶ ISO 14001:2004 for the production facilities at Kolkata(2012)
- ► FSSC 22000:2010 for the production facilities at Greater Noida(2013)
- FSSC 22000 for the production facilitiess at Goa, Greater Noida II.and Kolkata(2015)

ORGANIZATION 2

4 Organization Structure:

The Coca-Cola Company has a Separate International Division Structure because its international staffs operate separately and in isolation from head office. It has various divisions in all continents around the world with presidents that control each continental division. Coca-Cola has 5 continental divisions.

- Eurasia & Africa Group
- Europe Group
- Latin America Group
- North America Group
- Pacific Group

Each Continental division has vice presidents that control sub-divisions based on regions or countries. This structure is efficient for Coca-Cola since it is a very large company.



How do they operate?

Coca-Cola is as an ethnocentric MNC because its domestic operations are very similar to its international operations. Regardless of the country or region, Coca-Cola operates the same way and sells the same brand and type of soft drink. The company has tight control over its operations from head office.

Geographical presence of the Coca cola:

- "The red and white Coca-Cola logo is recognized by 94% of the world's population." (via: business insider)
- Coca-Cola is recognized as the world's most valuable brand is often associated with happiness. In fact, Coca-Cola means "Delicious Happiness" in Mandarin.
- <u>The Coca-Cola Company</u> is ranked on the list of top organizations for multicultural business opportunities."
- "Named again on Top Corporations for Women's Business Enterprises"

4<u>Head Quarter:</u>

Atlanta, Georgia, United States of America

4 Indian Registered Office:

Anchorage building near Amarnath pati ground,Govandi Station Rd.,Mumbai,Maharashtra 412115

Manufacturing & service location(Globally):

The company's largest bottlers outside North America are:

- Coca-Cola Amatil, based in Australia (Australia, New Zealand, Indonesia, South Pacific nations) (Company owns 30.8%)
- Coca-Cola European Partners PLC, based in the United Kingdom (western Europe) (Company owns 18.1%)
- International Beverages Pvt. Ltd., based in Bangladesh (Fully owned subsidiary of The Coca Cola Company)
- Coca-Cola FEMSA, based in Mexico (parts of Mexico and Latin America) (Company owns 27.8%)
- <u>Arca Continental</u>, also based in Mexico (parts of Mexico and Latin America and in US under Coca-Cola Southwest Beverages LLC in the state of Texas and parts of New Mexico, Oklahoma and Arkansas) (independent)
- <u>Coca-Cola Beverages Africa</u>, based in <u>Port Elizabeth</u>, <u>South Africa</u> (southern and eastern Africa) (company owns 68.3%)
- Coca-Cola HBC AG, originally based in Greece but now located in Switzerland (Greece, Ireland, Eastern Europe, Russia, and Nigeria) (Company owns 23.2%)
- Coca-Cola Icecek Based in Turkey (Turkey, South West Asia, Arabia) (Company owns 20.1%)

Major Bottlers in the United States are:

Coca-Cola Bottling Co. Consolidated, based in Charlotte, North Carolina (company owns 34.8%)

- Coca-Cola Bottling Company of Northern New England based in Bedford, New Hampshire and owned by Kirin Company
- Coca-Cola Bottling Company United, based in Birmingham, Alabama (independent)
- Swire Coca-Cola USA, based in Salt Lake City, Utah and owned by Swire Group.

4 <u>Manufacturing Location in INDIA:</u>

1.Coca Cola India Pvt Ltd.Coca Cola Beverages Bottling Plant Pirangut, Maharashtra

2.Coca Cola Beverages Bottling PlantPirangut, Maharashtra.



4 <u>Product Segment Served by Pepsico:</u>

company is made up of six divisions: PepsiCo Beverages North America; Frito-Lay North America; Quaker Foods North America; Latin America; Europe Sub-Saharan Africa; and Asia, Middle East and North Africa. Each of these divisions has its own unique history and way of doing business.

The following table illustrates PepsiCo segmentation, targeting and positioning:

Type of	Segmentation	PepsiCo target segment

segmentation	criteria	
	Region	Domestic/international
Geographic	Density	Urban/rural
	Age	15-45
	Gender	Males & Females
	Life-cycle stage	Bachelor Stage young, single people not living at home Newly Married Couples young, no children Full Nest I youngest child under six Full Nest II youngest child six or over
	Income	Average, above average and high earners
Demographic	Occupation	Students, employees, professionals
	Degree of loyalty	'Hard core loyals' and 'Soft core loyals'
	Benefits sought	Refreshment, enjoying good taste, satisfaction of a habit, spending Time.
	Personality	Easygoing/determined/ambitious
Behavioral	User status	Regular users
	Social class	Working class, middle class and upper class
Psychographic	Lifestyle	Aspirer, Succeeded, Explorer

PepsiCo segmentation, targeting and positioning

It is important to specify that PepsiCo portfolio comprises 22 brands including Pepsi-Cola, Lay's, Mountain Dew, Gatorade, Tropicana and others, and the Table 2 above specifies PepsiCo target customer segment in general by focusing on the common characteristics of positioning of brands within PepsiCo portfolio. There are some differences among brands within PepsiCo portfolio in terms of their nutritional value, pricing, packaging etc. and these differences impact the position of each individual brand.

PepsiCo Inc. Report constitutes a comprehensive analysis of marketing strategy and business strategy of PepsiCo. The report illustrates the application of the major analytical strategic frameworks in business studies such as SWOT, PESTEL, Porter's Five Forces, Value Chain analysis and McKinsey 7S Model on PepsiCo. Moreover, the report contains analysis of PepsiCo's leadership and organizational structure and discusses the issues of corporate social responsibility.

Product line:





Advertising Agency:

PepsiCo has a long relationship with Omnicom, but in recent years has moved assignments for brand Pepsi around, including handing some work to non-Omnicom shops. Historically, Omnicom's BBDO has been most closely identified with Pepsi work, including classic campaigns such as "Pepsi Generation.



pepsi™

designhill

Slogan:

"Live For Now"

Popular ads by pepsi:

"Yeh dil maange more"





ORGANIZATION 2



4 <u>Customer segment served:</u>

Geographic segmentation Geographic segmentation calls for dividing the market into different geographical units such as regions, cities, or neighborhood. Coca-Cola has a countrywide network of product distribution but the company segments more in urban and suburban areas as compared to rural areas.

1. Demographic segmentation: In demographic segmentation, the market is divided into groups on the basis of variables such as age, family life cycle,, occupation, education,

religion, race, generation, nationality, and social class. Demographic variables are the most popular base of Coca-Cola Company for distinguishing their customer groups. The reason is that consumer wants, preferences, and usage rates are often associated with demographic variables. Another is that demographic variables are easier for Coca-Cola to measure because they can evaluate or conduct surveys for the demographic segmentation.

1.1Age and Life-Cycle Stage Coca-Cola Consumer wants and abilities change with age. Age and life cycle can be tricky variables because there are different needs and wants as accord to the age of a person. The main sector in which Coca-Cola Company targets is the youth because there is a much need of refreshment and energizers to cope up with their daily activities.

1.2 Gender Gender is also an issue needed to be given prior by Coca-Cola. Men and women tend to have different attitudinal and behavioral orientations, based partly on genetic makeup and partly on socialization practices. Coca Cola targets both genders with its wide variety of drinks. This market is relatively large and is open to both genders, thereby allowing greater product diversification.

1.3 Psychographic segmentation In psychographic segmentation, Coca Cola buyers are divided into different groups on the basis of lifestyle or personality or values. People within the same demographic group can exhibit very different psychographic profiles, for that reason Coca Cola Company designed and made product which are suitable for their personality.

1.4 Lifestyle People exhibit many more lifestyles than are suggested. People differ in attitudes, interest, activities, and these affect the goods and services they consume. Coca-Cola Company presented products which are suitable for modern, busy life style (shortage of time) and mobile generation.

1.5 Personality Coca Cola Company is using personality variables to segment markets. They award Coca-Cola products with a brand personality that corresponds to a target consumer personality.

2.Behavioral segmentation: In behavioral segmentation, Coca Cola buyers are divided into groups on the basis of their knowledge of, attitude toward, use of, or response to a product. Many marketers believe that behavioral variables-occasions, benefits, user status,

usage rate, loyalty status, buyer-readiness stage, and attitude are the best starting points for the construction of market segments.

2.1 Occasions Coca Cola consumers can be distinguished according to the occasions when they develop a need, purchase a product, or use a product. Occasion's segmentation can help firms expand product usage.



<u>Coca Cola Product Line:</u>

4 Advertising Agency of Coca Cola:

Coca-Cola has named the three agencies that will create its next global campaign after inviting a total of 10 shops to pitch ideas earlier this year. Coke confirmed to Adweek that the winning shops—all WPP agencies—are Ogilvy New York, Madrid's SRA Rushmore and Santo in Buenos Aires.

The goal behind the brand's search was to bring together the best ideas from agencies around the world that will resonate with people on a global scale. The new work will follow Wieden + Kennedy's "Open Happiness" campaign, which debuted in 2009. "We set out in this process with the goal of uncovering the best ideas and marrying those to executional excellence, anticipating that they may come from different sources," Coca-Cola said in a statement.

While the three winning agencies will contribute ideas for the initial planning stages of the campaign, the seven additional shops that participated in the process—David; Dentsu; FCB, South Africa; Martin Mercado; McCann Madrid; The Cyranos; and Wieden + Kennedy, Portland—won't walk away empty handed. They'll remain on Coke's roster and, according to the brand's statement, will be involved in pitching ideas in the campaign's final stages.

LOGO:



4 <u>Slogan</u>:

"OPEN HAPPINESS"

4 <u>Most Popular Ads By Coca Cola:</u>



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PART D FINANCIALS

C GSJ

ORGANIZATION 1



<u>2017 Financial Highlights :</u>

PepsiCo, Inc. and Subsidiaries (in millions except per share data; all per share amounts assume dilution) Summary of Operations 2017 2016 % Chg Net revenue \$ 63,525 \$ 62,799

1% Core total operating profit (b) \$ 10,789 \$ 10,393 4% Reported earnings per share \$ 3.38 \$ 4.36 -23% Core earnings per share attributable to PepsiCo \$ 5.23 \$ 4.85 8% Free cash flow, excluding certain items \$7,293 \$8,055 -9% Capital spending \$2,969 \$3,040 -2% Common share repurchases \$ 2,000 \$ 3,000 -33% Dividends paid \$ 4,472 \$ 4,227 6% Percentage changes are based on unrounded amounts. Excludes the net mark-to-market impact of our commodity derivatives and restructuring and impairment charges in both years. In 2016, also excludes a charge related to the transaction with Tingyi and a pension-related settlement charge. See page 147 "Reconciliation of GAAP and Non-GAAP Information" for a reconciliation to the most directly comparable financial measure in accordance with GAAP. Excludes the net mark-to-market impact of our commodity derivatives and restructuring and impairment charges in both years. In 2017, also excludes the provisional net tax expense related to the TCJ Act. In 2016, also excludes a charge related to the transaction with Tingyi, a charge related to debt redemption and a pension-related settlement charge. See page 52 "Results of Operations - Consolidated Review - Other Consolidated Results" in Management's Discussion and Analysis of Financial Condition and Results of Operations, and page 147 "Reconciliation of GAAP and Non-GAAP Information" for a reconciliation to the most directly comparable financial measure in accordance with GAAP. (d) Includes the impact of net capital spending, and excludes payments related to restructuring charges and the associated net cash tax benefits, as well as discretionary pension contributions and the associated net cash tax benefits in both years. In 2016, also excludes net cash received related to interest rate swaps and net cash tax benefit related to debt redemption charge. See page 70 "Our Liquidity and Capital Resources" in Management's Discussion and Analysis of Financial Condition and Results of Operations, and page 147 "Reconciliation of GAAP and Non-GAAP Information" for a reconciliation to the most directly comparable fnancial measure in accordance with GAAP. Net Revenues North America Beverages 33% Latin America 11% Asia, Middle East and North Africa 10% Quaker Foods North America 4% Europe Sub-Saharan Africa 17% Frito-Lay North America 25% Division Operating Profit North America Beverages 23% Latin America 8% Asia, Middle East and North Africa.

Issuer Purchases of Common Stock (pepsi)

	period	Total of shares repurchased	Avg price paid per share	Total Number of Shares	Maximum Number (or
			GSJ© 2020		
www.globalscientificjournal.com					

			Purchased as	Approximate
			Part of Publicly	Dollar Value)
			Announced	of Shares that
			Plans or	May Yet Be
			Programs	Purchased
				Under the
				Plans or
				Programs
<u>9/9/2017</u>				\$ 5,857
<u>9/10/2017-</u>	<u>1.5</u>	\$ <u>112.86</u>	<u>1.5</u>	<u>(167)</u>
<u>10/7/2017</u>				<u>5690</u>
<u>10/08/2017-</u>	<u>1.3</u>	\$ <u>111.00</u>	<u>1.3</u>	<u>(139)</u>
<u>11/04/2017</u>				<u>5551</u>
<u>11/05/2017-</u>	<u>1.1</u>	\$ <u>114.32</u>	<u>1.1</u>	<u>(126)</u>
<u>12/02/2017</u>		J	JJ	<u>5425</u>
<u>12/03/2017-</u>	<u>0.6</u>	\$ <u>117.55</u>	<u>0.6</u>	<u>(72)</u>
<u>12/30/2017</u>				<u>5353</u>

4 Consolidated Statement of Income:







ORGANIZATION 2

4 <u>Consolidated Statement of Income</u>:



Share value of coca-cola:



PART E

GOVERNANCE

C GSJ

ORGANIZATION 1




Governance philosophy of the Company:

The Board of Directors (the "Board") of PepsiCo, Inc. (the "Corporation"), acting on the recommendation of its Nominating and Corporate Governance Committee, has developed and adopted the following corporate governance guidelines (the "Guidelines") to establish a common set of expectations to assist the Board and its Committees in performing their duties. These Guidelines should be interpreted in the context of all applicable laws and the Corporation's Articles of Incorporation and By- Laws and other corporate governance documents and are intended to serve as a flexible framework within which the Board may conduct its business and not as a set of legally binding obligations. The Board will review and, if appropriate, revise these Guidelines annually, or more frequently if necessary. A. Director Responsibilities The following are the Board's primary responsibilities, some of which may be carried out by one or more Committees of the Board or the independent Directors, as appropriate: 1. Represent the interests of the Corporation's shareholders in maintaining and enhancing the success of the Corporation's business, including optimizing long-term returns to increase shareholder value. 2. Select a Chief Executive Officer ("CEO") in a way that it considers in the best interests of the Corporation. Formally evaluate the performance of the CEO, the executive officers1 and other key executives each year. 3. Oversee and interact with senior management with respect to key aspects of the Corporation's business including strategy, strategic planning, compliance, risk assessment and mitigation, senior management development and succession, operating performance, sustainability and shareholder returns. 4. Provide general advice and counsel to the Corporation's CEO and senior management team. 5. Adopt and oversee compliance with the Corporation's Global Code of Conduct. 6. Hold regularly scheduled executive sessions of independent Directors. 7. Attend all Board and applicable Committee meetings. Any extraordinary circumstance that would cause a Director to be unable to attend a Board or Committee meeting should be discussed with the Chairman of the Board as far in advance as possible. 8. Review meeting materials in advance of Board and Committee meetings. Suggest additional topics to be included on meeting agendas by contacting the Chairman of the Board, the Presiding Director or the relevant Committee Chair. 9. Discharge duties as a Director and Committee member under applicable law. North Carolina law requires that a Director shall act: (1) in good faith; (2) with care an ordinary prudent person in a like position would exercise under similar circumstances; and (3) in a manner he or she believes to be in the best interests of the Corporation.

Annual Election of Directors:

1. Any nominee for Director in an uncontested election (i.e., an election where the number of nominees is not greater than the number of Directors to be elected) who receives a greater number of votes "against" his or her election than votes "for" such election shall, promptly following certification of the shareholder vote, offer his or her resignation to the Board. The resignation offer shall be made promptly and in writing, and shall be an irrevocable resignation offer pending acceptance or rejection as provided herein. 2. The Nominating and Corporate Governance Committee shall consider the resignation offer and make a recommendation to the Board. The independent members of the Board will act on the Nominating and Corporate Governance Committee's recommendation within 90 days following certification of the shareholder vote. 3. In deciding the action to be taken with respect to any such resignation offer, the independent members of the Board shall limit their consideration to determining what is in the best interests of the Corporation and its shareholders. In this regard, the Board should consider all factors deemed relevant, including but not limited to: (a) any stated reasons why shareholders voted against such Director; (b) any alternatives for curing the underlying cause of the "against" votes; (c) the Director's tenure; (d) the Director's qualifications; (e) the Director's past and expected future contributions to the Corporation; and (f) the overall composition of the Board, including whether accepting the resignation offer would cause the Corporation to be in violation of its constituent documents or fail to meet any applicable regulatory or contractual requirements. 4. The Board's actions with respect to any resignation offer may include: (a) accepting the resignation offer; (b) deferring acceptance of the resignation offer until a replacement Director with the appropriate qualifications similar to those held by the subject Director (e.g., Audit Committee financial expertise) can be identified and elected to the Board; (c) refusing to accept the Director resignation and, if appropriate, addressing any concerns that may have led to the "against" votes; (d) resolving that the Director will not be re-nominated for election at the next Annual Meeting of Shareholders; or (e) rejecting the resignation offer as not in the best interest of the Corporation. 5. An accepted resignation offer will become effective immediately upon acceptance or upon such other time as determined by the independent members of the Board consistent with these Guidelines. 6. Following the determination by the independent members of the Board, the Corporation shall promptly disclose publicly in a document furnished or filed with the Securities and Exchange Commission the decision of whether or not to accept the resignation offer. The disclosure shall include the basis for the

decision, including, if applicable, the reasons for rejecting the resignation offer. 7. A Director who offers to resign in accordance with this Section D shall not be present during the deliberations or voting by the Nominating and Corporate Governance Committee or the Board as to whether to recommend or accept his or her resignation offer or during the deliberations or voting with respect to any other Director who has also offered to resign in accordance with this Section D. However, if enough members of the Nominating and Corporate Governance Committee do not receive more "for" votes than against" votes in the same uncontested election such that a quorum of the Nominating and Corporate Governance Committee cannot be attained, then the other independent Directors who received a greater number of "for" votes than "against" votes in that election will be asked to consider and decide whether to accept the resignation offers of the affected Directors. If only three or fewer independent Directors did not receive more "for" votes than "against" votes in the same uncontested election, then all independent Directors may participate in any discussions or actions with respect to accepting or turning down the resignation offers (except that no Director will vote to accept or turn down his or her own resignation offer). Any affected Director will be afforded the opportunity to provide any information or statement that he or she deems relevant.

Stock Ownership Requirements:

Directors and executive officers are expected to own a meaningful number of shares of stock in the Corporation to more closely align their economic interests with those of other shareholders. Accordingly, the Compensation Committee periodically reviews minimum stock ownership guidelines for non-employee Directors and executive officers. Nonemployee Directors are required to own shares of the Corporation's common stock (or share equivalents) equal to five times their annual cash retainer within five years of joining the Board. The CEO is required to own shares or share equivalents equal to eight times his or her annual salary and other executive officers are required to own shares or share so requivalents equal to two or four times his or her annual salary, in each case within five years of becoming subject to the ownership requirement.

CRISIL Rating:

<u>GSJ: Volume 8, Issue 4, April 2020</u> ISSN 2320-9186

Total Bank Loan Facilities Rated

Long Term Rating

Short Term Rating

Rs.874.1 Crore

CRISIL AA-/Stable (Reaffirmed)

CRISIL A1+ (Reaffirmed)

4 <u>Independent directors of the Company:</u>

Ramon Luis Laguarta, 55Chairman & Chief Executive Officer

Dina Dublon, 63Independent Director

Shona L. Brown, 50Independent Director

Daniel Lucius Vasella, 62Independent Director

Ian M. Cook, 63Independent Director

Hugh F. Johnston, 56Vice Chairman, Chief Financial Officer & EVP

Michelle D. Gass, 50Independent Director

Richard W. Fisher, 68Independent Directo

William R. Johnson, 69Independent Director

Robert C. Pohlad, 63Independent Director

David C. Page, 61Independent Director

Alberto Weisser, 62Independent Director.

4 <u>Award won:</u>

- 1. FORTUNE 500
- 2. Ranked 48 on the fortune 500 list (2019)
- 3. GARTNER

- 4. Rank 4 on gartner supply chain top 25(2019)
- 5. FORTUNE'S WORLD
- 6. Names among fortune's worl'd most admired company(2018)
- 7. LINKEDIN TOP COMPANIES
- 8. Named among linkedin companies list(2018)
- 9. Corporate Secretary Magazine.

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ORGANIZATION 2



4 Governance philosophy of companies:

At The Coca-Cola Company, we aim to lead by example and to learn from experience. We set high standards for our people at all levels and strive to consistently meet them. Our sound business principles and practices foster our strong, innovative and collaborative culture, which is committed to ethical behavior, accountability and transparency.

We are guided by our established standards of corporate governance and ethics. We review our systems to ensure we achieve international best practices in terms of transparency and accountability. The foundation of our approach to corporate governance is laid out in our Corporate Governance Guidelines and in the charters of our Board of Directors' committees.

Board of Directors:

Our Board of Directors is elected by our shareowners to oversee their interests in the longterm health and the overall success of the Company's business and its financial strength. It serves as the ultimate decision-making body of the Company, except for those matters reserved to or shared with the shareowners. The Board fulfills its duties, including implementation of risk oversight, with the assistance of various appointed Board committees. The Board also selects and oversees the members of senior management, who are charged by the Board with conducting the business of the Company.

4 <u>Corporate Responsibility:</u>

Corporate responsibility is managed through the Public Policy and Corporate Reputation Council, a cross-functional group of senior managers from our Company and bottling partners. The Council identifies risks and opportunities faced by our business and communities and recommends strategies to address these challenges.

4 <u>Ethics & Compliance:</u>

The core of the ethics and compliance program at The Coca-Cola Company is our Code of Business Conduct. The Code guides our business conduct, requiring honesty and integrity in all matters. All of our associates and directors are required to read and understand the Code and follow its precepts in the workplace and larger community.

<u>EthicsLine:</u>

Our associates, bottling partners, suppliers, customers and consumers can ask questions about our Code and other ethics and compliance issues, or report potential violations, through EthicsLine, a global Web and telephone information and reporting service. Telephone calls are toll-free, and EthicsLine is available 24 hours a day, seven days a week, with translators available.

More information about our approach to and administration of ethical business conduct for employees, suppliers, partners, and non-employee directors is detailed in our Ethical Business Conduct page on Journey.

4 <u>Public Policy Engagement:</u>

We participate in public policy dialogues around the world, particularly in the United States. Our aim is to use our resources responsibly to advance public policy that supports our industry and business priorities, our more than 700,000 system associates, our shareowners and the communities we serve.

The Coca-Cola Company and our affiliated Political Action Committees comply with U.S. laws and requirements regarding contributions to political organizations; candidates for federal, state and local public office; ballot measure campaigns; political action committees; and trade associations. The Public and Diversity Review Committee of our Board of Directors reviews our advocacy efforts, including political contributions.

For a detailed description of our political policies and activities, please visit our Political Engagement Policy page and our U.S. Public Policy page.

4 <u>The Coca-Cola Company Governance Documents:</u>

- Corporate Governance Guidelines
- By-Laws

- Restated Certificate of Incorporation
- 2017 Proxy Statement
- Our Focus on Conducting Ethical Business
- Mission, Vision and Values
- Our Anti-Corruption Efforts
- Corporate governance at Coca-Cola.



Total Bank Loan Facilities Rated	Rs.129 Crore
Long Term Rating	CRISIL BBB/Stable (Assigned; suspension revoked)

4 <u>Independent directors of the Company:</u>

Herbert A. Allen President, Chief Executive Officer and Director, Allen & Company Incorporated

Ronald W. Allen Former Chairman of the Board, President and Chief Executive Officer, Aaron's Inc. and Delta Air Lines, Inc.

Marc Bolland Head of European Portfolio Operations, The Blackstone Group L.P.

Ana Botín Executive Chairman, Banco Santander, S.A.

Chris Davis Chairman, Davis Advisors

Barry Diller Chairman of the Board and Senior Executive, IAC/InterActiveCorp and Expedia Group, Inc.

Helene D. Gayle Chief Executive Officer, The Chicago Community Trust

Alexis M. Herman Chair and Chief Executive Officer, New Ventures LLC

Bobby Kotick

President, Chief Executive Officer and Director, Activision Blizzard, Inc.

Maria Elena Lagomasino

Chief Executive Officer, Managing Partner, WE Family Offices, and Lead Independent Director

James Quincey President and Chief Executive Officer, The Coca-Cola Company

Caroline Tsay CEO, Compute Software Inc.

David B. Weinberg Chairman of the Board and Chief Executive Officer, Judd Enterprises, Inc.

4 <u>Award Won:</u>

- 014 U.N. Women's Empowerment Principles Leadership Award
- 2014 Award for Corporate Excellence (Secretary of State)
- 2014 Industry Champion of the Year Award (Sustainable Bio Award)
- 2014 Best Global Initiative for Women's Economic Empowerment (5by20 program)
- CoreBrand: America's Most Respected Brands #1
- FORTUNE: World's 50 Most Admired Companies #6
- FORTUNE: World's Best Multinational Workplaces (Great Place to Work) One of 25
- Interbrand: Best Global Brand #3
- Harris Reputation Poll: #2
- DiversityInc: Top 50 Companies for Diversity #33
- Universum Global: World's Most Attractive Employers #23
- Forbes: World's Most Valuable Brands #4
- Forbes/Reputation Institute: America's Most Reputable Companies #11
- Forbes: America's 25 Most Inspiring Companies #15
- Barron: World's Most Respected Companies #28
- Corporate Responsibility Magazine: 100 Best Corporate Citizens #9

INTRODUCTION

In the modern culture consumption of soft drinks particularly among younger generation has become very popular. Soft drinks in various tastes and flavors are widely patronized by urban population at various occasions like dinner parties, marriages, social get together etc.

Children of all ages and groups are specially attracted by the mere mention of the world soft drinks. With the growing popularity of soft drinks, the technology of production, preservation, transportation and marketing in the recent years has witnessed phenomenal changes. The so-called competition for this product in the market is from different brands. Mass media, particularly the emergence of television, has contribute to a large extent of the ever growing demand for soft drinks the attractive jingles and sport make the large audience remember this product of all time.

It is expected that the sort of mass advertising reaching almost the entire country and offering various annual demand for the product is expected to rise sharply in the times to come.

In any marketing situation, the behavioral variables relating to consumers, competition and environment are constantly influx. The competitors in a given industry may be making many tactical maneuvers in market all the time. They may introduce or initiate an aggressive promotion campaign or announce price deduction. The marketing man of the firm has to meet all this maneuver and care of competitive position of his firm and his brand in the market. The only route open to him for achieving this is the manipulation of his marketing tactics. The New York based Pepsi Company Inc. The Atlanta based Coca-Cola dominated the industry. Now this battel has been evolved up to India too. The Indian consumer the real war to quench his thirst has just begun. The soft drink industry has been a profitable one in spite of the "cola wars" between the two largest players. Several factors contribute to this profitability.

The World most popular soft drinks is on duel. Pepsi and Coca-Cola. It is the battel between the red can soft drinks and the blue can soft drinks. But which one do you prefer?

Coke vs Pepsi nearly everyone has a preference or an opinion about which one is better. There is really no arguing the fact that the two soft drinks are very similar in terms of flavor. The flavor difference between them is subtle at most. So it is interesting that so many people have such strong feelings about which one is superior.

Global market analysis on the Cola industry shows that Coca Cola typically has a slight advantage over Pepsi in market share. In some regions Pepsi is winning the war, however overall it seems that more people are choosing Coke versus Pepsi. Looking at a wide range shows that Coca Cola owns somewhere between 60-63% of the Indian market, while Pepsi gets in the neighborhood of 30% Of course different studies will produce different results so it is difficult to get a truly accurate picture. The one thing that is certain is that Coke and Pepsi continue to blow away any other form of competition. The Cola wars are truly two horse race.

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Purpose of the project:

The purpose of the project is to understand the structure of the co. and also to get the knowledge about the governing body. Actually it help to analyse the whole and get to know about the financial structure

Scope of the project:

Project scope is the part of project planning that involves determining and documenting a list of specific project goals, deliverables, tasks, costs and deadlines. The documentation of a project's scope, which is called a scope statement, terms of reference or statement of work, explains the boundaries of the project, establishes responsibilities for each team member and sets up procedures for how completed work will be verified and approved. During the project, this documentation helps the project team remain focused and on task. The scope statement also provides the project team with guidelines for making decisions about change requests during the project

<u>Time frame for the project:</u> The time frame of the project is about 2 week

Salient Contribution the project :

SOUVIK MANNA: SOURIK DAS: SOUVIK MUKHARJEE: SOHINI ROY CHOUDHURY: RIMA BHATTACHARYA: SOUMIK BASAK:

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