Coca-Cola ready to defend itself against allegations

A brief history of Coke's presence on campus

1995: University of British Columbia signs first Canadian University Single-Source Cold Beverage Agreement.
Early 1996: University of Alberta invites the SU to participate in a process evaluating the impact and implications of a SSCB agreement with Pepsi-Cola or Coca-Cola.
March 1998: A plebiscite is held during SU elections to approve the SSCB; it passes with 55.9 per cent of students in favour.
7 September, 2005: The *Gateway* files a Freedom of Information Privacy (FoIP) request to the University to access the SSCB Contract.
8 December, 2005: A censored copy of the contract is presented to The *Gateway* with key financial figures blacked out.
12 January, 2006: The *Gateway* files for a provincial review of the FoIP request in regards to the missing figures; this request is still pending.
5 December, 2006: Coke makes a presentation to Council and opens up the contract to students.
9 January, 2007: A Colombian student activist group makes a presentation in Council Chambers, illustrating Coca-Cola's alleged environmental and human rights violations in its global operations.

Evaluating the Options ...

Option A:
- Adhere to the current agreement ten-year contract ending May 2008, with an unfunded two-year extension, ending May 2010

12 years at $436,613 per year

Option B:
- Extend the agreement Retroactively terminate the current contract and set a new ten-year agreement from the period of 1 June, 2005 to 31 May, 2015

17 years at $525,627 per year

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"Right now if we didn't extend the contract we're stuck in a period where we'll be getting no funding for the next two years," Cunningham said, noting that there was no chance of the U of A meeting the vending quotas.

Cunningham explained that Coke gives the U of A about $500 000 per year towards scholarships and bursaries as well as roughly $50 000 for SU-run student services.

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>
> **AARON CHUBB, STUDENTS AGAINST KILLER COKE**

But, despite the monetary gains, not everyone is pleased with the thought of considering a new contract.

"We believe that Council has a responsibility to not renew the contract because of the ethical concerns," Aaron Chubb from Students Against Killer Coke said. Chubb, along with other anti-Coke lobbyists, made a presentation at Tuesday's Students' Council meeting urging councillors against the renegotiated agreement.

"Coca-Cola's human rights and environmental abuses are wide-spread and they are well recorded," Chubb said, stating that by choosing to continue to do business with Coke the SU was going against its own Ethical Business Partners policy.

Priortothepresentation,Cunningham voiced his disapproval to Council, stating it served little purpose when at the 5 December Students' Council meeting Coke had flown in representatives from Colombia and Atlanta for a panel discussion aimed at addressing Council's concerns. However, Cunningham's motion against the presentation was unsuccessful.

Pablo Largacha, director of public affairs and communications at in the Coca-Cola Company's headquarters in Atlanta, defended the allegations that the corporation had engaged in unethical labour and work-place practices in Colombia, or that it benefited from environmental abuses in India.

Largacha acknowledged that there's evidence being presented on both sides of the debate, but he urged students pursue their own research into the issues.

"I think it all goes to the objectivity which students need to resort to in order to judge what [are] baseless accusations [...and what] are decisions and verdicts by legitimate authorities," Largacha said.

Exclusive single-source beverage contracts have become common on North American campuses; however, the trend is being discontinued in some instances.

The University of British Columbia was the first campus in Canada to sign an exclusivity contract with the Coca-Cola Company back in 1995, but the Alma Mater Society (AMS), the UBC student government, passed a motion last fall against pursuing another exclusive agreement.

Like the U of A, UBC's contract included a provision that a two-year no-funding penalty would occur if the university didn't meet sales targets. AMS Vice-President (External Affairs) Ian Pattillo explained that UBC is currently in its last year of that penalty period, but that the financial repercussions weren't enough deter their decision.

"Our budget has had to seriously adjust to not having those reoccurring revenues," Pattillo said. AMS had heard many of the allegations groups such as Students Against Killer Coke presented, but Patillo said that monopolizing business practices was their main concern.

> "We have looked into those [allegations] and we have a number of reasons for feeling that we don't see any ground to them."
>
> **DAVID BRUCH, EXECUTIVE DIRECTOR OF ANCILLARY SERVICES**

"We recognize that there are two sides to the debate [but] our student representatives have voted that exclusivity isn't appropriate for public institutions to be considering," Patillo explained.

However, at UBC the decision to renegotiate with Coke lies with their institution's Board of Governors, and unlike at U of A, student were never part of the negotiation process.

SU President Sam Power credited the greater degree of openness at the U of A campus as part of what makes the situation here unique.

"There was a lot of pressure on [Coke] to share a lot of the details that weren't public at other universities," Power said, stating that the public disclosure of the contracts terms makes it easier for students to make an informed decision.

At the 5 December meeting, Coke announced that the old contract is now publicly viewable to anyone with a valid student ID.

"It's important that students know exactly what they're getting into," Power said, adding students should vocalize their thoughts on this issue.

David Bruch, Executive Director of Ancillary Services and Chair of the Joint Beverage Committee—the tripartite group that assesses the agreement between the Students' Union, the University and Coke—agreed that the U of A is unique when compared to other universities with exclusivity contracts.

"We don't know of any other agreement like this that's been structured to have student involvement at such a high degree to in fact be a party to the agreement," he said.

Bruch also stressed that despite concerns of unethical business practices, the U of A thoroughly research their potential business partners.

"We have looked into those [allegations] and we have a number of reasons for feeling that we don't see any ground to them," Bruch explained.

However, Chubb said during Tuesday's Council meeting that if the new exclusivity contract is put to a plebiscite question, he along with his colleagues would willingly defend the no-side and set out to prove that life with Coke doesn't necessarily taste good.

"We're more than willing to debate Coca-Cola," Chubb further affirmed.