

# Commercial Influence in Portland-Area Schools

## EXECUTIVE SUMMARY



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Commercial influence within public schools is the result of strategic corporate initiatives to sell products and create brand loyalty. School administrators have allowed the level of commercial influence in public schools to rise because it provides much-needed funding. This report describes elements of commercial influence found in public schools generally, the effects on children, specific findings in four Portland-area school districts, and some reactions to commercial influence by school districts and states.

### ELEMENTS OF COMMERCIAL INFLUENCE IN PUBLIC SCHOOLS

Corporate access to children in the nation's public schools is increasing. Specific means to obtain access include: (1) product sales, (2) fundraisers and contests, (3) direct advertising, (4) direct advertising through electronic media, (5) commercially sponsored educational materials, and (6) marketing research. Coke and Pepsi pay cash incentives to schools to gain exclusive distribution and advertising rights. Fast food restaurants serve their products in school cafeterias. McDonald's, Burger King, and pizza restaurants promote fundraisers that share profits from sales generated by a sponsoring school. Channel One, a company that requires students to watch 12 minutes of news and commercial programming daily in exchange for lending the school electronic equipment, boasts access to eight million students.

### EFFECTS ON CHILDREN

Research shows that increased commercialization negatively affects a child's physical and mental health. For instance, many studies have shown that consumption of soft drinks and junk food by children results in increased rates of obesity and diabetes, decreased bone health, and future health problems. Research also shows that exposure to materialism and commercial influence is tied to increased rates of depression, anxiety, psychosomatic complaints, and decreased happiness.

*According to the USDA, "The number of children consuming soda at school during the day more than doubled from the 1970s to the 1990s.... The increase is higher among children in middle and high schools."*

*Every district surveyed has an exclusive contract with Pepsi or Coke, whether on a school or district-wide level. Under these contracts all soda, juice, and water sold or distributed on school grounds must be exclusively Pepsi or Coke. This includes beverages distributed at PTA meetings and those that are used in club fundraisers.*

*Campbell's Labels for Education TM exchanges 1,850 labels collected by a school for 12 boxes of crayons. For 1,050 labels, a school can get a 12-piece box of chalk.*

## LOCAL FINDINGS

Northwest Earth Institute (NWEI) conducted a study of four Portland-area school districts: Beaverton, Gresham-Barlow, Oregon City, and Portland. Information was collected from October 2004 to May 2005 through an extensive literature review and numerous interviews. NWEI interviewed school district officials, teachers, parents, PTA organizers, and students. On-site visits were conducted when possible.

The study found a significant level of commercial influence in elementary, middle, and high schools. Forms of commercialization include corporate-sponsored fundraisers, Coke and Pepsi machines, snack food vending machines, corporate-sponsored scoreboards, advertisements posted in schools, and advertisements on school supplies distributed to students.

Although commercial influence is a subject of concern among school administrators, none of the districts have a comprehensive policy directly addressing it. Moreover, the piecemeal policies addressing this topic fail to assign responsibility in a manner that would allow administrators to act effectively. Therefore, many decisions about commercial influence are made at the school level with limited guidance from the district.

Contracts with Coke or Pepsi bottling companies for exclusive beverage distribution rights exist in all four districts surveyed. The contracts call for guaranteed payments plus incentive commissions based on the size, type, and number of beverages sold. For example, the Portland School District receives a 50 percent commission from the sale of 20-ounce carbonated beverages, but only 35 percent for 12-ounce cans. Not including commissions, the district stands to earn \$2.215 million.

In local elementary schools, the most common form of advertising is corporate-sponsored fundraisers. Examples include General Mills Box Tops for Education, Campbell's Labels for Education, McTeachers' Night, Burgerville Night, and Scholastic Book Fairs. Vending machines with juice and water are present in elementary schools in all districts except Portland. No advertisements on school facilities were noted; however, free products featuring advertisements have been distributed to students.

Middle schools have a mix of commercial influences. Snack and beverage (water, juice, and sports drinks) vending machines with varying nutritional requirements are present. Portland Public Schools permits fast food companies, such as Pizza Hut and Pizzicato, to advertise and sell food in cafeterias during lunchtime. Little information was collected about the types of fundraisers found in middle schools; however, parents reported seeing banners advertising companies during fundraisers.

The most pervasive ads found in high schools are those on Coke, Pepsi, and snack vending machines. These large, backlit advertising machines are open throughout the day and are located at regular intervals throughout every high school visited. Only Portland Public Schools permits fast food companies (Pizza Hut, Pizzicato, and until recently Subway) to advertise and sell food during lunchtime. Fundraising in high schools tends to be run by individual clubs, parent teacher organizations, or the athletic department. Fundraisers range from restaurant-sponsored events to product sales to donations by businesses. High schools feature ads around baseball and softball fields, on scoreboards, and on activity calendars.

## REACTIONS

Nationally, increased commercial influence in schools is causing a reaction from parents, staff, and school board members. Seattle has eliminated Channel One and exclusive contracts with beverage companies. San Francisco prohibits teachers from using corporate-sponsored educational materials. Oakland, Chicago, and New York now prohibit candy and soft drinks in vending machines. Many districts have set nutritional guidelines for vending machines and student stores.

## CONCLUSION

Portland-area schools are experiencing rising levels of commercial influence as a result of corporate marketing initiatives and school administrators seeking funds. Commercial messages and the availability of soft drinks and fast food in schools work in direct conflict with health and lifestyle values taught in school and negatively affect student health. School district policies do not adequately address these issues.

*“If you own this child at an early age, you can own this child for years to come. Companies are saying, ‘Hey, I want to own the kid younger and younger.’”*

— Mike Searles,  
former president of  
Kids “R” Us



*“The school system is where you build brand loyalty.”*

— John Alm,  
President and Chief  
Operating  
Officer of Coca-Cola  
Enterprises

**To request the full *Report on Commercial Influence in Portland-Area Schools*, please contact Sara Leverette at [sara@nwei.org](mailto:sara@nwei.org).**

**Information for this report was collected between November 2004 and May 2005. Subsequent changes to district policies and practices may not be included.**

## Relevant Studies

*Summaries of recent studies that illustrate the effects of commercial influence on consumer health*

- ◆ A Harvard study found that 12-year-olds who regularly drank soda were more likely to be overweight. For each additional daily serving of soda, a child's risk of obesity increased 1.6 times. This trend held even when sedentary lifestyles and eating habits were taken into account. As Cristina Economos, a nutrition specialist, stated: "We're not saying soda causes obesity, we can't say that yet. But the evidence is mounting."
- ◆ A study of 50,000 nurses published in "The Journal of the American Medical Association" found that women who drank a soda a day gained much more weight and increased their risk of getting diabetes by 80 percent. The same study showed, with data from approximately 91,000 nurses, that women who consumed one or more sodas a day were 83 percent more likely to develop type-2 diabetes.
- ◆ A 15-year study headed by Dr. Mark A. Pereira of the University of Minnesota analyzed the eating habits of 3,031 young adults and found that "consuming fast food two or more times a week resulted, on average, in an extra weight gain of 10 pounds and doubled the risk of prediabetes over the 15-year period." This study took other factors, such as exercise, into consideration.
- ◆ A recent study by Juliet Schor, expert on consumerism, economics, and family studies, finds that "[h]igh consumer involvement is a significant cause of depression, anxiety, low self esteem, and psychosomatic complaints." Schor also found that "higher levels of consumer involvement result in worse relationships with parents."
- ◆ A study of two Michigan high schools found that "Channel One students are more likely to agree that 'a nice car is more important than school,' that 'designer labels make a difference,' and that 'wealthier people are happier than the poor.'"



*The Northwest Earth Institute is a non-profit organization promoting practices that are aligned with a sustainable future and the good health of our children.  
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