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NEW REPORT: Kellogg's Removal of Micronutrients from Cereals Sold in Mexico will Cost Country \$250 Million Over Five Years

Kellogg's Saved \$85 Million from Cutback of Key Micronutrients in its Most Popular Breakfast Cereals in Mexico

For Every Dollar Kellogg's Saves, it Destroys Three Dollars in Value for Mexican Society

MEXICO CITY — Today, the Changing Markets Foundation, Just Economics, ContraPeso, Proyecto Alimento and SumofUs released a new report, which found Kellogg's removal of key micronutrients from popular cereals sold in Mexico will cost the country \$250 million over five years through its societal impact. The report, *Corn Fakes: The social and economic costs of the removal of micronutrients from Kellogg's cereals*, explores the economic implications of reducing the micronutrient content of breakfast cereals, exposing what Kellogg's may have saved through this practice and at what cost to Mexican society.

READ THE NEW REPORT HERE: <https://changingmarkets.org/portfolio/food-fortification/>

These new findings build on a damning investigation from February 2019, which exposed the cereal-giant for reducing or removing two-thirds of essential micronutrients from their most popular breakfast cereal brands since 2013.

READ THE PREVIOUS REPORT HERE: <http://changingmarkets.org/wp-content/uploads/2019/02/Cereal-offender-English-web-FINAL.pdf>

According to the latest research, Kellogg's has made an estimated cost-saving of \$85 million over five years from its cutback of key micronutrients in its most popular breakfast cereals in Mexico. In contrast, the costs to society far outweigh any short-term benefits to Kellogg's. While Kellogg's has saved money, the minimum cumulative social cost to Mexico for the removal of just three key nutrients, iron, calcium and folic acid, is \$250 million over five years. This means for every dollar that Kellogg's saves by de-fortifying cereals it destroys at least three dollars in value to Mexican society.

"Our latest research reveals the motive behind Kellogg's irresponsible removal of key nutrients in its branded products: huge profits at the expense of Mexican children and families, who eat its cereals," **explained Alice Delemare Tangpuori, Senior Campaigns Advisor at Changing Markets Foundation.** "Their approach may boost the company's finances in the short term, but sooner or later their customers will realise that they are being fooled and sold empty calories rather than nutritious breakfasts. It is time for the company to act on its commitment to deliver healthier foods, in line with its own breakfast promise."

Kellogg's is a market leader in Mexico and four out of the five top breakfast cereal brands that Mexican parents buy for their children are made by Kellogg's. According to a 2011 government study, 50% of children aged 3-12 eat breakfast cereals at least 2-3 times a week, while 37% eat them every day.

With over 1.6 million children in Mexico suffering from chronic malnutrition, advocates are calling for Kellogg's to answer for its decision to prioritize profits over the health and safety of the children and families consuming its products. Although Kellogg's argues its decision to remove micronutrients is data and science-led, the company has provided no details of the research behind its decision, and micronutrient deficiencies in Mexico remain problematic, providing little justification from a public health or science-based perspective.

"Food fortification is one of the most cost-effective health promotion strategies in the world. These findings shed light on the darker side of short-run decisions to maximise profits," said **Dr Ellis Lawlor, Director at Just Economics**. "Kellogg's has a stake in the prosperity of societies within which it operates. This stake includes the economic development of those countries, the wages of consumers that buy its products, and the productivity of workers it employs, who are, in turn, consumers. Kellogg's approach is not working in the interests of its investors, consumers or wider society".

"The high sugar content of Kellogg's cereals already throws into question the value of these ultra-processed products, yet by removing nutrients from its breakfast cereals, Kellogg's is deliberately reducing the nutrition its cereals provide," said **Doré Castillo, from the ContraPESO coalition**. "With our country in the grip of a malnutrition crisis, it is unacceptable for Kellogg's to be adding to this burden while publicly promoting its products as nutritionally beneficial. Consumers have the right to be informed about the micronutrient content in their food. It's time for Mexican consumers to realise the true cost of these products to our health and society."

In addition to the report, Changing Markets is sending a letter to eight of Kellogg's most responsible investors, including Aviva, Black Rock, California Public Employees Retirement System (CalPERS), California State Teachers Retirement System (CalSTRS), Nordea, Norges Bank Investment Management (NBIM), Robeco, and Teachers Insurance & Annuity Association (TIAA), asking them to reconsider their investments in the cereal-giant for its short-sighted business plan, which will harm its consumers, impact the Mexican economy, and further damage Kellogg's future profitability.

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The Changing Markets Foundation partners with NGOs on market-focused campaigns. Our mission is to expose irresponsible corporate practices and drive change towards a more sustainable economy.

www.changingmarkets.org / @ChangingMarkets

Just Economics aims to occupy the space between academia, policy and the media. A leading research company that specialises in economic evaluation methodologies that holistically measure and quantify impacts, Just Economics supports clients to use rigorous research to promote progressive social and environmental change.

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ContraPESO is a coalition of more than 12 civil society organisations working on prevention for the overweight and obesity epidemic in Mexico. <http://coaliccioncontrapeso.org> / @Contrapesomx

Project AliMente is a Mexican non-profit organization dedicated to promoting sustainable, fair and healthy food systems. @Proy_Alimente

SumOfUs is a global consumer group that campaigns to hold big corporations accountable. Over 14 million people have taken over 50 million actions worldwide with SumOfUs since it launched. www.sumofus.org / @SumOfUs