



**Healthier Food Progress Update  
Tuesday, Feb. 7, 2012**

Remarks as Prepared for:  
Leslie Dach, Executive Vice President of Corporate Affairs  
Andrea Thomas, Senior Vice President of Sustainability

**Remarks for Leslie Dach:**

Welcome ... and thank you for being here this morning.

One year ago, Walmart made a commitment to address an issue our customers face every day: how to bring healthier, more affordable food to their families.

We talk to our customers all the time, especially Walmart Moms. Many of them are struggling in this economy. Our shoppers are worried about their jobs and how they will pay for everything from housing and health care...to gas and groceries. Some Walmart Moms tell us they think every day about how they'll pay for their kid's college education – even starting when their child is just one or two years old.

They are juggling credit cards and coupons and buying in smaller packages. They know the larger sizes are a better deal; they simply don't have the money to buy them.

They are living a new normal. And the family dinner table is where the issues of the economy and raising a family come together every night. We've heard again and again from our customers that they are moving away from planning a meal and writing out a shopping list...to making their grocery lists based on what's on sale in the store.

This economy is forcing hard choices for many Americans, but we don't think whether to put healthy food on the table should be one of them. We don't believe anyone should have to choose between food that is good for them and food they can afford.

Our customers want healthier choices. They want to be able to afford them – they have to be able to afford them. But they just don't have time to research all the options. They want better foods and better ways to spot them. All of them are busy; most are on a budget. And they are asking us, essentially, to simplify healthy eating and to bring it within their reach.

The healthy food charter we announced last January was our response to their concerns.

We pledged to work with our suppliers to reformulate thousands of everyday foods by reducing sodium and added sugars and by removing all industrially produced trans fats. That work is underway. For example, we've cut more than 70 percent of added sodium from our beef.

We also pledged to address food deserts...to save our customers \$1 billion every year on fresh fruits and vegetables....and to support nutrition education efforts.

Finally, we pledged to create a simple, front-of-pack icon that will help busy families identify great-for-you options. And we are pleased to unveil that icon here today.

We've had conversations across the nutrition community on how to do this right. We consulted with the FDA and USDA... with many in the White House under First Lady Michelle Obama's leadership... and with many of the people in this room – the nutritionists, the educators, and the leaders in this space.

We've had a lot of good people around the table to make sure this effort was informed by the very best thinking. And we've tried to work together in a transparent way – so that the results are reliable and credible.

The 'Great For You' icon we're announcing today was inspired by our customers...informed by nutrition experts...and driven by a desire to help busy moms and dads identify healthier, affordable choices for their families. It will begin to appear on the shelves of our 3,800 stores – in front of our 140 million customers – this spring.

This icon – right on the front of the package – tells you that a food that is great for you...no ifs, ands, or buts about it. And we hope it will make life a little easier for parents who want to put healthier foods on their kitchen tables and in their kids' lunch boxes.

We believe we have a responsibility to respond to what our customers tell us they want and need. And we see an opportunity to address an issue that many feel is too complicated or too hard and to demonstrate that it doesn't have to be. We can take action and start making progress now...because that's what our customers deserve.

In the coming months and years, we will continue to work with our partners and apply what we learn in our stores...in ways that make a real difference for our customers and their families.

Now, I'd like to ask Andrea Thomas, our senior vice president of sustainability, to talk more about our 'Great For You' icon and to update you on the progress we've made against all of the goals we announced last year.

### **Remarks for Andrea Thomas:**

Thanks, Leslie.

That's exactly right: Our customers tell us they want more information about how to make healthier choices – and they want to be able to find those options easily in our stores.

At the same time, nutrition experts tell us that one of the major barriers to healthy eating is confusion over food labels.

So the 'Great For You' icon was designed with the busy Walmart mom in mind. It's a simple tool that will help her identify healthier food options for her and her family. Because making it easier to eat healthy starts by making it easier to shop healthy.

The icon identifies foods in all grocery aisle categories that will help moms build better diets for themselves and their families. For moms who want to use it, the 'Great For You' icon can be more than just a label; it can be a shopping strategy. It can help families create convenient meal solutions.

And this is not about limiting choices or telling people what to eat. All of your favorite foods are still available. It's about making healthier foods easier to find.

We're excited about the 'Great For You' tool because of what it will mean for our customers and their families. But also because of the many partners who helped shape its creation.

As Leslie mentioned, we spent more than two years talking with stakeholders in the nutrition community...the FDA and USDA...with health organizations...with the White House...and with our supplier food manufacturers. We made presentations to two IOM committees and made sure our effort was aligned with the IOM's Front of Pack Committee report.

We worked to draft a set of science-based nutrition criteria – often tied to existing regulations – for what a helpful icon would look like.

Then, we tested thousands of food and grocery items against those criteria to make sure they work in the real world – and to make sure that all the products that eventually carry the icon deserve it.

So here's what determines which products will earn the 'Great For You' icon.

In short, a product must do two things. It must contain at least a certain amount of healthy ingredients, such as whole grains, lean meats, low-fat milk and dairy products, and fruits and vegetables. And it must contain no more than a certain amount of total fat, trans and saturated fats, sodium and added sugars.

As part of this effort, we're also rolling out a new website, [WalmartGreatForYou.com](http://WalmartGreatForYou.com), where we'll feature recipes and provide a list of the products that might receive the icon – from fresh produce to whole grain brown rice...to cans of unsweetened fruit and cartons of 1 percent milk. You'll also find many poultry and lean meat products that make the grade.

The icon is just one part of our healthier foods initiative. More broadly, Walmart has pledged to make the food we sell healthier and to make healthier foods more affordable.

We pledged to reformulate thousands of everyday packaged food items by 2015 – to reduce sodium by 25 percent and added sugars by 10 percent, and to remove all remaining industrially produced trans fats.

That work is well underway. Just within our own Great Value line, we've reduced added sugar in our ketchup by 15 percent and taken an average of 15 percent of sodium out of our canned vegetables.

We're also working with our suppliers to help reformulate many of their foods as well. This work is leading us to break new ground. For example, many of our suppliers don't track things like added sugars and sodium. So we worked with them to develop a methodology to do that. This is information that's not on the back of the label, but it's information that we should know.

We started by defining categories of focus – like sodium, added sugars, trans-fats, serving sizes, and the presence of partially hydrogenated oils. Then, we conducted an electronic survey to collect data from our suppliers going back to 2008 to establish a baseline.

We've spent the last several months analyzing the data and identifying where we can make targeted reformulations to make the foods healthier for our customers.

In a lot of instances, just asking the questions and convening the conversations with our suppliers is progress. This is the first time this data has been collected across a supply chain as large as ours.

And so today, we're building on what we're learning and moving forward with a new understanding of where the opportunities are.

Our supplier partners also tell us they share our goal of making healthier food more affordable. With their help and support, we have made adjustments in our pricing strategy to make sure that customers don't have to pay a premium for healthier foods.

In just one area, fresh fruits and vegetables, we estimate that we've saved Walmart customers more than \$1 billion over the past year.

Outside our stores and supply chain, the Walmart Foundation has supported nutrition education programs that promote healthier eating – regardless of whether the people who receive this help are Walmart customers or not.

In total, we've provided \$13 million to support nutrition education programs, including \$9.5 million we announced this week. And there's even more work underway.

Finally, I'm especially proud of the work we're doing to help eliminate food deserts in America's urban and rural areas.

Six months ago, we stood alongside First Lady Michelle Obama and pledged to open 275 to 300 stores serving food deserts over the next five years. We've opened 23 of those stores already and are on track to open 50 to 60 stores this year.

When we announced our broad goals last year, we knew we'd have a lot of work to do to make them real. We're excited about what we've been able to achieve so far by working with our partners.

We're eager to get the 'Great For You' icon into our stores and into our customers hands, and look forward to answering any questions about it today.

With that, I want to turn things over to Corby Kummer of the Atlantic.

As you know, Corby is one of the most interesting and engaging food writers working today, and we are honored to have him here with us this morning.

### **Closing Remarks for Leslie Dach:**

Thank you, Corby, for moderating our discussion...

Thanks to those of you who posed questions...

And thanks to our partners who have joined us on the panel this morning.

This economy has asked a lot of Walmart's customers. It's forced a lot of choices. But whether or not to put healthy food on the table shouldn't be one of them.

We believe it is possible to bring healthier, affordable food to more families in this country.

But we have a lot of work to do ... and a lot more conversations to have. We look forward to continuing those conversations and to reporting on the progress we are making. And we look forward to working with all of you.

Thanks very much.

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