



For Immediate Release:

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Statement By Nestlé Waters North America Sacramento Plant Manager Regarding The Company's New Sacramento Facility

Below is a statement by Chris Kemp, Nestle Waters North America Sacramento Plant Manager regarding claims made about the company's new Sacramento operations:

"While there is a difference of opinion over bottled water in general, many of the issues commonly raised in that debate are not relevant to our new Sacramento plant. This plant is in full compliance with California's environmental, business and building laws and it is unfortunate that a small group of individuals are distributing inaccurate information about our new operations in the area. Our Sacramento facility will bring approximately 40 new jobs to the community and an initial investment of more than \$14 million dollars.

"Our new plant will be located in a leased, existing industrial building in South Sacramento early next year and will bottle both our Nestlé Pure Life and Arrowhead brands. Nestlé Waters will pay the City of Sacramento the same price for water as any other light industrial customer in the area. In addition to water purchased from the City, we will also be using water from nearby springs where we have longstanding relationships with the owners of those springs.

"Bottled water is a calorie-free, healthy beverage that actually uses much less water in its production compared to other bottled beverages. For example, one gallon of bottled water takes less than half the amount of water to produce than one-gallon of soda. The water produced at our Sacramento facility will be bottled in 100 percent recyclable bottles and we encourage our customers to recycle each and every time they enjoy a bottle of water.

"Nestlé Waters North America looks forward to becoming an employer and neighbor in the Sacramento community and encourages anyone interested in applying for a position with our company or with questions about our new Sacramento plant to visit our web site at sacramento.nestlewatersca.com."

Below are factual corrections to the misinformation currently being circulated regarding Nestlé Waters North America's facility in Sacramento:

Claim:

What Nestlé doesn't want you to know about its plans to open a water bottling plant in Sacramento

Fact:

Nestlé Waters is committed to providing the public with information regarding our plants. We have a web site dedicated to our new Sacramento plant (sacramento.nestlewatersca.com) where any resident of the community can visit, learn more about our company, operations and job opportunities. In addition, our site features an “Ask Us” section where members of the community can submit questions to the company and have them answered.

Claim:

Nestlé and the City of Sacramento worked hard to quietly fast-track this project so Nestlé could open its South Sacramento bottling plant by January 2010. The project was only announced in a brief back page article in the Sacramento Bee at the end of July.

Fact:

Upon securing a lease for existing industrial space in Sacramento, Nestlé Waters issued a press release to local media to inform the public of our plans to open a plant in the area. This announcement was covered by the *Sacramento Bee*, *Sacramento Business Journal*, *Sacramento News & Review*, and on several local television stations. Concurrent with this announcement, Nestlé Waters launched a web site to inform the public about our project. In the days following our announcement we received more 100 inquiries through this web site about jobs and other issues from members of the community and since that time have received hundreds of applications for jobs in our new facility.

Claim:

While Sacramento residents are required to abide by city-imposed water restrictions, Nestlé would be able to siphon water from our municipal water supply 24 hours a day, 7 days a week. According to one staff member at the Economic Development Department, the only limit on the amount of water Nestlé can pump is the size of their pipes.

Fact:

Initially we plan to purchase approximately 30 million gallons of water annually from the City of Sacramento. Nestlé Waters will be a customer of the City of Sacramento. We will have no rights to the City’s water and we are subject to all of the City’s requirements and restrictions imposed on light industrial customers, including any drought restrictions.

Claim:

Nestlé claims the Sacramento plant would be a “micro-bottling plant,” bottling only 50 million gallons of water per year. However, according to the Department of Utilities, the estimated water usage is 215 thousand – 320 thousand gallons of water per day (78 – 116 millions per year). This would make Nestlé one of the top ten water users in Sacramento at a time when we are in our third consecutive year of a drought.

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Claim:

According to Nestlé, approximately 30 million gallons of water would come from Sacramento's municipal water system and 20 million would be trucked to the plant from "private springs." City staff have refused to answer questions about the springs and Nestlé has provided no information about their location, other than telling the Sacramento News & Review that they are somewhere in the Sierra Nevada foothills.

Fact:

All of our spring sources are listed on our bottles. In addition, water quality and other information about our springs can be found on our web site a www.nestle-watersna.com.

The Arrowhead Mountain Spring water that will be bottled at our Sacramento plant may come from the following spring sources: Lukens Spring, Placer County, CA; Sopiago Spring, El Dorado County, CA; Sugar Pine Spring, Tuolumne County, CA; Arcadia Spring, Napa County, CA.

In addition, it is important to note that the City of Sacramento is in no way involved in our spring water bottling operation and would have no knowledge of our private spring water sources.

Claim:

Bottling 50 million gallons of water a year would create 800 million water bottles annually. It takes over 400,000 barrels of oil to produce that much plastic. Only 14% of plastic bottles get recycled – the rest end up not only in our landfills, but also in our forests, streams, and oceans.

Fact:

All of the bottles produced at our Sacramento plant will be 100 percent recyclable and we encourage our customers to recycle every time they enjoy a bottle of water. In addition, Nestlé Waters North America has lead the industry in reducing the amount of plastic used in beverage bottles through the development of our Eco-Shape bottles which use 1/3 less plastic than typical beverage bottles. We also support recycling programs across the country and look forward to partnering with the Sacramento community to increase recycling rates.

Claim:

The diesel fuel required to truck 20 million gallons of water from the “nearby springs” to Sacramento and 800 million bottles across the state is enormous. Diesel truck emissions contain carbon dioxide and diesel soot, which both contribute to global warming. Diesel exhaust also contributes to air contamination, which is known to cause cancer and other health problems.

Fact:

Part of the reason Nestlé Waters decided to open a plant in Sacramento was to bring our production closer to our customers. This makes good business sense and it also reduces the number of miles our products must be transported to market.

Nestlé Waters has a proven track record as a leader in reducing our environmental footprint through responsible production, packaging, manufacturing, transport and water sourcing. Over the last five years we have reduced our carbon emissions by more than 30 percent for every liter of water we produce. These reductions have come in many forms, for example in California in this year alone our trucking fleet has eliminated 996,710 pounds of carbon emissions due to initiatives implemented to increase miles per gallon. This is the equivalent of removing 81 cars from the road per year.

Claim:

Nestlé would take our tap water and sell it back to us after marking it up over 1,000 times what they paid for it. If Nestlé is allowed to build a water bottling plant in Sacramento, they can take as much water as they want, for as long as they want, without any limits or accountability.

Fact:

This is simply false. These numbers do not account for the accurate price or cost of producing our products. In addition, we will be a customer of the City of Sacramento and therefore subject to any restrictions, drought or otherwise imposed on light industrial customers by the City.

Claim:

Water is becoming scarcer as the population grows and the drought continues. The water in Sacramento should be for the plants, animals and humans in this region to live on, not for big companies to amass enormous wealth. If Nestlé is allowed to build this plant, we give up even more control of our water for as long as that plant exists. The City says that Nestlé has a right to move here. Shouldn't Sacramentans have a right to a secure water supply?

Fact:

Nestlé Waters will have no rights to the City of Sacramento's water. Rather, the company will be a customer of the City of Sacramento just like any other light industrial business. We will be subject to any restrictions, drought or otherwise imposed on light industrial customers by the City of Sacramento.

In addition, it is important to note that no new building is being constructed for this plant. We are leasing existing industrial space in an industrial area of the city and simply retrofitting the inside of the space. That retrofitting translates into a \$14 million investment.

Finally, bottled water is a healthy alternative to other sugary, calorie filled beverages that actually require more water to produce than a bottle of our water.

We encourage any Sacramento resident with interest in working for our company or with questions about our plant to contact us through our web site at sacramento.nestlewatersca.com.