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November 21, 2016

Mr. Daniel Birnbaum
CEO
SodaStream
danielb@sodastream.com
Gilboa Street POB 280
Airport City, Israel 70100

Dear Mr. Birnbaum,

SodaStream's video advertisement titled "Shame or Glory" makes false, misleading, and disparaging statements about bottled water. The International Bottled Water Association (IBWA) strongly objects to these statements and demands that you immediately cease and desist showing this video on YouTube or any other internet or broadcast media.

People should not be shamed for making smart and healthy beverage choices. Instead, they should be commended. Water is always the best and healthiest choice for hydration, whether from a bottle, a filter, or the tap. People are making greater efforts to choose healthier foods and beverages. It is not, therefore, in the public interest to discourage consumption of bottled water—a safe, healthy, and convenient product.

While claiming environmental concerns about plastic bottles, your company's video singles out bottled water products for criticism, but not less-healthy sugary beverages that are also packaged in plastic—such as carbonated soft drinks, energy drinks, and juices. In fact, bottled water has the lowest environmental footprint of all packaged beverages. In particular, the amount of water and energy used to produce bottled water is less than any other packaged drink. And all bottled water containers are 100-percent recyclable.

Your company's video advertisement makes express and implied claims promoting the asserted superior quality, healthfulness, and environmental advantage of SodaStream's carbonated water compared with sparkling bottled water. There are, however, significant and important differences between these two products. Sparkling bottled water products are sourced from protected underground aquifers and must meet strict government regulations. In stark contrast, the source water for SodaStream's product is tap water, which usually contains chlorine and may also contain lead, ammonia, mercury, and other harmful substances.

Unlike the strict government regulation for bottled water, water carbonation products such as SodaStream's are, for the most part, unregulated. This leaves consumers particularly vulnerable to false, misleading, and disparaging claims about the superiority of water produced by such products. The regulatory scheme related to the two products underscores the deception that SodaStream propagates when it implies that its product is superior to bottled water.

Consumers who choose to drink bottled water can rely on its consistent record of safety and quality. All bottled water products—whether sourced from groundwater or public water systems—are subject to comprehensive government regulation and are produced utilizing a multi-barrier approach. Measures in a multi-barrier approach may include one or more of the following: source protection, reverse osmosis, distillation, micro-filtration, carbon filtration, ozonation, and ultraviolet (UV) light. The finished water product is then placed in a sealed bottle under sanitary conditions and sold to the consumer.

In the United States, false, misleading, and unsubstantiated statements and claims can constitute unfair and deceptive acts or practices in violation of Section 5 of the Federal Trade Commission Act, 15 U.S.C. § 45, and they are subject to enforcement by the Federal Trade Commission (FTC). (There are similar laws in most other countries.) Such claims are also actionable violations of the "false advertising" provisions of Section 43(a)(1)(A) of the Lanham Act, 15 U.S.C. § 1125(a). Under 15 U.S.C. §§ 1116-17, a successful false advertising plaintiff may obtain injunctive relief and also may recover a defendant's profits, damages sustained by the plaintiff ,and costs of the action, as well as exemplary damages and attorneys' fees in appropriate cases.

On the basis of the concerns raised in this letter, IBWA demands that SodaStream immediately cease and desist from making false, misleading, and disparaging statements about bottled water and that you remove the "Shame or Glory" advertisement from YouTube and any other internet or broadcast media. We look forward to your prompt response so that we may avoid additional action to protect the bottled water industry and the consuming public. I would be happy to speak with you or someone from your company directly to discuss this matter.

Sincerely,

Jos,∕ep/h K. Doss

President and General Counsel

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