

A Defining Moment for Sunflower

Frito-Lay Switches to NuSun

Tracy Sayler

It was the biggest moment yet since NuSun® mid-oleic sunflower oil first became commercially available in December, 1998. Frito-Lay, Inc., the world's largest snack food maker, announced on May 3, 2006, that it was switching its flagship potato chip brands, Lay's and Ruffles, entirely to NuSun.

Now, sunflower is the only oil on the ingredient label, and a sunflower icon is used on the front of the new Lays and Ruffles bags of chips distributed nationally.

Frito-Lay has more than fifteen \$100 million brands, and the Lay's brand is the biggest, with more than \$2 billion in sales. Frito-Lay is a wholly-owned subsidiary of PepsiCo, Inc., a world leader in convenient foods and beverages, with 2005 revenues of more than \$33 billion and more than 157,000 employees.

The switch to NuSun sunflower oil is another major step in the company's commitment to health and wellness, and officials said that the scale and impact of this conversion is similar to Frito-Lay's elimination of *trans* fat in all its snack chips in 2003.

Officials of Frito-Lay said that the move to NuSun will increase the mono- and polyunsaturated fats, commonly known as "good fats," in their potato chip products, in addition to reducing the saturated fats.

"We are removing nearly 60 million pounds of saturated fat annually from the American diet, while keeping the same great taste," said Rocco Papalia, senior vice president, research and development, Frito-Lay North America. "And more importantly, by switching to NuSun sunflower oil, we are increasing heart healthy mono- and polyunsaturated fats in the diet."



Photograph by William Gillespie



The announcement by this major snack food manufacturer significantly raises the visibility of sunflower oil in the domestic and world market, and the prominent display of the sunflower icon on the Frito-Lay packaging will be a reminder to consumers that sunflower is an oil of choice.

"This kind of commitment to sunflower oil from a major user is fantastic news. The National Sunflower Association has been working hard over the years to switch acres to NuSun in anticipation of this type of development," said Dean Sonnenberg, president of the National Sunflower Association and a farmer from Colorado.

Frito-Lay's announcement was national news, and resonated on Wall Street. "Whenever PepsiCo and Frito-Lay make a move like that, the market tends to watch us, as a leader in our market category," said Harry True, director of global commodity purchasing with Frito-Lay, responsible for the global purchasing of all edible oils for the snack food maker. True keynoted the NSA's 2006 Summer Seminar in Bismarck, discussing Frito-Lay's switch to NuSun and stressing the need for NuSun acres.

“Make More, We’ll Use More”

Frito-Lay has studied different oils over the years, and experimented with high-oleic sunflower oil in 1983, a year after True joined the company. “It was grown by some of our contract corn growers in west Texas.” Three railcars with about 450,000 pounds of high-oleic sunflower oil were produced and used to make Fritos. “The outcome was outstanding,” said True. Nevertheless, some corporate executives couldn’t be convinced to look at the oil on a grander scale.

The company watched with interest when NuSun came about in the 1990s. “We weren’t actually sure where this was going, but we knew it was going in the right direction.” The right direction, said True, is an oil that was healthier. In 2003, Frito-Lay decided to quit using partially hydrogenated oil altogether, switching to non-hydrogenated corn oil.

Frito-Lay began thinking about converting to NuSun several years ago, about the same time it switched to using NuSun for its potato and tortilla chip product business in Canada. In fact, Frito-Lay’s other divisions around the world are also looking at frying snack products in sunflower oil, using high-oleic oil, since NuSun isn’t produced outside of North America.

True said the company’s only concern is consistent supply. “I’ve been asked how much NuSun oil we’re going to use. The simple answer is, ‘a lot.’ So make a lot, guys. It’s going to be extremely unflattering to us all if we wake up one day and say, ‘there ain’t enough, we need to go look at something else.’” That wouldn’t be a very good message, he stressed, to send to the vegetable oil industry. “So make a lot, and we’ll use a lot, and we’ll pay you a fair price for it.”

Key Reasons Behind the Switch to NuSun

Along with imparting a pleasant taste and stability for product shelf life, there are valid health reasons for food companies and oil users to turn to NuSun. Sunflower oil consists largely of mono- and polyunsaturated fats with very small amounts of saturated fats. Sunflower oil does not need to be hydrogenated for frying stability or to preserve shelf life, and is naturally free of *trans* fats: ‘bad’ fat that must now be identified on food labels in both the U.S. and Canada.

Dietary recommendations from government agencies and health organizations have put more emphasis on reducing saturated and *trans* fats and replacing them with unsaturated fats in recent years, and food companies and oil users switching to NuSun oil reflect these dietary recommendations.

Scientific research shows that mono- and polyunsaturated fats have heart health benefits that include lowering total and LDL (“bad”) cholesterol, whereas saturated and *trans* fats raise cholesterol levels. NuSun sunflower oil is higher in monounsaturated fat than regular sunflower, which makes it an excellent oil for many food applications.

Further validating the health aspects of NuSun is a Penn State study, published in the *Journal of the American Dietetic Association*, which demonstrated that consuming a diet that included NuSun sunflower oil had a greater total and LDL cholesterol-lowering effect than either an “average” American diet or a diet that included an equivalent amount of olive oil.

Nutrition experts involved with the study say the benefit was most likely due to the more favorable balance of monounsaturated and polyunsaturated fats in the sunflower oil, which also is lower in saturated fat compared with olive oil.



Photograph by William Gillespie

Confounding the long-term outlook for supply is the competition for acreage, particularly as biofuels production ramps up. Meeting supply needs for food and fuel over the long-term is going to take either greater productivity or more acreage. "My sense is that in the long run it's going to come down to producing more per acre."

With supply needs ramped up, True challenged the sunflower industry to in turn ramp up its production, including production R&D. "We need more tonnage. We need a defined pathway to more sunflower in the U.S. Better seed, higher yields, higher oil content, the ability to put sunflower in a shorter rotation. I'm telling you this from the standpoint of a user fully committed to this oil."

True said that the soy industry has made "major progress" in developing a soybean with similar oil properties as NuSun. Could Frito-Lay switch away from NuSun someday? That would be a decision that would not come easy.

"When Frito-Lay makes a commitment, it's not something we make with the idea that we change next year or the year after. We would like to think we can source (NuSun) in an adequate manner. On the other hand, science continues to move forward. A lot depends on unknowns."

Sunflower does have an inherent marketing advantage—True acknowledges there's something about blooming sunflowers that appeals to consumers. "Sunflowers waving in the wind, that's very pleasant to consumers. Very pastoral, very comforting. Real or imagined, it's there, and we want to play to that as long as we can."

Article courtesy of the National Sunflower Association's Sunflower Magazine. Tracy Saylor is the editor for Sunflower Magazine. ■

