

University Pouring Rights

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At the January 29, 2026, University Budget Committee (UBC) meeting, Vice President of Administration and Finance Jeff Wilson shared that Tammie Ridgell, Executive Director of the SFSU University Corporation (UCorp), would be reviewing the possibility of pouring rights as a source of revenue. This was the first time that pouring rights have been officially considered since 2015 when President Les Wong discontinued considering pouring rights.

“I carefully reviewed the information that was sent to me by our students, faculty, staff and community, and I also conducted a great deal of my own research on the health implications of drinking sugary beverages,” Wong said. “After doing so, the evidence was pretty compelling that moving forward with a beverage agreement was not the right decision for our campus” ([Bowen, 2015](#)).

There are couple of differences between 2015 and now that are compelling the campus to reconsider pouring rights.

At the same January 2026 UBC meeting that pouring rights exploration was announced, VP Wilson stated there is currently a \$19.7 million deficit in 2026-2027 budget. This is after the December 2025 UBC meeting which announced increases in teaching workloads and the notification of CFA regarding possible faculty layoffs. Therefore, the campus needs the funding more now than it did in 2015.

Another consideration is evidence of a shift in student attitude toward pouring rights. A May 2025 Athletics student survey asked, “Would you support the university exploring a pouring rights agreement to generate additional funding for the Athletics program?” Only 5% of students indicated they opposed pouring rights. The majority (83%) supported pouring rights and 12% were unsure.

This review of existing literature on the topic is intended to support UCorp’s review process and includes a set of recommendations. This has been a contentious issue in the past, and our committee appreciates the thoughtful process the university is currently taking when considering this option.

SFSU's Rejection of Pouring Rights in 2015

When SFSU pouring rights were previously considered in 2015, SFSU was one of 3 campuses which did not have such agreements. Since then, Maritime was merged with Cal Poly SLO and the status of CSUCI is unclear. Moreover, Cal Poly Humboldt discontinued its pouring rights contract with PepsiCo in 2017 due to student and faculty resistance ([Center for Science in the Public Interest, 2022](#); [Lance & Avita, 2017](#)).

The [January 2021 CSU BOT Finance Committee minutes](#) suggest that there is now a CSU-wide pouring rights agreement.

“The CSU has worked with consultants to value campus and systemwide assets and identify both campus-specific and systemwide opportunities within specific categories. The most recent example of a systemwide opportunity is a campus beverage services partnership. Beverage services, otherwise known as pouring rights, are the exclusive rights of a beverage maker or distributor to have its products sold at a particular venue, event, or institution. While the CSU has created single campus beverage service partnerships for many years, in 2019 the CSU executed the first multi-campus beverage services strategic partnership agreement.”

Regardless of whether SFSU is signing on to a system-wide agreement or looking at a campus-specific option, SFSU must consider the lessons learned from the 2015 pouring rights review.

The 2015 SFSU pouring rights RFP sought an upfront donation of \$2 million with yearly payments of at least \$125,000 ([Huehnergath, 2015](#)). In return, SFSU was offering the following benefits to the soda company:

- Athletics
 - Naming rights to the university's athletic facilities
 - Branding of all scoreboards
 - The winning bidder's logo on the athletic department's home page
 - Advertising rights in every university athletic complex
 - Soda company-branded athletic equipment and gear on field/court
 - The soda company's print logo on athletic posters, schedules and brochures
 - The ability to sell branded items like coolers and towels at sporting events
- Academics
 - An endowed soda company-named chair in the SF State college of their choice
 - Soda company-named scholarships
- Other marketing
 - Marketing access to the student-owned student union
 - The right to have product sampling events

- Sponsorship of high-profile events like the annual President’s Dinner and Alumni Hall of Fame Celebration.

President Wong’s discontinuance of the RFP process was largely attributed to student and faculty resistance. The concerns cited in articles at that time ([Bowen, 2015](#); [Huehnergath, 2015](#); [Roberts, 2015](#)) include health (e.g., obesity, diabetes, sugar consumption), capitalism (e.g., monopoly, corporate influence), and environmental concerns (e.g., plastic pollution). Student advocates were also concerned that students were not adequately consulted early in the decision-making process.

Concerns

1. Health

Consuming sugar-sweetened beverages increases overall sugar intake that leads to obesity and chronic diseases (e.g., diabetes, heart disease liver disease, tooth decay, gout, arthritis; [Malik & Hu, 2015](#); [Malik & Hu, 2019](#); [Malik & Hu, 2022](#); [Malik, Schulze & Hu, 2011](#); [Valenzuela, et al., 2021](#)).

San Francisco passed a penny per ounce tax on soda and other sugary beverages in 2018 as a public health initiative ([San Francisco](#)). PepsiCo was also named as a defendant in a recent case where San Francisco sued large food producers based on their production of ultra-processed products ([Campbell, 2025](#)).

2. Capitalism

PepsiCo and Coca-Cola are the two primary companies offering pouring rights contracts. Coca-Cola has been accused of anti-labor practices including complicity in violence against their workers and the abuse of children ([Frontline, 2006](#); [AFT, 2014](#)). There is cases of recent investor activism to pressure PepsiCo to clean up human rights abuses from their supply chains ([Gambetta, 2025](#)).

A primary motivation for beverage companies to enter into these agreements is the potential to increase sales in the short and long term. Nearly all pouring rights reduce customer choice, including limiting potentially healthier options ([UC Davis Environmental Policy & Planning Commission](#)). Universities are often given incentives (i.e., commissions) to sell more beverages and sometimes face financial penalties if a minimum volume is not sold ([UC Research Consortium on Beverages and Health, 2023](#)). Some contracts fix the price for some products, which limits individual campus vendors to use beverages as a loss leader to entice members of campus to buy other products ([UC Research Consortium on Beverages and Health, 2023](#)). Beyond short-term sales, beverage companies use pouring rights contracts to create long-term habits of beverage consumption. Contracts try to create a brand image and often require

exclusive marketing in university spaces. Moreover, they may specifically target participants involved in university youth programming (e.g., [Gator Camp](#); [UC Research Consortium on Beverages and Health, 2023](#)).

One of the concerns that faculty sometimes express is that business relationships, such as pouring rights, will directly or indirectly limit research. Benjamin-Neelong and colleagues (2022) gathered a sample of 131 pouring rights contracts from four-year universities that had at least 20,000 students. Almost one-fourth (n=30, 23%) of the contracts referenced research. Three directly funded research. Three contracts explicitly allowed universities to publicly acknowledge research funding from beverage competitors. Most (n=26) explicitly allowed research using competitor's beverages.

Students at UC Davis expressed concern that the cost of an exclusive pouring rights contract was borne by all members of campus, but the benefits were primarily directed to supporting athletics ([UC Davis Environmental Policy & Planning Commission](#)). Given how few student-athletes there are on campus and the low attendance there is at many SFSU athletic events, this may be a concern for some portion of the SFSU student body.

3. Environmental

The production and consumption of all single-use plastic containers, including beverage containers, creates environmental problems. In 2018 there were 27 million tons of plastic received by landfills (18.5% of municipal solid waste; [EPA 2025](#)). The recycling of PET plastic beverage containers in the US was higher than the portion of plastic overall that was recycled (29.1% PET vs. 8.7% overall; [EPA 2025](#)). Rather than selling drinks in disposable single-use containers (e.g., plastic bottles, aluminum cans), the strategy that minimizes waste is to switch to the consumption of tap water using multi-use beverage containers ([Meisterling, et al., 2022](#)).

There is concern that some beverage companies, including PepsiCo, are known to actively lobby against environmental legislation ([UC Davis Environmental Policy & Planning Commission](#)).

4. Process

A study surveyed 1,311 undergraduate students at Northern California public universities about pouring rights ([Brittany Lemmon, M.S. et al., 2024](#)). The study found that 81% of students opposed pouring rights contracts on their campuses. Students opposing the contracts did not significantly differ by socioeconomic status, levels of food insecurity, needs-based financial aid, participation in federal food assistance or healthcare programs, parental education, or parental income. Moreover, this general opposition was not because they didn't think the revenue from pouring contracts significantly impacted their campus budget. Four out of five students opposed pouring rights even though they drastically overestimated the actual revenue from the

contracts. They estimated the revenue to be more than 100 to 1,000 times larger than actual funding.

Hagenaars and colleagues' ([2025](#)) study on pouring rights in the University of California system found that employees in athletics, procurements, contracts, and business partnerships generally supported pouring rights contracts. In contrast, managers working in health and sustainability generally had negative views of the contracts. This article concludes pouring rights contracts are initiated and continued because of concentrated interests, even though it is a net loss for the entire campus community ([Hagenaars, et al., 2025](#)).

Recommendations

Each of the issues listed above are significant. The recommendations below only partially address these issues and may be considered “greenwashing” if they do not significantly address the concerns.

1. Health

As part of their Coca-Cola pouring rights agreement, UCLA provides a range of alternative sugar-free beverages at locations that sell beverages ([UC Procurement](#)). SFSU could require that all locations which sell sugary beverages should also sell (or provide) sugar-free beverages.

2. Capitalism

A pouring rights contracts should have direct benefits to students. Part of UCLA's agreement with Coca-Cola includes a summer internship option ([UC Procurement](#)). UC San Diego's contract includes scholarships and student jobs funded by the beverage company ([UC Procurement](#)).

Pouring rights are generally monopoly agreements. We currently have vendors that sell beverages from PepsiCo, Coca-Cola, and other vendors. SFSU should consider the current mix of products sold on campus and how the contract will reduce choice. UC San Diego's contract includes two partners; Pepsi for soft drinks and water, and Red Bull for energy drinks ([UC Procurement](#)).

3. Environmental

Dedicating some funds for environmental causes may be welcomed. Pouring rights contracts at UCLA and UC San Diego include funding for sustainability initiatives ([UC Procurement](#)).

Providing additional recycling options may be appropriate. At some university campuses, Pepsi and Coke have piloted reverse vending machines where students receive the recycling deposit back, but students submitting the recycling are also entered into a lottery to win over \$30,000 ([Gala, 2025](#)). Such reverse vending machines on campus encourage recycling beverage

containers; however, it may be appropriate if the machine can require a SFSU ID# to limit users to members of campus.

The problem is that most plastic is not recycled. Therefore, SFSU may want to directly address this issue by following in the steps of other campuses, such as the University of Colorado at Boulder, and ban all single-use plastic containers ([CU Boulder Today, 2025](#)).

4. Process

It is recommended that the university authentically reach out for community input, especially from students, as soon as practical. One potential model of engagement may be found by UC San Diego's process that included broad campus engagement ([UC Procurement](#)). University of Michigan used surveys and virtual townhalls to gather employee, retiree and student feedback about their potential pouring rights contract ([George, 2025](#)).