



■ **Key Facts**

Business address: **Purchase, New York, United States**  
 Industry: **Soft Drink Manufacturing** (NAICS 312111)  
 SEC filer status: **Large Accelerated Filer** as of Dec 2020  
 Index member: **S&P 500, Russell 1000**  
 Market Cap: **\$183b** as of Feb 25, 2021  
 Annual revenue: **\$70.4b** as of Dec 26, 2020

■ **Corporate Governance**

CEO: **Ramon Laguarta** since 2018  
 CFO: **Hugh F. Johnston** since 2010 1st level

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Board Chairman: **Ramon Laguarta** since 2019  
 Audit Committee Chair: **Alberto Weisser** 2nd level

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Auditor: **KPMG LLP** since 1990  
 Outside Counsel (most recent): **Robinson Bradshaw & Hinson PA  
 Ellis & Winters LLP** 3rd level

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SEC Reviewer: **(unknown)** 4th level

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Information in this report is effective Feb 26, 2021 and is taken from the company's public financial and regulatory filings. Latest filing 10-K filed 02/11/2021. Over 75 accounting and data analysts scrutinize and review crucial information, footnotes, disclosures, etc., from these filings. Material facts are captured and processed using our proprietary methods which identify key risk factors our readers need to know. Each Watchdog Report represents 30 or more hours of analysis and processing.

Accounting and financial disclosure data from [Audit Analytics](#).  
 Executive compensation data from [Shore Group and Intrinio](#).  
 Data from [Sharadar](#).  
[Data from Barchart via Quandl](#).  
[Data from Exchange Data International via Quandl](#).

Feb 26, 2021 Jan 1, 2020 Jan 1, 2016

RECENT PERIOD HISTORICAL PERIOD

10-K filed on Feb 11, 2021 for period ending Dec 2020

**Reporting Irregularities**

RECENT		HISTORICAL
✓	Financial Restatements	✓
✓	Revisions	✓
✓	Out of Period Adjustments	✓
✓	Late Filings	✓
!	Impairments	!
✓	Changes in Accounting Estimates	!
!	Disclosure Controls	!
✓	Internal Controls	✓
!	Critical / Key Audit Matters	✓

**Anomalies in the Numbers**

RECENT		HISTORICAL
✓	Benford's Law	✓
✓	Beneish M-Score	✓
!	Accounting Disclosure Complexity	!

**Securities & Exchange Commission Concerns**

RECENT		HISTORICAL
✓	SEC Oversight	✓
✓	SEC Letters to Management	!
✓	Revenue Recognition	✓
✓	Non-GAAP Measures	✓

**Litigation & External Pressures**

RECENT		HISTORICAL
✓	Significant Litigation	!
✓	Class Actions	✓
✓	Securities Law	✓
✓	Shareholder Activism	✓
✓	Cybersecurity	✓

**Management Review**

RECENT		HISTORICAL
✓	CEO Changes	!
✓	CFO Changes	✓
!	Insider Sales	!
!	Mergers & Acquisitions	!
✓	Sales of Assets	✓

**Auditor Assessment**

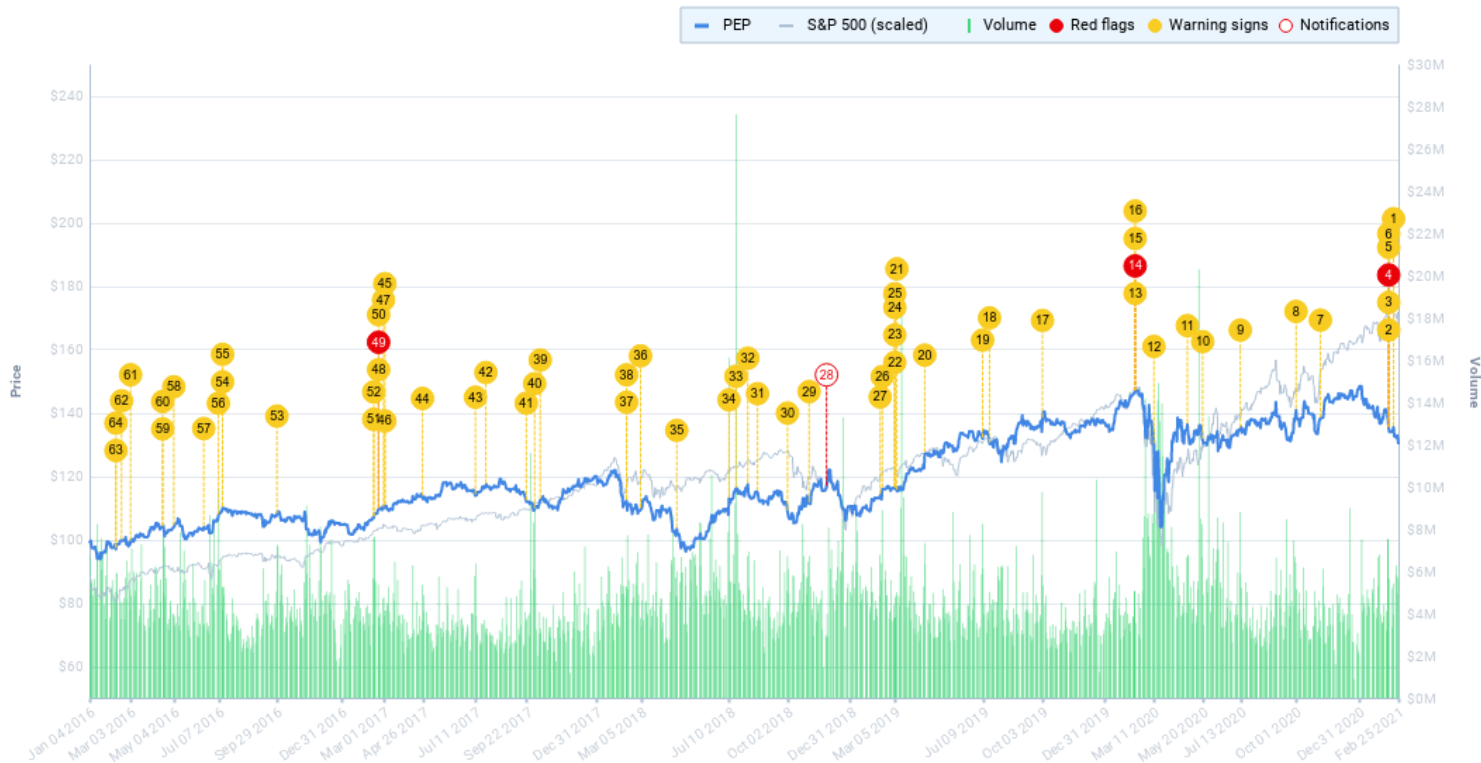
RECENT		HISTORICAL
✓	Auditor Changes	✓
✓	Auditor Experience	✓
!	Auditor Tenure	!
✓	Audit Fees	✓
✓	Non-Audit Fees	✓



## Overview

### Price and Volume History

This graph shows the price and trading history for PepsiCo. Warning signs and red flags are marked on the graph according to their disclosure dates.



- 1 Feb 18, 2021 - Insider Sale
- 2 Feb 11, 2021 - Impairment
- 3 Feb 11, 2021 - Disclosure Controls
- 4 Feb 11, 2021 - Critical / Key Audit Matters
- 5 Feb 11, 2021 - Critical / Key Audit Matters
- 6 Feb 11, 2021 - Critical / Key Audit Matters
- 7 Nov 5, 2020 - Insider Sale
- 8 Oct 1, 2020 - Disclosure Controls
- 9 Jul 13, 2020 - Disclosure Controls
- 10 May 20, 2020 - Insider Sale
- 11 Apr 28, 2020 - Disclosure Controls
- 12 Mar 11, 2020 - Mergers & Acquisitions
- 13 Feb 13, 2020 - Disclosure Controls
- 14 Feb 13, 2020 - Critical / Key Audit Matters
- 15 Feb 13, 2020 - Critical / Key Audit Matters
- 16 Feb 13, 2020 - Critical / Key Audit Matters
- 17 Oct 3, 2019 - Disclosure Controls
- 18 Jul 19, 2019 - Mergers & Acquisitions
- 19 Jul 9, 2019 - Disclosure Controls
- 20 Apr 17, 2019 - Disclosure Controls
- 21 Mar 8, 2019 - Insider Sale
- 22 Mar 5, 2019 - Insider Sale
- 23 Mar 5, 2019 - Insider Sale
- 24 Mar 5, 2019 - Insider Sale
- 25 Mar 5, 2019 - Insider Sale
- 26 Feb 15, 2019 - Disclosure Controls
- 27 Feb 12, 2019 - SEC letters to management
- 28 Nov 27, 2018 - Delisted from NYSE
- 29 Nov 2, 2018 - Insider Sale
- 30 Oct 2, 2018 - Disclosure Controls
- 31 Aug 20, 2018 - Mergers & Acquisitions
- 32 Aug 6, 2018 - Change in CEO
- 33 Jul 20, 2018 - Insider Sale
- 34 Jul 10, 2018 - Disclosure Controls
- 35 Apr 26, 2018 - Disclosure Controls
- 36 Mar 5, 2018 - Insider Sale
- 37 Feb 13, 2018 - Impairment
- 38 Feb 13, 2018 - Disclosure Controls



- 39 Oct 12, 2017 - Insider Sale
- 40 Oct 4, 2017 - Disclosure Controls
- 41 Sep 22, 2017 - Insider Sale
- 42 Jul 26, 2017 - Insider Sale
- 43 Jul 11, 2017 - Disclosure Controls
- 44 Apr 26, 2017 - Disclosure Controls
- 45 Mar 3, 2017 - Insider Sale
- 46 Mar 3, 2017 - Insider Sale
- 47 Mar 1, 2017 - Insider Sale
- 48 Feb 22, 2017 - Insider Sale
- 49 Feb 22, 2017 - Insider Sale
- 50 Feb 22, 2017 - Insider Sale
- 51 Feb 15, 2017 - Impairment

- 52 Feb 15, 2017 - Disclosure Controls
- 53 Sep 29, 2016 - Disclosure Controls
- 54 Jul 13, 2016 - Insider Sale
- 55 Jul 13, 2016 - Insider Sale
- 56 Jul 7, 2016 - Disclosure Controls
- 57 Jun 16, 2016 - SEC letters to management
- 58 May 4, 2016 - Insider Sale
- 59 Apr 18, 2016 - Change in Accounting Estimates
- 60 Apr 18, 2016 - Disclosure Controls
- 61 Mar 3, 2016 - Insider Sale
- 62 Feb 19, 2016 - Insider Sale
- 63 Feb 11, 2016 - Impairment
- 64 Feb 11, 2016 - Impairment

## Notifications

Important notifications related to the company are listed here. Notifications may come from the SEC, exchanges such as the NYSE or NASDAQ, or Watchdog Research. Examples of notifications include announcements of bankruptcy proceedings, company name changes, and noncompliance with SEC regulations or exchange rules.

**PepsiCo has one notification since 2016.**

Event date	Type	Headline	Message	Source
11/27/2018	Suspension or Delisting	Delisted from NYSE	Voluntary delisting from NYSE	<a href="#">NYSE</a>



## Peer Group

Peer groups are used by companies to benchmark executive compensation and performance. Each company identifies its own peer group. Peer groups vary from company to company.

### Peer Group

Company	Ticker	Market Cap
Apple Inc.	AAPL	\$2,030b
Microsoft Corp.	MSFT	\$1,730b
Johnson & Johnson	JNJ	\$428b
Walmart Inc.	WMT	\$373b
The Walt Disney Company	DIS	\$347b
Procter & Gamble Co.	PG	\$312b
Coca Cola Co.	KO	\$216b
Nike Inc.	NKE	\$214b
Pfizer Inc.	PFE	\$189b
PepsiCo Inc.	PEP	\$183b

### Companies Who Named PepsiCo as a Peer

Company	Ticker	Market Cap
Apple Inc.	AAPL	\$2,030b
JPMorgan Chase & Co.	JPM	\$461b
Johnson & Johnson	JNJ	\$428b
Walmart Inc.	WMT	\$373b
Procter & Gamble Co.	PG	\$312b
Bank of America Corp.	BAC	\$310b
Comcast Corp.	CMCSA	\$235b
Coca Cola Co.	KO	\$216b
Nike Inc.	NKE	\$214b
PepsiCo Inc.	PEP	\$183b



## Peer Flag Comparison

The return to a company's stock is not the only measure of executive performance. Ethics matter, and growth can quickly reverse and gains evaporate if a company's accounting and financial reporting processes are not fundamentally sound and trustworthy. How does PepsiCo's accounting quality compare to its peer group?

	PEP	PEERGROUP FLAGS		
<b>Reporting Irregularities</b>				
Financial Restatements	✓	9		
Revisions	✓	8	1	
Out of Period Adjustments	✓	9		
Impairments	!	1	8	
Changes in Accounting Estimates	!	3	6	
Disclosure Controls	!	2	7	
Internal Controls	✓	9		
Critical / Key Audit Matters	!		7	2
<b>Anomalies in the Numbers</b>				
Benford's Law	✓	6		3
Beneish M-Score	✓	9		
Accounting Disclosure Complexity	!	6	3	
<b>Securities &amp; Exchange Commission Concerns</b>				
SEC Oversight	✓	9		
SEC Letters to Management	!		4	5
Revenue Recognition	✓	7	2	
Non-GAAP Measures	✓	9		

	PEP	PEERGROUP FLAGS		
<b>Litigation &amp; External Pressures</b>				
Significant Litigation	!		2	7
Class Actions	✓	2		7
Securities Law	✓	4		5
Shareholder Activism	✓	9		
Cybersecurity	✓	2	7	
<b>Management Review</b>				
CEO Changes	!	5	4	
CFO Changes	✓	5	2	2
Insider Sales	!	1	3	5
Mergers & Acquisitions	!	3	5	1
Sales of Assets	✓	9		
<b>Auditor Assessment</b>				
Auditor Changes	✓	9		
Auditor Experience	✓	9		
Auditor Tenure	!	1	8	
Audit Fees	✓	4	5	
Non-Audit Fees	✓	9		



## About Watchdog Research, Inc.

Watchdog Research, Inc. is an independent research provider and publisher of Watchdog Reports. Watchdog Reports identify red flags, issues, and other anomalies in financial reporting. Our reports contain warning signs, red flags, material disclosures, and peer analysis for use in valuation, risk analysis, due diligence research, and idea generation.

Watchdog Reports are designed to assist investment professionals fulfill their fiduciary or suitability obligations and to help investors, executives, board members, regulators and educators learn what they need to know about publicly traded companies.

The company is headquartered in Ave Maria, FL. Watchdog Research, Inc. utilizes over 75 specialists and analysts to provide accurate and timely information to our readers.

### Our management team is:

**CEO: Brian Lawe.** Brian has been part of the corporate staff at The New York Times Company and IBM. He has created and operated several technology companies including MyStoreCredit, OnPage Ideas and HelloCampus. He holds an MBA from Harvard Business School and a BBA from Texas Christian University. He and his wife have four children and live in the Naples, FL area.

**CTO: Radu Cugut.** Radu has led the award-winning technology team that developed the Watchdog Report and services. He, his wife and son split their time between his home in Ave Maria, FL and his home in Timisoara, Romania where he oversees five talented development professionals. Radu has a bachelors in Computer Science and a masters in Banking and Financial Information Systems, both from the West University of Timisoara.

**Chief Content Officer: Joseph Burke, Ph.D.** is responsible for the content development, analysis, and quality control for the Watchdog Report. Joseph worked previously as a professor of economics at Ave Maria University. He received his Ph.D. from the University of Wisconsin-Madison and resides with his family in the Naples area.

**Director of Research: John Cheffers.** John is responsible for writing our blogs and for our press relationships. He received his bachelors from Washington University in St. Louis, and has worked for Audit Analytics and Ave Maria University. He graduated Ave Maria University School of Law where his research was selected for publication in the Law Review. He currently lives in Pennsylvania with his wife and two children.



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