FORWARD-LOOKING STATEMENTS

This report contains information that may constitute “forward-looking statements.” Generally, the words “believe,” “expect,” “intend,” “estimate,” “anticipate,” “project,” “will” and similar expressions identify forward-looking statements, which generally are not historical in nature. However, the absence of these words or similar expressions does not mean that a statement is not forward-looking. All statements that address operating performance, events or developments that we expect or anticipate will occur in the future — including statements relating to volume growth, share of sales and earnings per share growth, and statements expressing general views about future operating results — are forward-looking statements. Management believes that these forward-looking statements are reasonable as and when made. However, caution should be taken not to place undue reliance on any such forward-looking statements because such statements speak only as of the date when made. Our Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. In addition, forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially from our Company’s historical experience and our present expectations or projections. These risks and uncertainties include, but are not limited to, those described in Part I, “Item 1A. Risk Factors” and elsewhere in this report and those described from time to time in our future reports filed with the Securities and Exchange Commission.

PART I

ITEM 1. BUSINESS

In this report, the terms “The Coca-Cola Company,” “Company,” “we,” “us” and “our” mean The Coca-Cola Company and all entities included in our consolidated financial statements.

General

The Coca-Cola Company is the world’s largest nonalcoholic beverage company. We own or license and market more than 500 nonalcoholic beverage brands, primarily sparkling beverages but also a variety of still beverages such as waters, enhanced waters, juices and juice drinks, ready-to-drink teas and coffees, and energy and sports drinks. Along with Coca-Cola, which is recognized as the world’s most valuable brand, we own and market four of the world’s top five nonalcoholic sparkling beverage brands, including Diet Coke, Fanta and Sprite. Finished beverage products bearing our trademarks, sold in the United States since 1886, are now sold in more than 200 countries.

We make our branded beverage products available to consumers throughout the world through our network of Company-owned or controlled bottling and distribution operations, bottling partners, distributors, wholesalers and retailers — the world’s largest beverage distribution system. Of the approximately 55 billion beverage servings of all types consumed worldwide every day, beverages bearing trademarks owned by or licensed to us account for approximately 1.7 billion.

We believe that our success depends on our ability to connect with consumers by providing them with a wide variety of options to meet their desires, needs and lifestyle choices. Our success further depends on the ability of our people to execute effectively, every day.

Our goal is to use our Company’s assets — our brands, financial strength, unrivaled distribution system, global reach and the talent and strong commitment of our management and associates — to become more competitive and to accelerate growth in a manner that creates value for our shareowners.

We were incorporated in September 1919 under the laws of the State of Delaware and succeeded to the business of a Georgia corporation with the same name that had been organized in 1892.

Acquisition of Coca-Cola Enterprises Inc.’s North American Business and Related Transactions

On October 2, 2010, we acquired the North American business of Coca-Cola Enterprises Inc. ("CCE"), one of our major bottlers, consisting of CCE’s production, sales and distribution operations in the United States, Canada, the British Virgin Islands, the United States Virgin Islands and the Cayman Islands, and a substantial majority of CCE’s corporate segment. CCE shareowners other than the Company exchanged their CCE common stock for common stock in a new entity named Coca-Cola Enterprises, Inc. ("New CCE"), which after the closing of the transaction continued to hold the European operations that had been held by CCE prior to the acquisition. The Company does not have any
ownership interest in New CCE. Upon completion of the CCE transaction, we combined the management of the acquired North American business with the management of our existing foodservice business, Minute Maid and Odwalla juice businesses, North America supply chain operations and Company-owned bottling operations in Philadelphia, Pennsylvania, into a unified bottling and customer service organization called Coca-Cola Refreshments (“CCR”). In addition, we reshaped our remaining Coca-Cola North America (“CCNA”) operations into an organization that primarily provides franchise leadership and consumer marketing and innovation for the North American market. As a result of the transaction and related reorganization, our North American businesses operate as aligned and agile organizations with distinct capabilities, responsibilities and strengths.

In contemplation of the closing of our acquisition of CCE’s North American business, we reached an agreement with Dr Pepper Snapple Group, Inc. (“DPS”) to distribute certain DPS brands in territories where DPS brands had been distributed by CCE prior to the CCE transaction. Under the terms of our agreement with DPS, concurrently with the closing of the CCE transaction, we entered into license agreements with DPS to distribute Dr Pepper trademark brands in the U.S., Canada Dry in the Northeast U.S., and Canada Dry and C’ Plus in Canada, and we made a net one-time cash payment of $715 million to DPS. Under the license agreements, the Company agreed to meet certain performance obligations to distribute DPS products in retail and foodservice accounts and vending machines. The license agreements have initial terms of 20 years, with automatic 20-year renewal periods unless otherwise terminated under the terms of the agreements. The license agreements replaced agreements between DPS and CCE existing immediately prior to the completion of the CCE transaction. In addition, we entered into an agreement with DPS to include Dr Pepper and Diet Dr Pepper in our Coca-Cola Freestyle fountain dispensers in certain outlets throughout the United States. The Coca-Cola Freestyle agreement has a term of 20 years.

On October 2, 2010, we sold all of our ownership interests in Coca-Cola Drikker AS (the “Norwegian bottling operation”) and Coca-Cola Drycker Sverige AB (the “Swedish bottling operation”) to New CCE for approximately $0.9 billion in cash. In addition, in connection with the acquisition of CCE’s North American business, we granted to New CCE the right to acquire our majority interest in our German bottler at any time from 18 to 39 months after February 25, 2010, at the then current fair value and subject to terms and conditions as mutually agreed.

**Operating Segments**

The Company’s operating structure is the basis for our internal financial reporting. As of December 31, 2010, our operating structure included the following operating segments, the first six of which are sometimes referred to as “operating groups” or “groups”:

- Eurasia and Africa
- Europe
- Latin America
- North America
- Pacific
- Bottling Investments
- Corporate

Our North America operating segment includes the CCE North American business we acquired on October 2, 2010. Except to the extent that differences among operating segments are material to an understanding of our business taken as a whole, the description of our business in this report is presented on a consolidated basis.

For financial information about our operating segments and geographic areas, refer to Note 19 of Notes to Consolidated Financial Statements set forth in Part II, “Item 8. Financial Statements and Supplementary Data” of this report, incorporated herein by reference. For certain risks attendant to our non-U.S. operations, refer to “Item 1A. Risk Factors,” below.
Products and Brands

As used in this report:

- “concentrates” means flavoring ingredients and, depending on the product, sweeteners used to prepare syrups or finished beverages, and includes powders for purified water products such as Dasani;
- “syrups” means beverage ingredients produced by combining concentrates and, depending on the product, sweeteners and added water;
- “fountain syrups” means syrups that are sold to fountain retailers, such as restaurants and convenience stores, which use dispensing equipment to mix the syrups with sparkling or still water at the time of purchase to produce finished beverages that are served in cups or glasses for immediate consumption;
- “sparkling beverages” means nonalcoholic ready-to-drink beverages with carbonation, including carbonated energy drinks and carbonated waters and flavored waters;
- “still beverages” means nonalcoholic beverages without carbonation, including noncarbonated waters, flavored waters and enhanced waters, noncarbonated energy drinks, juices and juice drinks, ready-to-drink teas and coffees and sports drinks;
- “Company Trademark Beverages” means beverages bearing our trademarks and certain other beverage products bearing trademarks licensed to us by third parties for which we provide marketing support and from the sale of which we derive economic benefit; and
- “Trademark Coca-Cola Beverages” or “Trademark Coca-Cola” means beverages bearing the trademark Coca-Cola or any trademark that includes Coca-Cola or Coke (that is, Coca-Cola, Diet Coke and Coca-Cola Zero and all their variations and line extensions, including Coca-Cola Light, Coke Zero, caffeine free Diet Coke, Cherry Coke, etc.). Likewise, when we use the capitalized word “Trademark” together with the name of one of our other beverage products (such as “Trademark Fanta,” “Trademark Sprite” or “Trademark Simply”), we mean beverages bearing the indicated trademark (that is, Fanta, Sprite or Simply, respectively) and all its variations and line extensions (such that “Trademark Fanta” includes Fanta Orange, Fanta Zero Orange and Fanta Apple; “Trademark Sprite” includes Sprite, Diet Sprite, Sprite Zero and Sprite Light; and “Trademark Simply” includes Simply Orange, Simply Apple and Simply Grapefruit).

Our Company markets, manufactures and sells:

- beverage concentrates, sometimes referred to as “beverage bases,” and syrups, including fountain syrups (we refer to this part of our business as our “concentrate business” or “concentrate operations”); and
- finished sparkling and still beverages (we refer to this part of our business as our “finished products business” or “finished products operations”).

Generally, finished products operations generate higher net operating revenues but lower gross profit margins than concentrate operations.

In our concentrate operations, we typically generate net operating revenues by selling concentrates and syrups to authorized bottling and canning operations (to which we typically refer as our “bottlers” or our “bottling partners”). Our bottling partners either combine the concentrates with sweeteners (depending on the product), still water and/or sparkling water or combine the syrups with sparkling water to produce finished beverages. The finished beverages are packaged in authorized containers bearing our trademarks or trademarks licensed to us — such as cans and refillable and nonrefillable glass and plastic bottles — and are then sold to retailers directly or, in some cases, through wholesalers or other bottlers. Outside the United States, we also sell concentrates for fountain beverages to our bottling partners who are typically authorized to manufacture fountain syrups, which they sell to fountain retailers such as restaurants and convenience stores which use the fountain syrups to produce beverages for immediate consumption, or to fountain wholesalers who in turn sell and distribute the fountain syrups to fountain retailers.

Our finished products operations consist primarily of the production, sales and distribution operations managed by CCR and our Company-owned or controlled bottling and distribution operations. CCR is included in our North America operating segment, and our Company-owned or controlled bottling and distribution operations are included in our Bottling Investments operating segment. Our finished products operations generate net operating revenues by selling
sparkling beverages and a variety of still beverages, such as juices and juice drinks, energy and sports drinks, ready-to-drink teas and coffees, and certain water products, to retailers or to distributors, wholesalers and bottling partners who distribute them to retailers. In addition, in the United States, we manufacture fountain syrups and sell them to fountain retailers such as restaurants and convenience stores who use the fountain syrups to produce beverages for immediate consumption or to authorized fountain wholesalers or bottling partners who resell the fountain syrups to fountain retailers. In the United States, we authorize wholesalers to resell our fountain syrups through nonexclusive appointments that neither restrict us in setting the prices at which we sell fountain syrups to the wholesalers nor restrict the territories in which the wholesalers may resell in the United States.

For information about net operating revenues and unit case volume related to our concentrate operations and finished products operations, respectively, refer to the heading “Our Business — General” in Part II, “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” of this report, which is incorporated herein by reference.

Most of our branded beverage products, particularly outside of North America, are manufactured, sold and distributed by independently owned and managed bottling partners. However, from time to time we acquire or take control of bottling or canning operations, often in underperforming markets where we believe we can use our resources and expertise to improve performance. Owning such a controlling interest enables us to compensate for limited local resources; help focus the bottler’s sales and marketing programs; assist in the development of the bottler’s business and information systems; and establish an appropriate capital structure for the bottler. The Company-owned or controlled bottling operations, other than those managed by CCR, are included in our Bottling Investments group.

In line with our long-term bottling strategy, we may periodically consider options for reducing our ownership interest in a Bottling Investments group bottler. One such option is to combine our bottling interests with the bottling interests of others to form strategic business alliances. Another option is to sell our interest in a bottling operation to one of our other bottling partners in which we have an equity method investment. In both of these situations, our Company continues to participate in the bottler’s results of operations through our share of the strategic business alliances’ or equity method investees’ earnings or losses.
The following table sets forth our most significant brands in each of our major beverage categories:

<table>
<thead>
<tr>
<th>SPARKLING BEVERAGES*</th>
<th>STILL BEVERAGES*</th>
<th>Waters</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coca-Cola</td>
<td>Minute Maid¹</td>
<td>Ciel¹</td>
</tr>
<tr>
<td>Sprite</td>
<td>Minute Maid Pulpy</td>
<td>Nestea teas²</td>
</tr>
<tr>
<td>Diet Coke / Coca-Cola Light</td>
<td>Hi-C</td>
<td>Georgia coffees³</td>
</tr>
<tr>
<td>Fanta²</td>
<td>Simply⁴</td>
<td>Sokenbicha teas³</td>
</tr>
<tr>
<td>Coca-Cola Zero / Coke Zero</td>
<td>Dobriy⁶</td>
<td>Leão / Matte Leão teas⁷</td>
</tr>
<tr>
<td>Schweppes¹²</td>
<td>del Valle⁹</td>
<td>Dogadan teas¹⁰</td>
</tr>
<tr>
<td>Thums Up¹³</td>
<td>Cappy¹</td>
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<tr>
<td>Fresca</td>
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<tr>
<td>Barq’s¹⁴</td>
<td></td>
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<tr>
<td>Lift</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pop¹⁸</td>
<td>Energy Drinks</td>
<td>Other Still Beverages</td>
</tr>
<tr>
<td>Inca Kola¹⁹</td>
<td>burn</td>
<td>glacéau vitaminwater</td>
</tr>
<tr>
<td>Kuat²⁰</td>
<td>Relentless¹⁵</td>
<td>FUZE¹⁶</td>
</tr>
<tr>
<td></td>
<td>NOS⁴</td>
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</tr>
<tr>
<td></td>
<td>Full Throttle⁴</td>
<td></td>
</tr>
</tbody>
</table>

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* Includes, for each brand, all flavor variations and line extensions. Unless otherwise indicated in a footnote below, products under the brands are sold in markets across two or more geographic operating groups.

1 In some markets, certain products sold under this brand are sparkling beverages.

2 Nestea products are distributed in the United States under a sublicense from a subsidiary of Nestlé S.A., and in various other markets worldwide through Beverage Partners Worldwide (“BPW”), the Company’s joint venture with Nestlé S.A. In some markets, certain Nestea products are sparkling beverages. The Nestea trademark is owned by Société des Produits Nestlé S.A.

3 Sold primarily in Japan.

4 Sold primarily in the United States.

5 In some markets, certain products sold under this brand are still beverages.

6 Dobriy juice products are manufactured, marketed and sold primarily in Russia, Ukraine and Belarus by Multon, a Russian juice business operated as a joint venture with Coca-Cola Hellenic Bottling Company S.A. Certain products sold under this brand are sparkling beverages.

7 The Company manufactures, markets and sells Leão / Matte Leão teas in Brazil through a joint venture with our bottling partners.

8 Sold in China.

9 The Company manufactures, markets and sells juices and juice drinks under the del Valle trademark through joint ventures with our bottling partners in Mexico and Brazil.

10 Sold in Turkey.

11 Kinley is also a sparkling beverage in certain countries.

12 The Schweppes brand is owned by the Company in some countries (excluding the U.S., among others). In some markets, certain Schweppes products are still beverages.

13 Sold primarily in India.

14 Sold primarily in North America.

15 Sold primarily in Australia and Great Britain.

16 Sold in the United States and Canada.

17 In some markets we offer water products or sparkling beverages in addition to sports drinks under the brand Aquarius.

18 Sold in the Philippines.

19 Sold primarily in Latin America (Chile, Ecuador and Peru).

20 Sold in Brazil.
Consumer demand determines the optimal menu of Company product offerings. Consumer demand can vary from one locale to another and can change over time within a single locale. Employing our business strategy, and with special focus on core brands, our Company seeks to build its existing brands and, at the same time, to broaden its historical family of brands, products and services in order to create and satisfy consumer demand locale by locale.

During 2010, our Company introduced a variety of new brands, brand extensions and new beverage products. Among numerous examples, in the Eurasia and Africa group, new launches included new flavors of Minute Maid juice and juice drinks in India, including Minute Maid Nimbu Fresh; Maaza Milky Delite in India, a blend of mango and milk and the Company’s first venture into dairy products in India; the reformulated Fanta in Russia with natural flavors and colors, and no preservatives; and Dogadan ready-to-drink tea in Turkey. In the Latin America group we launched del Valle Pulpy, a juice drink with real orange pulp, in Mexico; and Blak, an on-premise liquid coffee concentrate sold to customers through a dispenser, also in Mexico. In the North America group, we introduced to consumers in the United States glaceau vitaminwater zero, an extension of our popular glaceau vitaminwater products with zero calories per serving; and Sokenbicha, a line of brewed unsweetened teas blended with natural botanicals, which are popular in Japan. In the Europe group, new launches included Coca-Cola Zero Caffeine-Free in France, the first caffeine-free variant of the Coca-Cola Zero brand sold in Europe; and Bonaqua Lemon Lime in the Czech Republic. In the Pacific group, in China we launched Minute Maid 10 Score V, a juice drink fortified with vitamins, and, through BPW, launched Yuan Ye, a new jasmine flavor variant of its ready-to-drink tea beverage; and we extended the footprint of Minute Maid Pulpy, a juice drink with real bits of fruit pulp, with launches in Singapore and Malaysia.

In furtherance of our commitments to sustainability and innovation, during 2010 we expanded our launch of our innovative PlantBottle packaging, a polyethylene terephthalate (“PET”) bottle made partially from plant-based material that, like our existing PET bottles, is 100 percent recyclable. PlantBottle packaging was introduced in Japan, Mexico, Brazil, Norway, Sweden, Chile and China (at the Shanghai Expo). Also in 2010, we expanded the footprint of our innovative Coca-Cola Freestyle fountain dispenser to more than 400 customer locations across 20 markets in the United States. Coca-Cola Freestyle provides consumers with a greater choice of brands, with more than 100 different regular and low-calorie branded beverages, including a variety of still beverages.

We measure the volume of Company beverage products sold in two ways: (1) unit cases of finished products and (2) concentrate sales. As used in this report, “unit case” means a unit of measurement equal to 192 U.S. fluid ounces of finished beverage (24 eight-ounce servings); and “unit case volume” means the number of unit cases (or unit case equivalents) of Company beverage products directly or indirectly sold by the Company and its bottling partners (the “Coca-Cola system”) to customers. Unit case volume primarily consists of beverage products bearing Company trademarks. Also included in unit case volume are certain products licensed to, or distributed by, our Company, and brands owned by Coca-Cola system bottlers for which our Company provides marketing support and from the sale of which we derive economic benefit. In addition, unit case volume includes sales by joint ventures in which the Company has an equity interest. We believe unit case volume is one of the measures of the underlying strength of the Coca-Cola system because it measures trends at the consumer level. The unit case volume numbers used in this report are derived based on estimates received by the Company from its bottling partners and distributors. Concentrate sales volume represents the amount of concentrates and syrups (in all cases expressed in equivalent unit cases) sold by, or used in finished beverages sold by, the Company to its bottling partners or other customers. Unit case volume and concentrate sales volume growth rates are not necessarily equal during any given period. Factors such as seasonality, bottlers’ inventory practices, supply point changes, timing of price increases, new product introductions and changes in product mix can impact unit case volume and concentrate sales volume and can create differences between unit case volume and concentrate sales volume growth rates. In addition to the items mentioned above, the impact of unit case volume from certain joint ventures, in which the Company has an equity interest, but to which the Company does not sell concentrates or syrups, may give rise to differences between unit case volume and concentrate sales volume growth rates.

**Distribution System and Bottler’s Agreements**

We make our branded beverage products available to consumers in more than 200 countries through our network of Company-owned or controlled bottling and distribution operations, bottling partners, distributors, wholesalers and retailers — the world’s largest beverage distribution system. Consumers enjoy finished beverage products bearing our trademarks at a rate of approximately 1.7 billion servings each day. We continue to expand our marketing presence and increase our unit case volume in developed, developing and emerging markets. Our strong and stable system helps us to
capture growth by manufacturing, distributing and marketing existing, enhanced and new innovative products to our consumers throughout the world.

The Coca-Cola system sold approximately 25.5 billion, 24.4 billion and 23.7 billion unit cases of our products in 2010, 2009 and 2008, respectively. Sparkling beverages represented approximately 76 percent, 77 percent and 78 percent of our worldwide unit case volume for 2010, 2009 and 2008, respectively. Trademark Coca-Cola Beverages accounted for approximately 50 percent, 51 percent and 51 percent of our worldwide unit case volume for 2010, 2009 and 2008, respectively.

In 2010, unit case volume in the United States (“U.S. unit case volume”) represented approximately 20 percent of the Company’s worldwide unit case volume. Of the U.S. unit case volume for 2010, approximately 71 percent was attributable to sparkling beverages and approximately 29 percent to still beverages. Trademark Coca-Cola Beverages accounted for approximately 51 percent of U.S. unit case volume for 2010.

Unit case volume outside the United States represented approximately 80 percent of the Company’s worldwide unit case volume for 2010. The countries outside the United States in which our unit case volumes were the largest in 2010 were Mexico, China, Brazil and Japan, which together accounted for approximately 31 percent of our worldwide unit case volume. Of the non-U.S. unit case volume for 2010, approximately 78 percent was attributable to sparkling beverages and 22 percent to still beverages. Trademark Coca-Cola Beverages accounted for approximately 50 percent of non-U.S. unit case volume for 2010.

In our concentrate operations, we typically sell concentrates and syrups to our bottling partners, who use the concentrate to manufacture finished products which they sell to distributors and other customers. Separate contracts (“Bottler’s Agreements”) exist between our Company and each of our bottling partners regarding the manufacture and sale of Company products. Subject to specified terms and conditions and certain variations, the Bottler’s Agreements generally authorize the bottlers to prepare specified Company Trademark Beverages, to package the same in authorized containers, and to distribute and sell the same in (but, subject to applicable local law, generally only in) an identified territory. The bottler is obligated to purchase its entire requirement of concentrates or syrups for the designated Company Trademark Beverages from the Company or Company-authorized suppliers. We typically agree to refrain from selling or distributing, or from authorizing third parties to sell or distribute, the designated Company Trademark Beverages throughout the identified territory in the particular authorized containers; however, we typically reserve for ourselves or our designee the right (1) to prepare and package such beverages in such containers in the territory for sale outside the territory, and (2) to prepare, package, distribute and sell such beverages in the territory in any other manner or form. Territorial restrictions on bottlers vary in some cases in accordance with local law.

Being a bottler does not create a legal partnership or joint venture between us and our bottlers. Our bottlers are independent contractors and are not our agents.

While, as described below, under most of our Bottler’s Agreements we generally have complete flexibility to determine the price and other terms of sale of the concentrates and syrups we sell to our bottlers, as a practical matter, our Company’s ability to exercise its contractual flexibility to determine the price and other terms of sale of its syrups, concentrates and finished beverages is subject, both outside and within the United States, to competitive market conditions.

**Bottler’s Agreements Outside the United States**

The Bottler’s Agreements between us and our authorized bottlers outside the United States generally are of stated duration, subject in some cases to possible extensions or renewals of the term of the contract. Generally, these contracts are subject to termination by the Company following the occurrence of certain designated events. These events include defined events of default and certain changes in ownership or control of the bottler.

In certain parts of the world outside the United States, we have not granted comprehensive beverage production rights to the bottlers. In such instances, we or our authorized suppliers sell Company Trademark Beverages to the bottlers for sale and distribution throughout the designated territory, often on a nonexclusive basis. Most of the Bottler’s Agreements in force between us and bottlers outside the United States authorize the bottlers to manufacture and distribute fountain syrups, usually on a nonexclusive basis.
Our Company generally has complete flexibility to determine the price and other terms of sale of the concentrates and syrups we sell to bottlers outside the United States. In some instances, however, we have agreed or may in the future agree with a bottler with respect to concentrate pricing on a prospective basis for specified time periods. In some markets, in an effort to allow our Company and our bottling partners to grow together through shared value, aligned incentives and the flexibility necessary to meet consumers’ always changing needs and tastes, we worked with our bottling partners to develop and implement an incidence-based pricing model for sparkling and still beverages. Under this model, the concentrate price we charge is impacted by a number of factors, including, but not limited to, bottler pricing, the channels in which the finished products are sold and package mix. Outside the United States, in most cases, we have no obligation to provide marketing support to the bottlers. Nevertheless, we may, at our discretion, contribute toward bottler expenditures for advertising and marketing. We may also elect to undertake independent or cooperative advertising and marketing activities.

**Bottler’s Agreements Within the United States**

Based on unit case volume for the fourth quarter ended December 31, 2010 (the first quarter of operation following our acquisition of CCE’s North American business), CCR, our bottling and customer service organization for North America, manufactures, sells and distributes approximately 88 percent of our unit case volume in the United States. The discussion below regarding the terms of Bottler’s Agreements and other contracts relates to Bottler’s Agreements and contracts for territories in the United States that are not covered by CCR.

In the United States, with certain very limited exceptions, the Bottler’s Agreements for Trademark Coca-Cola Beverages and other cola-flavored beverages have no stated expiration date. Our standard contracts for other sparkling beverage flavors and for still beverages are of stated duration, subject to bottler renewal rights. The Bottler’s Agreements in the United States are subject to termination by the Company for nonperformance or upon the occurrence of certain defined events of default that may vary from contract to contract.

Under the terms of the Bottler’s Agreements, bottlers in the United States are authorized to manufacture and distribute Company Trademark Beverages in bottles and cans. However, these bottlers generally are not authorized to manufacture fountain syrups. Rather, in the United States, our Company manufactures and sells fountain syrups to authorized fountain wholesalers (including certain authorized bottlers) and some fountain retailers. These wholesalers in turn sell the syrups or deliver them on our behalf to restaurants and other retailers.

Certain of the Bottler’s Agreements for cola-flavored sparkling beverages in effect in the United States give us complete flexibility to determine the price and other terms of sale of concentrates and syrups for Company Trademark Beverages. In some instances, we have agreed or may in the future agree with a bottler with respect to concentrate pricing on a prospective basis for specified time periods. Certain Bottler’s Agreements, entered into prior to 1987, provide for concentrates or syrups for certain Trademark Coca-Cola Beverages and other cola-flavored Company Trademark Beverages to be priced pursuant to a stated formula. In 2010, bottlers accounting for approximately 3.6 percent of total unit case volume in the United States have contracts for certain Trademark Coca-Cola Beverages and other cola-flavored Company Trademark Beverages with pricing formulas that generally provide for a baseline price. This baseline price may be adjusted periodically by the Company, up to a maximum indexed ceiling price, and is adjusted quarterly based upon changes in certain sugar or sweetener prices, as applicable. In 2010, bottlers accounting for approximately 0.1 percent of total unit case volume in the United States operate under our oldest form of contract, which provides for a fixed price for Coca-Cola syrup used in bottles and cans. This price is subject to quarterly adjustments to reflect changes in the quoted price of sugar.

We have standard contracts with bottlers in the United States for the sale of concentrates and syrups for non-cola-flavored sparkling beverages and certain still beverages in bottles and cans, and, in certain cases, for the sale of finished still beverages in bottles and cans. All of these standard contracts give the Company complete flexibility to determine the price and other terms of sale.

In an effort to allow our Company and our bottling partners to grow together through shared value, aligned incentives and the flexibility necessary to meet consumers’ always changing needs and tastes, we worked with bottling partners that produce and distribute most of our non-CCR unit case volume in the United States to develop and implement an incidence-based pricing model, primarily for sparkling beverages. Under this model, the concentrate price we charge is impacted by a number of factors, including, but not limited to, bottler pricing, the channels in which the finished
products are sold and package mix. We expect to use an incidence-based pricing model in 2011 with bottlers that produce and distribute most of our non-CCR unit case volume in the United States.

Under most of our Bottler’s Agreements and other standard beverage contracts with bottlers in the United States, our Company has no obligation to participate with bottlers in expenditures for advertising and marketing. Nevertheless, at our discretion, we may contribute toward such expenditures and undertake independent or cooperative advertising and marketing activities. Some U.S. Bottler’s Agreements entered into prior to 1987 impose certain marketing obligations on us with respect to certain Company Trademark Beverages.

**Promotions and Marketing Programs**

In addition to conducting our own independent advertising and marketing activities, we may provide promotional and marketing services or funds to our bottlers. In most cases, we do this on a discretionary basis under the terms of commitment letters or agreements, even though we are not obligated to do so under the terms of the bottling or distribution agreements between our Company and the bottlers. Also, on a discretionary basis in most cases, our Company may develop and introduce new products, packages and equipment to assist its bottlers. Likewise, in many instances, we provide promotional and marketing services and/or funds and/or dispensing equipment and repair services to fountain and bottle/can retailers, typically pursuant to marketing agreements. The aggregate amount of funds provided by our Company to bottlers, resellers or other customers of our Company’s products, principally for participation in promotional and marketing programs, was approximately $5.0 billion in 2010.

**Significant Equity Method Investments**

We make equity investments in selected bottling operations with the intention of maximizing the strength and efficiency of the Coca-Cola system’s production, distribution and marketing capabilities around the world. These investments are intended to result in increases in unit case volume, net revenues and profits at the bottler level, which in turn generate increased concentrate sales for our Company’s concentrate and syrup business. When this occurs, both we and our bottling partners benefit from long-term growth in volume, improved cash flows and increased shareowner value. In cases where our investments in bottlers represent noncontrolling interests, our intention is to provide expertise and resources to strengthen those businesses. When our equity investment provides us with the ability to exercise significant influence over the investee bottler’s operating and financial policies, we account for the investment under the equity method, and we sometimes refer to such a bottler as an “equity method investee bottler” or “equity method investee.”

Our significant equity method investee bottlers include the following:

*Coca-Cola Hellenic Bottling Company S.A. (“Coca-Cola Hellenic”).* Our ownership interest in Coca-Cola Hellenic was approximately 23 percent at December 31, 2010. Coca-Cola Hellenic has bottling and distribution rights, through direct ownership or joint ventures, in Armenia, Austria, Belarus, Bosnia-Herzegovina, Bulgaria, Croatia, Cyprus, the Czech Republic, Estonia, the Former Yugoslav Republic of Macedonia, Greece, Hungary, Italy, Latvia, Lithuania, Moldova, Montenegro, Nigeria, Northern Ireland, Poland, Republic of Ireland, Romania, Russia, Serbia, Slovakia, Slovenia, Switzerland and Ukraine. Coca-Cola Hellenic estimates that the area in these 28 countries which it serves through its bottling and distribution rights has a combined population of 560 million people. In 2010, Coca-Cola Hellenic’s net sales of beverage products were approximately $8.8 billion. In 2010, approximately 43 percent of the unit case volume of Coca-Cola Hellenic consisted of Trademark Coca-Cola Beverages; approximately 52 percent of its unit case volume consisted of other Company Trademark Beverages; and approximately 5 percent of its unit case volume consisted of beverage products of Coca-Cola Hellenic or other companies.

*Coca-Cola FEMSA, S.A.B. de C.V. (“Coca-Cola FEMSA”).* Our ownership interest in Coca-Cola FEMSA was approximately 32 percent at December 31, 2010. Coca-Cola FEMSA is a Mexican holding company with bottling subsidiaries in a substantial part of central Mexico, including Mexico City and southeastern Mexico; greater São Paulo, Campinas, Santos, the state of Matto Grosso do Sul, part of the state of Minas Gerais and part of the state of Goiás in Brazil; central Guatemala; most of Costa Rica, Nicaragua, Panama and Venezuela; and greater Buenos Aires, Argentina. Coca-Cola FEMSA estimates that the territories in which it markets beverage products contain approximately 45 percent of the population of Mexico, 23 percent of the population of Brazil, 99 percent of the population of Colombia, 36 percent of the population of Guatemala, 100 percent of the populations of Costa Rica, Nicaragua, Panama and Venezuela, and 30 percent of the population of Argentina. In 2010, Coca-Cola FEMSA's net
sales of beverage products were approximately $8.1 billion. In 2010, approximately 62 percent of the unit case volume of Coca-Cola FEMSA consisted of Trademark Coca-Cola Beverages; approximately 37 percent of its unit case volume consisted of other Company Trademark Beverages; and less than 1 percent of its unit case volume consisted of beverage products of Coca-Cola FEMSA or other companies.

Coca-Cola Amatil Limited ("Coca-Cola Amatil"). Our ownership interest in Coca-Cola Amatil was approximately 30 percent at December 31, 2010. Coca-Cola Amatil has bottling and distribution rights, through direct ownership or joint ventures, in Australia, New Zealand, Fiji, Papua New Guinea and Indonesia. Coca-Cola Amatil estimates that the territories in which it markets beverage products contain 100 percent of the populations of Australia, New Zealand, Fiji and Papua New Guinea, and 98 percent of the population of Indonesia. In 2010, Coca-Cola Amatil’s net sales of beverage products were approximately $3.7 billion. In 2010, approximately 47 percent of the unit case volume of Coca-Cola Amatil consisted of Trademark Coca-Cola Beverages; approximately 41 percent of its unit case volume consisted of other Company Trademark Beverages; and approximately 12 percent of its unit case volume consisted of beverage products of Coca-Cola Amatil or other companies.

Seasonality
Sales of our ready-to-drink nonalcoholic beverages are somewhat seasonal, with the second and third calendar quarters accounting for the highest sales volumes. The volume of sales in the beverages business may be affected by weather conditions.

Competition
Our Company competes in the nonalcoholic beverages segment of the commercial beverages industry. The nonalcoholic beverages segment of the commercial beverages industry is highly competitive, consisting of numerous companies. These include companies that, like our Company, compete in multiple geographic areas, as well as firms that are primarily regional or local in operation. Competitive products include numerous nonalcoholic sparkling beverages; various water products, including packaged, flavored and enhanced waters; juices and nectars; fruit drinks and dilutables (including syrups and powdered drinks); coffees and teas; energy and sports and other performance-enhancing drinks; dairy-based drinks; functional beverages; and various other nonalcoholic beverages. These competitive beverages are sold to consumers in both ready-to-drink and other than ready-to-drink form. In many of the countries in which we do business, including the United States, PepsiCo, Inc., is one of our primary competitors. Other significant competitors include, but are not limited to, Nestlé, Dr Pepper Snapple Group, Inc., Groupe Danone, Kraft Foods Inc. and Unilever. In certain markets, our competition includes beer companies. We also compete against numerous regional and local companies and, in some markets, against retailers that have developed their own store or private label beverage brands.

Competitive factors impacting our business include, but are not limited to, pricing, advertising, sales promotion programs, product innovation, increased efficiency in production techniques, the introduction of new packaging, new vending and dispensing equipment, and brand and trademark development and protection.

Our competitive strengths include leading brands with a high level of consumer acceptance; a worldwide network of bottlers and distributors of Company products; sophisticated marketing capabilities; and a talented group of dedicated associates. Our competitive challenges include strong competition in all geographic regions and, in many countries, a concentrated retail sector with powerful buyers able to freely choose among Company products, products of competitive beverage suppliers and individual retailers’ own store or private label beverage brands.

Raw Materials
Water is a main ingredient in substantially all of our products. While historically we have not experienced significant water supply difficulties, water is a limited resource in many parts of the world and our Company recognizes water availability, quality and the sustainability of that natural resource for both our operations and also the communities where we operate as one of the key challenges facing our business.

In addition to water, the principal raw materials used in our business are nutritive and non-nutritive sweeteners. In the United States, the principal nutritive sweetener is high fructose corn syrup ("HFCS"), a form of sugar, which is available from numerous domestic sources and is historically subject to fluctuations in its market price. The principal nutritive sweetener used by our business outside the United States is sucrose, another form of sugar, which is also
available from numerous sources and is historically subject to fluctuations in its market price. Our Company generally has not experienced any difficulties in obtaining its requirements for nutritive sweeteners. In the United States, we purchase HFCS to meet our and our bottlers’ requirements with the assistance of Coca-Cola Bottlers’ Sales & Services Company LLC (“CCBSS”). CCBSS is a limited liability company that is owned by authorized Coca-Cola bottlers doing business in the United States. Among other things, CCBSS provides procurement services to our Company for the purchase of various goods and services in the United States, including HFCS.

The principal non-nutritive sweeteners we use in our business are aspartame, acesulfame potassium, saccharin, cyclamate and sucralose. Generally, these raw materials are readily available from numerous sources. However, our Company purchases aspartame, an important non-nutritive sweetener that is used alone or in combination with other important non-nutritive sweeteners such as saccharin or acesulfame potassium in our low-calorie sparkling beverage products, primarily from The NutraSweet Company and Ajinomoto Co., Inc., which we consider to be our primary sources for the supply of this product. We currently purchase acesulfame potassium from Nutrinova Nutrition Specialties & Food Ingredients GmbH, which we consider to be our primary source for the supply of this product, and from two additional suppliers. Our Company generally has not experienced any difficulties in obtaining its requirements for non-nutritive sweeteners.

Our Company sells a number of products sweetened with sucralose, a non-nutritive sweetener. We work closely with Tate & Lyle, our primary sucralose supplier, to maintain continuity of supply, and we do not anticipate difficulties in obtaining our requirements. We also purchase Truvia, a non-nutritive natural sweetener made with rebiana, which is derived from the stevia plant, from Cargill under a multi-year agreement, and we do not anticipate any supply issues with this ingredient.

With regard to juice and juice-drink products, citrus fruit, particularly orange juice concentrate, is our principal raw material. The citrus industry is subject to the variability of weather conditions. In particular, freezing weather or hurricanes in central Florida may result in shortages and higher prices for orange juice concentrate throughout the industry. Due to our ability to also source orange juice concentrate from the Southern Hemisphere (particularly from Brazil), we normally have an adequate supply of orange juice concentrate that meets our Company’s standards.

Our Company-owned or consolidated bottling and canning operations and our finished products business also purchase various other raw materials including, but not limited to, PET resin, preforms and bottles; glass and aluminum bottles; aluminum and steel cans; plastic closures; aseptic fiber packaging; labels; cartons; cases; post-mix packaging; and carbon dioxide. We generally purchase these raw materials from multiple suppliers and historically have not experienced material shortages.

### Patents, Copyrights, Trade Secrets and Trademarks

Our Company owns numerous patents, copyrights and trade secrets, as well as substantial know-how and technology, which we collectively refer to in this report as “technology.” This technology generally relates to our Company’s products and the processes for their production; the packages used for our products; the design and operation of various processes and equipment used in our business; and certain quality assurance software. Some of the technology is licensed to suppliers and other parties. Our sparkling beverage and other beverage formulae are among the important trade secrets of our Company.

We own numerous trademarks that are very important to our business. Depending upon the jurisdiction, trademarks are valid as long as they are in use and/or their registrations are properly maintained. Pursuant to our Bottler’s Agreements, we authorize our bottlers to use applicable Company trademarks in connection with their manufacture, sale and distribution of Company products. In addition, we grant licenses to third parties from time to time to use certain of our trademarks in conjunction with certain merchandise and food products.

### Governmental Regulation

Our Company is required to comply, and it is our policy to comply, with applicable laws in the numerous countries throughout the world in which we do business. In many jurisdictions, compliance with competition laws is of special importance to us, and our operations may come under special scrutiny by competition law authorities due to our competitive position in those jurisdictions.
The production, distribution and sale in the United States of many of our Company's products are subject to the Federal Food, Drug, and Cosmetic Act; the Federal Trade Commission Act; the Lanham Act; state consumer protection laws; federal, state and local workplace health and safety laws; various federal, state and local environmental protection laws; and various other federal, state and local statutes and regulations applicable to the production, transportation, sale, safety, advertising, labeling and ingredients of such products. Outside the United States, the production, distribution and sale of our many products and related operations are also subject to numerous similar and other statutes and regulations.

A California law, known as Proposition 65, requires that a warning appear on any product sold in California that contains a substance that, in the view of the state, causes cancer or birth defects. The state maintains lists of these substances. Proposition 65 exposes all food and beverage producers to the possibility of having to provide warnings on their products in California because it recognizes no generally applicable quantitative thresholds below which a warning is not required. Consequently, the detection of even a trace amount of a listed substance can subject an affected product to the requirement of a warning label. One or more substances that are currently on the Proposition 65 lists, or that may be added in the future, can be detected in Company products at low levels that are safe. However, Proposition 65 does not require a warning if the manufacturer of a product can demonstrate that the use of the product in question exposes consumers to a daily quantity of a listed substance:

- that is below a “safe harbor” that may be established;
- that is naturally occurring;
- that is the result of necessary cooking; or
- that is subject to another applicable exemption.

One of the two listed substances that can presently be detected in a Company product has been shown to be naturally occurring. As to the other, the state has proposed, but not yet finally established, an inappropriately low safe harbor level that is still subject to public comment and to potential legal challenge.

Bottlers of our beverage products presently offer and use nonrefillable, recyclable containers in the United States and various other markets around the world. Some of these bottlers also offer and use refillable containers, which are also recyclable. Legal requirements apply in various jurisdictions in the United States and overseas requiring that deposits or certain ecotaxes or fees be charged for the sale, marketing and use of certain nonrefillable beverage containers. The precise requirements imposed by these measures vary. Other types of statutes and regulations relating to beverage container deposits, recycling, ecotaxes and/or product stewardship also apply in various jurisdictions in the United States and overseas. We anticipate that additional, similar legal requirements may be proposed or enacted in the future at local, state and federal levels, both in the United States and elsewhere.

All of our Company's facilities and other operations in the United States and elsewhere around the world are subject to various environmental protection statutes and regulations, including those relating to the use of water resources and the discharge of wastewater. Our policy is to comply with all such legal requirements. Compliance with these provisions has not had, and we do not expect such compliance to have, any material adverse effect on our Company's capital expenditures, net income or competitive position.

Employees

We refer to our employees as “associates.” As of December 31, 2010 and 2009, our Company had approximately 139,600 and 92,800 associates, respectively, of which approximately 4,900 and 17,900, respectively, were employed by consolidated variable interest entities (“VIEs”). The increase in the total number of associates in 2010 was primarily due to the impact of our acquisition of CCE's North American business, partially offset by the sale of our Norwegian and Swedish bottling operations to New CCE and the deconsolidation of certain entities due to the Company's adoption of new accounting guidance issued by the Financial Accounting Standards Board (“FASB”). As of December 31, 2010 and 2009, our Company had approximately 70,400 and 11,700 associates, respectively, located in the United States, including Puerto Rico, of which approximately 720 and 190, respectively, were employed by consolidated VIEs.

Our Company, through its divisions and subsidiaries, has entered into numerous collective bargaining agreements. As of December 31, 2010, approximately 18,600 associates in North America were covered by collective bargaining
agreements. These agreements usually have terms of three to five years. We currently expect that we will be able to renegotiate such agreements on satisfactory terms when they expire. The Company believes that its relations with its associates are generally satisfactory.

Securities Exchange Act Reports

The Company maintains a website at the following address: www.thecoca-colacompany.com. The information on the Company’s website is not incorporated by reference in this annual report on Form 10-K.

We make available on or through our website certain reports and amendments to those reports that we file with or furnish to the Securities and Exchange Commission (the “SEC”) in accordance with the Securities Exchange Act of 1934, as amended (the “Exchange Act”). These include our annual reports on Form 10-K, our quarterly reports on Form 10-Q and our current reports on Form 8-K. We make this information available on our website free of charge as soon as reasonably practicable after we electronically file the information with, or furnish it to, the SEC.

ITEM 1A. RISK FACTORS

In addition to the other information set forth in this report, you should carefully consider the following factors, which could materially affect our business, financial condition or results of operations in future periods. The risks described below are not the only risks facing our Company. Additional risks not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition or results of operations in future periods.

Obesity and other health concerns may reduce demand for some of our products.

Consumers, public health officials and government officials are becoming increasingly concerned about the public health consequences associated with obesity, particularly among young people. In addition, some researchers, health advocates and dietary guidelines are encouraging consumers to reduce consumption of sugar-sweetened beverages, including those sweetened with HFCS or other nutritive sweeteners. Increasing public concern about these issues; possible new taxes and governmental regulations concerning the marketing, labeling or availability of our beverages; and negative publicity resulting from actual or threatened legal actions against us or other companies in our industry relating to the marketing, labeling or sale of sugar-sweetened beverages may reduce demand for our beverages, which could affect our profitability.

Water scarcity and poor quality could negatively impact the Coca-Cola system’s production costs and capacity.

Water is the main ingredient in substantially all of our products. It is also a limited resource in many parts of the world, facing unprecedented challenges from overexploitation, increasing pollution, poor management and climate change. As demand for water continues to increase around the world, and as water becomes scarcer and the quality of available water deteriorates, our system may incur increasing production costs or face capacity constraints which could adversely affect our profitability or net operating revenues in the long run.

Changes in the nonalcoholic beverages business environment could impact our financial results.

The nonalcoholic beverages business environment is rapidly evolving as a result of, among other things, changes in consumer preferences, including changes based on health and nutrition considerations and obesity concerns; shifting consumer tastes and needs; changes in consumer lifestyles; and competitive product and pricing pressures. In addition, our industry is being affected by the trend toward consolidation in the retail channel, particularly in Europe and the United States. If we are unable to successfully adapt to this rapidly changing environment, our share of sales, volume growth and overall financial results could be negatively affected.

If we fail to realize a significant portion of the anticipated benefits of the acquisition of CCE’s North American business, the value of your investment in our Company may be adversely affected.

On October 2, 2010, we acquired CCE’s North American bottling and distribution operations. We believe that the acquisition will enable us to evolve our entire business in North America, including the acquired operations, to more profitably deliver our valuable brands in the largest nonalcoholic ready-to-drink beverage market in the world. When we