

Mail Stop 3561

March 28, 2008

Indra K. Nooyi  
Chief Executive Officer  
PepsiCo, Inc.  
700 Anderson Hill Road  
Purchase, NY 10577

**Re: PepsiCo, Inc.  
Form 10-K for Fiscal Year Ended  
December 29, 2007  
Filed February 15, 2008  
File No. 001-01183**

Dear Ms. Nooyi:

We have reviewed your filing and have the following comments. Where indicated, we think you should revise your document in response to these comments. If you disagree, we will consider your explanation as to why our comment is inapplicable or a revision is unnecessary. Please be as detailed as necessary in your explanation. In some of our comments, we may ask you to provide us with information so we may better understand your disclosure. Please do so within the time frame set forth below. You should comply with the remaining comments in all future filings, as applicable. Please confirm in writing that you will do so and also explain to us how you intend to comply, within the time frame set forth below. Please understand that after our review of all of your responses, we may raise additional comments.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filing. We look forward to working with you in these respects. We welcome any questions you may have about our comments or any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

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Form 10-K for the Fiscal Year Ended December 29, 2007

Financial Statements

Notes to Financial Statements

Note 1 – Basis of Presentation and Our Divisions, page 63

1. We note in 2007, you reclassified certain non-consolidated international bottling interests from bottling equity income and corporate unallocated results to PI's division operating results (i.e. selling, general and administrative expenses) to be consistent with internal management accountability. While this reclassification appears appropriate for segment disclosures in accordance with SFAS 131, tell us why you believe it is appropriate to reflect this reclassification on the face of your income statement. In your response, also clarify the criteria used to determine the "certain" bottling interests selected for the reclassification made on the face of your income statement.

As appropriate, please amend your filing and respond to these comments within 10 business days or tell us when you will provide us with a response. You may wish to provide us with marked copies of the amendment to expedite our review. Please furnish a cover letter with your amendment that keys your responses to our comments and provides any requested information. Detailed cover letters greatly facilitate our review. Please understand that we may have additional comments after reviewing your amendment and responses to our comments.

We urge all persons who are responsible for the accuracy and adequacy of the disclosure in the filing to be certain that the filing includes all information required under the Securities Exchange Act of 1934 and that they have provided all information investors require for an informed investment decision. Since the company and its management are in possession of all facts relating to a company's disclosure, they are responsible for the accuracy and adequacy of the disclosures they have made.

In connection with responding to our comments, please provide, in writing, a statement from the company acknowledging that:

- the company is responsible for the adequacy and accuracy of the disclosure in the filing;
- staff comments or changes to disclosure in response to staff comments do not foreclose the Commission from taking any action with respect to the filing; and
- the company may not assert staff comments as a defense in any proceeding initiated

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by the Commission or any person under the federal securities laws of the United States.

In addition, please be advised that the Division of Enforcement has access to all information you provide to the staff of the Division of Corporation Finance in our review of your filing or in response to our comments on your filing.

You may contact Ethan Horowitz at 202-551-3311 or Brian K. Bhandari at 202-551-3390 if you have questions regarding comments on the financial statements and related matters. Please contact Ron Alper at 202-551-3329 or me at with any other questions.

Sincerely,

John Reynolds  
Assistant Director  
Office of Beverages, Apparel and  
Health Care Services