PTO Form 1960 (Rev 9/2007)
OMB No. 0651-0050 (Exp. 07/31/2017)

Request for Reconsideration after Final Action

The table below presents the data as entered.

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STANDARD CHARACTERS	NO
USPTO-GENERATED IMAGE	NO
ARGUMENT(S)	
See attached written Request for Reconsideration with Exhibits (Declaration in Support of Substitute Speci Specimen, and Second Supplemental Declaration of Katherine Jean Seawell Under Section 2(f))	
EVIDENCE SECTION	
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	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0227.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0228.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0229.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0230.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0231.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0232.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0233.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0234.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0235.JPG
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	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0238.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0239.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0240.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0241.JPG

	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0242.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0243.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0244.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0245.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0246.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0247.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0248.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0249.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0250.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0251.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0252.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0253.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0254.JPG
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	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0258.JPG
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	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0260.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0261.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0262.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0263.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0264.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0265.JPG
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	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0267.JPG
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	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0269.JPG
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	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0271.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0272.JPG
	\\TICRS\EXPORT16\IMAGEOUT16\857\928\85792872\xml13\RFR0273.JPG
DESCRIPTION OF EVIDENCE FILE	Substitute Specimen with Declaration, Second 2(f) declaration with Exhibits, namely Sta 10-K SEC filing and 40 news articles
SIGNATURE SECTION	
RESPONSE SIGNATURE	/Julia Anne Matheson/
SIGNATORY'S NAME	Julia Anne Matheson
SIGNATORY'S POSITION	Attorney of Record, DC Bar Member
SIGNATORY'S PHONE NUMBER	202.408.4020
DATE SIGNED	11/17/2015
AUTHORIZED SIGNATORY	YES
CONCURRENT APPEAL NOTICE FILED	YES
FILING INFORMATION SECTION	
SUBMIT DATE	Tue Nov 17 12:19:21 EST 2015
TEAS STAMP	USPTO/RFR-XX.XXX.X.X-2015 1117121921360946-85792872 -5406a5bfae83f42bb73b2a4c 3955cfd9ddf7aab5775b1055b c5d3243d40b5c415-N/A-N/A-20151117102944980643

PTO Form 1960 (Rev 9/2007)
OMB No. 0651-0050 (Exp. 07/31/2017)

Request for Reconsideration after Final Action

To the Commissioner for Trademarks:

Application serial no. **85792872** (Stylized and/or with Design, see http://tmng-al.uspto.gov/resting2/api/img/85792872/large) has been amended as follows:

ARGUMENT(S)
In response to the substantive refusal(s), please note the following:

See attached written Request for Reconsideration with Exhibits (Declaration in Support of Substitute Specimen, Substitute Specimen, and Second Supplemental Declaration of Katherine Jean Seawell Under Section 2(f))

EVIDENCE
Evidence in the nature of Substitute Specimen with Declaration, Second 2(f) declaration with Exhibits, namely Starbucks Corporation 10-K SEC filing and 40 news articles has been attached.
Original PDF file:
evi_6520722-20151117102944980643_._FINAL_Request_for_Reconsideration.pdf
Converted PDF file(s) (43 pages)
Evidence-1
Evidence-2
Evidence-3
Evidence-4
Evidence-5
Evidence-6
Evidence-7
Evidence-8
Evidence-9
Evidence-10
Evidence-11
Evidence-12
Evidence-13
Evidence-14
Evidence-15
Evidence-16
Evidence-17
Evidence-18
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Evidence-31
Evidence-32
Evidence-33
Evidence-34

Evidence-35
Evidence-36
Evidence-37
Evidence-38
Evidence-39
Evidence-40
Evidence-41
Evidence-42
Evidence-43
Original PDF file:
evi_1-6520722-20151117102944980643_._SN_85792872_Declaration_in_Support_of_Substite_Specimen.
Converted PDF file(s) (2 pages)
Evidence-1
Evidence-2
Original PDF file:
evi_1-6520722-20151117102944980643_._Second_Supp_Seawell_Declaration_29oct2015.pdf
Converted PDF file(s) (227 pages)
Evidence-1
Evidence-2
Evidence-3
Evidence-4
Evidence-5
Evidence-6
Evidence-7
Evidence-8
Evidence-9
Evidence-10
Evidence-11
Evidence-12
Evidence-13
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Evidence-123
Evidence-124

Evidence-219
Evidence-220
Evidence-221
Evidence-222
Evidence-223
Evidence-224
Evidence-225
Evidence-226
Evidence-227

SIGNATURE(S)
Request for Reconsideration Signature
Signature: /Julia Anne Matheson/ Date: 11/17/2015
Signatory's Name: Julia Anne Matheson
Signatory's Position: Attorney of Record, DC Bar Member

Signatory's Phone Number: 202.408.4020

The signatory has confirmed that he/she is an attorney who is a member in good standing of the bar of the highest court of a U.S. state, which includes the District of Columbia, Puerto Rico, and other federal territories and possessions; and he/she is currently the owner's/holder's attorney or an associate thereof; and to the best of his/her knowledge, if prior to his/her appointment another U.S. attorney or a Canadian attorney/agent not currently associated with his/her company/firm previously represented the owner/holder in this matter: (1) the owner/holder has filed or is concurrently filing a signed revocation of or substitute power of attorney with the USPTO; (2) the USPTO has granted the request of the prior representative to withdraw; (3) the owner/holder has filed a power of attorney appointing him/her in this matter; or (4) the owner's/holder's appointed U.S. attorney or Canadian attorney/agent has filed a power of attorney appointing him/her as an associate attorney in this matter.

The applicant is filing a Notice of Appeal in conjunction with this Request for Reconsideration.

Serial Number: 85792872
Internet Transmission Date: Tue Nov 17 12:19:21 EST 2015
TEAS Stamp: USPTO/RFR-XX.XXX.X.X-2015111712192136094
6-85792872-5406a5bfae83f42bb73b2a4c3955c
fd9ddf7aab5775b1055bc5d3243d40b5c415-N/A
-N/A-20151117102944980643

Attorney Docket: 08957.3718

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant: Starbucks Corporation
Serial Number: 85792872
Filing Date: December 3, 2012

Mark: 

Examining Atty: Sharon A. Meier, Esq.
Law Office: 112

Commissioner of Trademarks
P.O. Box 1451
Alexandria, Virginia 22313-1451

REQUEST FOR RECONSIDERATION

Applicant Starbucks Corporation ("Starbucks" or "Applicant") submits the following remarks in response to the Office Action dated May 18, 2015.

SUBSTITUTE SPECIMEN

The Examining Attorney has asked Applicant to resubmit a copy of the photograph originally submitted with its May 15, 2014 Office Action Response. Applicant submits a clear and readable copy of this photograph together with this Request for Reconsideration.

MARK DESCRIPTION

Applicant amends the mark description to read as follows:

> The mark consists of a green circle placed centrally on the front exterior side of a white cup. The colors green and white are claimed as elements of the mark. The broken lines depicting the cup indicate the placement of the mark on a cup. The portions of the drawing represented by dotted lines are not claimed as elements of the mark.

REMARKS

The Examining Attorney has maintained and made final the refusal to register the mark subject to this application (the "Applied-for Mark") for the following reasons: (1) Applicant's specimens do not match the drawing, (2) the Applied-for Mark is a nondistinctive color mark, (3) the Applied-for Mark is a nondistinctive background design, and (4) Applicant has not proved acquired distinctiveness.

Applicant respectfully disagrees with the Examining Attorney and requests that she immediately approve the application for publication. First, as discussed below in more detail, Applicant's specimens showing use of a solid green circle design on a white cup are substantially exact representations of the mark as used in commerce on or in connection with Applicant's goods and services. TMEP § 807.12(a). Any differences between Applicant's specimens and the drawing are mere "minor alterations" that do not "create a new and different mark creating a different commercial impression." *In re Schecter Bros. Modular Corp.*, 182 USPQ 694, 695 (TTAB 1974). Second and third, the Applied-for Mark is neither solely a color mark nor solely a background design. It is the particular and inherently distinctive placement of a green circle of a particular size on a white cup and is therefore registrable without a showing of acquired distinctiveness. Finally, even if Applicant is required to show acquired distinctiveness, it has provided ample evidence sufficient to overcome the Examining Attorney's refusal on the grounds that the Applied-for Mark is (1) a color mark and/or (2) a background design, and therefore nondistinctive. The Examining Attorney's refusals of registration based on the purported "mutilation" of the Applied-for Mark and its alleged lack of acquired distinctiveness have no basis in law or fact and should be withdrawn.

A. Applicant's Specimens Are Substantially Exact Representations Showing the Applied-for Mark as Used on or in Connection with Applicant's Goods and Services

The Examining Attorney has refused registration of the Applied-for Mark on the ground that the mark depicted in the drawing does match the mark shown in Applicant's numerous specimens. Applicant has submitted the following specimens for its goods and services in Classes 30 and 43:

Table 1
Applicant's Specimens

"Specimen 1"

"Specimen 2"

Table 1 Applicant's Specimens
 "Specimen 3"
 "Specimen 4"

Table 1 Applicant's Specimens
 "Specimen 5"
 "Specimen 6"

Table 1
Applicant's Specimens

"Specimen 7"

Table 1
Applicant's Specimens

"Specimen 8"
(Submitted with this Request for Reconsideration)

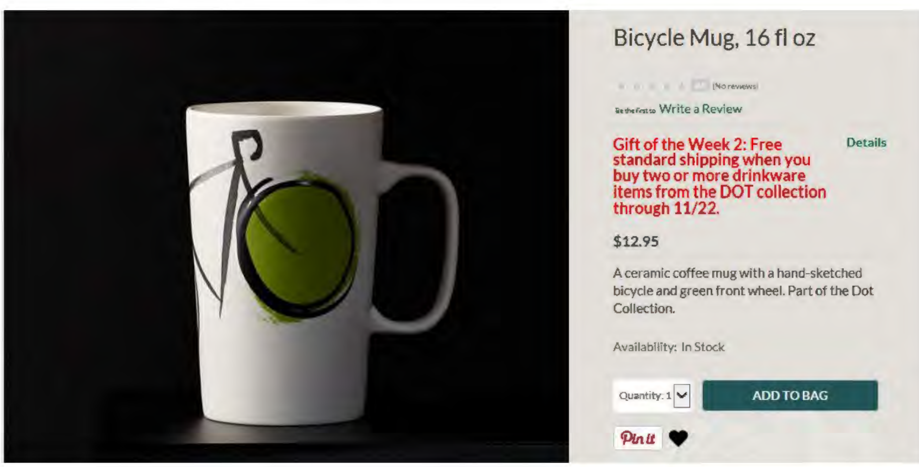
Additionally, Applicant refers the Examining Attorney to its prior responses for examples of Applicant's use of the Applied-for Mark and supplements those materials with the following examples:

Table 2

Additional Uses of the Applied-for Mark

Pre-paid value / loyalty card first issued in 2015 or earlier

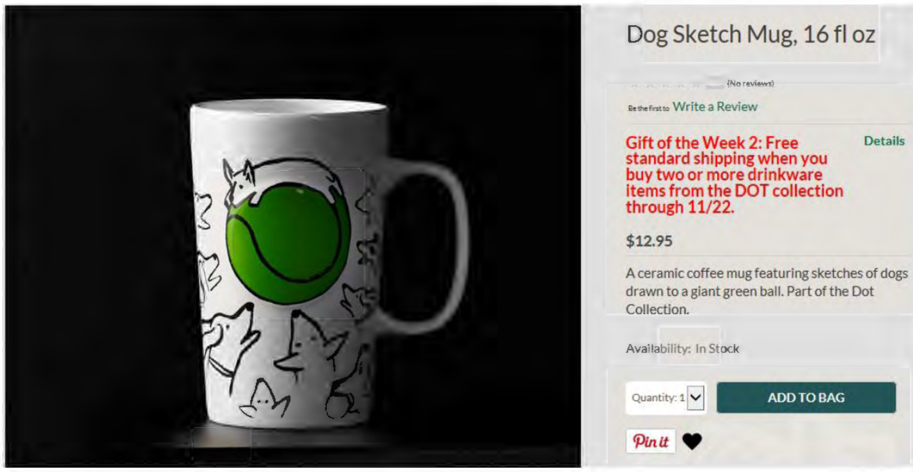
Pre-paid value / loyalty card first issued in 2015 or earlier



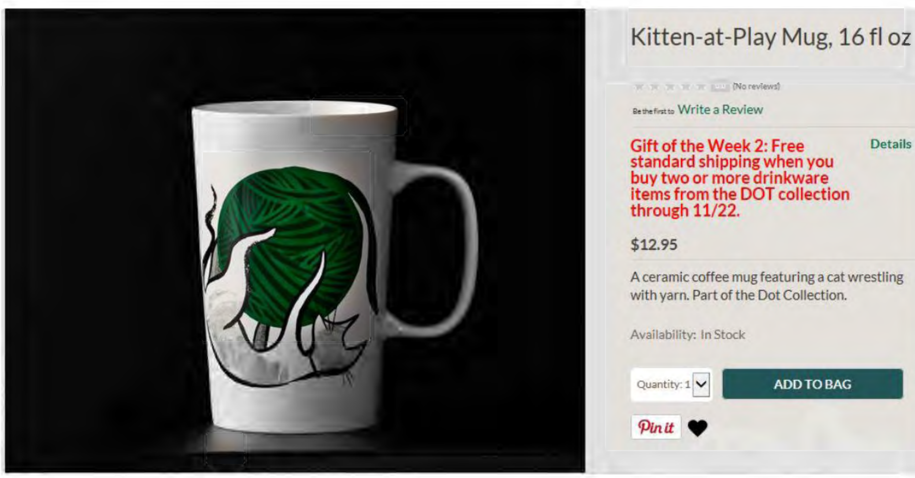
Merchandise first sold in 2015

Table 2

Additional Uses of the Applied-for Mark

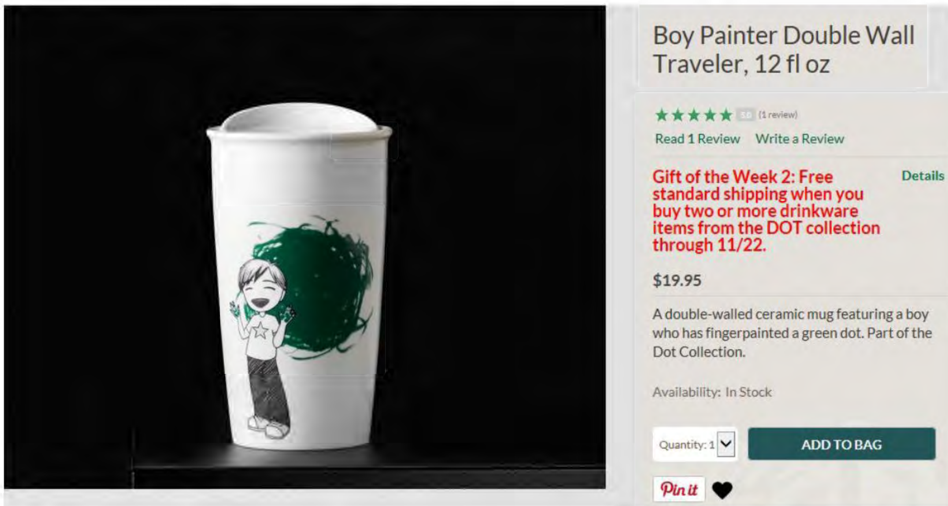


Merchandise first sold in 2015



Merchandise first sold in 2015

Table 2
Additional Uses of the Applied-for Mark



Merchandise first sold in 2015

1. Applicant's Original Specimen for Class 30 Is Adequate

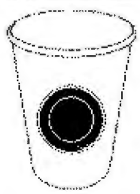
Without any factual or legal support, and in direct contradiction to Applicant's ample evidence to the contrary, the Examining Attorney contends that Specimen 1 is unacceptable because "the stylized siren design is so integrated within the circle as to not create two separable elements. The green circle does not create a distinct commercial impression apart from the siren design with which the mark is used on the specimen. In fact, the specimen does not include a solid green circle but instead is comprised of a *partial* green circle with a white siren design." (emphasis added). The Examining Attorney's position contradicts law, fact, and the USPTO's treatment of Applicant's own prior-issued registrations.

(i) Applicant's Green Circle Creates a Separate and Distinct Commercial Impression

Applicant may register any portion of a composite mark so long as that portion presents a separate and distinct commercial impression. *In re Berg Elecs., Inc.*, 163 USPQ 487, 487

(TTAB 1969) ("It is well established that one may use a composite mark in connection with a product and register separately its several elements if each element is used in such a manner as to create a separate and distinct commercial impression from the other elements and does in fact, per se, identify and distinguish this product from the products of others.") (emphasis added). *See also*, 3 J. THOMAS MCCARTHY, MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 19:59 (4th ed.) (applicant may register part of a design if that part creates a separate and distinct commercial impression); TMEP § 807.12(d) ("An applicant may apply to register any element of a composite mark if that element presents, or will present, a separate and distinct commercial impression apart from any other matter with which the mark is or will be used on the specimen."). Contrary to the Examining Attorney's unsupported contentions, both consumers and the USPTO recognize the separate and distinct commercial impression of a green circle on a white cup.

Applicant has submitted substantial and compelling evidence with its prior office actions demonstrating that a green circle on a white cup has a separate and distinct commercial impression and "does in fact . . . identify and distinguish [Applicant's] product from the products of others." Applicant also owns the following two incontestable registrations consisting of circular designs on the exterior of a cup:

Table 3 Applicant's Prior Circular Design Registrations		
Registration	**Mark Description**	**Specimen**
 Reg. No.: 3175941 Goods: Coffee Owner: Starbucks Corporation Reg. Date: November 28, 2006	The mark consists of **a series of five concentric circles in the colors green, white, green, white, and black** placed centrally on the exterior of a cup. The portions of the drawing represented by dotted lines are not claimed as elements of the mark.	
 Reg. No.: 3070042 Goods / Services: Coffee, tea, coffee and tea based beverages, and cocoa Restaurants, cafes, cafeterias, snack bars and coffee bars; carry-out restaurant and food preparation services Owner: Starbucks Corporation Reg. Date: March 21, 2006	The mark consists of a three dimensional design of the exterior of a cup, including **a series of concentric circles in the colors green**, white, and black located centrally on the front side and lower back portion of the cup, and a series of six rectangles of varying sizes arranged vertically on the side of the cup. The words decaf, shots, syrup, milk, custom, and drink appear above the rectangles. The design of the cup shown in broken lines is not claimed as an element of the mark. The concentric circles on the drawing appear in the following colors from the outside circle to the inner circle, white, green, white, black.	

As specimens for these applications, Applicant submitted—<u>and the USPTO accepted</u>—specimens depicting concentric circles *and* the siren element. The USPTO has thus already recognized that Applicant's green circle creates a separate and distinct commercial impression from the siren element such that registration of the green circle without the siren element does not constitute mutilation as the Examining Attorney now contends. Moreover, these incontestable registrations constitute "conclusive evidence of the validity of the registered mark[s]," of Applicant's "ownership of the mark[s], and of [Applicant's] exclusive right to use the registered mark[s] in commerce." 15 U.S.C. § 1115(b). These registrations show that both consumers and the USPTO view a green circle on a white cup as creating a separate and distinct commercial impression from any other material that might be displayed with the Applied-for Mark.

Applicant has also submitted over fifty examples of third-party registrations similar to the present application, in which the USPTO accepted specimens of the marks as depicted in the applications' respective drawings together with additional literal and/or figurative matter. *See* Applicant's May 15, 2014 Office Action Response at 20-23; Applicant's February 10, 2015 Office Action Response at 32-56. These registrations provide concrete examples of the USPTO's "well-established" principle of allowing applicants to register any part of a mark that creates a separate commercial impression. For the reasons detailed in Applicant's prior office action responses, the Applied-for Mark is no exception.

The Examining Attorney's refusal of the Applied-for Mark on the ground that the green circle does not create a distinct commercial impression directly contradicts (1) the USPTO's "well-established" principle of allowing applicants to register any portion of a mark that creates a separate commercial impression, (2) the USPTO's recognition that Applicant's green circle creates a separate commercial impression and is entitled to registration standing alone, and (3) the substantial evidence presented with Applicant's prior office action responses demonstrating that the green circle has a separate commercial impression, which consumers uniquely—and overwhelmingly—associate with Applicant.

(ii) Applicant's Original Specimen Does Not Depict a "Partial" Green Circle as the Examining Attorney Contends

The Examining Attorney also rejected Specimen 1 because it "does not include a solid green circle, but instead is comprised of a partial green circle with a white siren design." Again, the Examining Attorney's position directly contradicts the USPTO's treatment of Applicant's own prior registrations and third-party registrations for similar elements of product packaging. Applicant owns the following two registrations for its Siren Logo:

Table 4 Applicant's Prior Siren Logo Registrations	
Registration	**Mark Description**
Reg. No.: 4538053 Owner: Starbucks Corporation Reg. Date: May 27, 2014	The mark consists of a **circular seal** with the design of a siren (a two-tailed mermaid) wearing a crown.
Reg. No.: 4572688 Owner: Starbucks Corporation Reg. Date: July 22, 2014	The mark consists of **a circular seal in green** with the design of a siren (a two-tailed mermaid) in white wearing a crown.

In accepting these descriptions, the USPTO has already acknowledged that the mark depicted in Table 4 is a green circle. The Examining Attorney's contention that Specimen 1 (a white cup with the mark shown in Reg. No. 4572688) depicts only a *partial* green circle thus directly contradicts the USPTO's prior and repeated treatment of this design, the evidence submitted with Applicant's prior office action responses showing that consumers perceive the mark as a solid green circle—which they associate uniquely with Applicant—and the additional evidence submitted with this Request for Reconsideration.

The Examining Attorney takes great issue with the fact that the perimeter of the circle in Specimen 1 is supposedly "obscured" by the siren. According to the Examining Attorney, because the border is obscured in the specimen, the "solid green circle is not a separable element from the siren logo." Not so. Neither border completeness nor the proximity of additional matter to the Applied-for Mark determines whether Applicant's green circle creates a separate commercial impression. *See In re 1175856 Ontario Ltd.,* 81 USPQ2d 1446, 1448 (TTAB 2006) ("The fact that the curve design is in close proximity to the globe design and lettering does not dictate that the globe and lettering cannot be registered as a separate mark. While proximity is a consideration, it is the overall commercial impression of the mark that is controlling."). In recognizing this principle, the USPTO has consistently and repeatedly accepted specimens of product packaging in which additional matter obscures the borders of the marks as shown in their respective drawings:

Table 5 Third-Party Specimens with Obscured Borders		
Third-party Registration		**Specimen**
1.	 Reg. No.: 4607979 Goods/Services: Coffee, tea, hot cocoa sold in single-serving containers for use in single-cup brewing machines;	

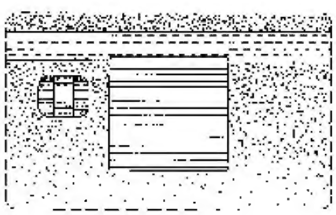
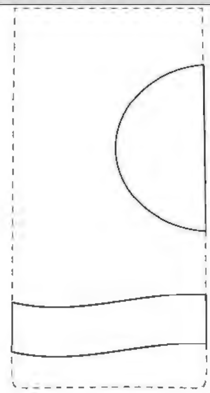
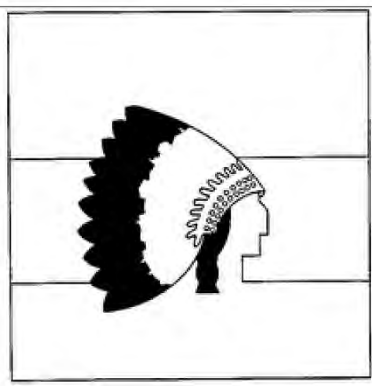
Table 5 Third-Party Specimens with Obscured Borders		
Third-party Registration		**Specimen**
	Preparations for making fruit-based beverages sold in single-serving containers for use in single-cup brewing machines; fruit purees for making fruit-based beverages sold in single-serving containers for use in single-cup brewing machines. Owner: Keurig Green Mountain, Inc. Reg. Date: Sept. 23, 2014	
2.	 Reg. No.: 4543677 Services: non-alcoholic beverages, namely, fruit juices and fruit juice drinks Owner: The Coca-Cola Company Reg. Date: June 3, 2014	
3.	 Reg. No.: 2582918 Services: financial services Owner: American Express Company Reg. Date: June 18, 2002	

Table 5 Third-Party Specimens with Obscured Borders		
Third-party Registration		Specimen
4.	 Reg. No.: 4130437 Goods: energy drinks; soft drinks; sports drinks Owner: Red Bull GmbH Reg. Date: April 24, 2012	
5.	 Reg. No.: 4574612 Goods: food for animals Owner: Societe des Produits Nestle S.A. Reg. Date: July 29, 2014	

Table 5 Third-Party Specimens with Obscured Borders		
Third-party Registration		Specimen
6.	 Reg. No.: 3570544 Goods: pet food Owner: Societe des Produits Nestle S.A. Reg. Date: February 3, 2009	
7.	 Reg. No.: 3413183 Goods: denture cleaners Owner: Block Drug Co. Reg. Date: April 15, 2008	

<table>
<tr><th colspan="3">Table 5
Third-Party Specimens with Obscured Borders</th></tr>
<tr><th colspan="2">Third-party Registration</th><th>Specimen</th></tr>
<tr><td>8.</td><td>
Reg. No.: 2980870
Goods: herbicides, insecticides, fungicides, miticides, pesticides, and molluscicides, all for domestic use.
Owner: OMS Investments
Reg. Date: August 2, 2005</td><td>
</td></tr>
<tr><td>9.</td><td>
Reg. No. 1702048
Services: franchising services, namely, offering technical assistance in the establishment and/or operation of real estate brokerage firms; real estate brokerage services
Owner: Re/Max, LLC
Reg. Date: July 21, 1992</td><td>
</td></tr>
</table>

Table 5
Third-Party Specimens with Obscured Borders

	Third-party Registration	Specimen
10.	 Reg. No.: 4502470 Goods: Pet food in Class 31 Owner: Societe des Produits Nestle SA Reg. Date: March 25, 2014	
11.	 Reg. No. 0552242 Goods: Baking powder in Class 30 Owner: Kraft Foods Group Brands LLC Reg. Date: Dec. 18, 1951	

The specimens accepted in connection with each of these registrations show additional matter that obscures the borders of the marks as depicted in their respective drawings. An image of a coffee machine obscures the border of the banner depicted in Number 1. The oranges are obscured by a solid orange box containing the words" "100% orange juice" in Number 2. The credit card number obscures the border of the square depicted in Number 3. Red bulls and a yellow sun obscure the borders of the blue and silver parallelogram shapes in Number 4. A white barcode box and circle containing the words "Total Care Nutrition" obscure the red and white checker pattern in Number 5. In Number 6, a purple banner with the word "New!" obscures the top left corner of the rectangle, and a smaller black rectangle obscures the borders of the ivory and red rectangles. A pink ribbon obscures the top left corner of the green shape in Number 7. Images of various bugs obscure the sun/pinwheel shape in Number 8. A hot air balloon obscures the borders of the red and white rectangles in Number 9. An image of a dog and two eggs obscure the borders of the purple circle and ribbon shapes in Number 10. And a yellow circle obscures the borders of the white and brown rectangles in Number 11.

The above examples illustrate that border completeness does not determine whether a mark has a separate and distinct commercial impression sufficient for registration. That Specimen 1 depicts an "obscured" border of the Applied-for Mark is of no moment, for it is the Applied-for Mark's overall commercial impression that controls its registrability. *In re 1175856 Ontario Ltd.*, 81 USPQ2d at 1448. Applicant has already provided ample evidence that the green circle carries a separate and distinct commercial impression that consumers associate uniquely with Applicant. The Examining Attorney's rejection of Specimen 1 on the ground that the border of the circle is obscured is improper, contradictory to the USPTO's recognition that Applicant's mark depicted in Table 4 is a green circle and its practice with respect to similar third-party marks, and at odds with Applicant's evidence of the Applied-for Mark's commercial impression. This rejection must therefore be withdrawn.

2. Applicant's Newly-Submitted Specimen for Class 43 Is Adequate

The Examining Attorney contends that Specimen 7 was too dark and the cup was too small to properly examine. As requested, Applicant submits a clear and readable copy of the photograph together with this Request for Reconsideration. Even though the Examining Attorney has not yet reviewed this substitute specimen (Specimen 8), she has preemptively rejected it for the same reasons she rejected Specimen 1: "It is the examining attorney's position that the stylized siren design is so integrated within the circle as to not create two separable elements. The green circle does not create a distinct commercial impression apart from the siren design with which the mark is used on the specimen. In fact, the specimen does not include a solid green circle but instead includes a partial green circle with a white siren design."

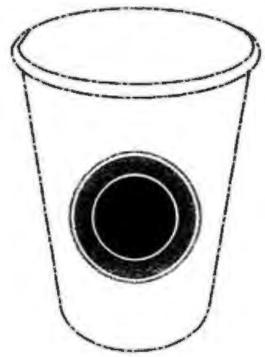
For the reasons discussed above in Part A.1, the Examining Attorney's rejections on these grounds contradict (1) the USPTO's "well-established" principle of allowing applicants to register any portion of a mark that creates a separate commercial impression, (2) the USPTO's recognition that Applicant's mark depicted in Table 4 is a green circle, (3) the USPTO's recognition that Applicant's green circle creates a separate commercial compression and is entitled to registration standing alone, and (4) the substantial evidence presented with Applicant's prior office action responses demonstrating that the green circle has a separate commercial impression, which consumers uniquely—and overwhelmingly—associate with Applicant. This rejection must therefore be withdrawn.

3. Applicant's Substitute Specimens for Classes 30 and 43 Are Adequate

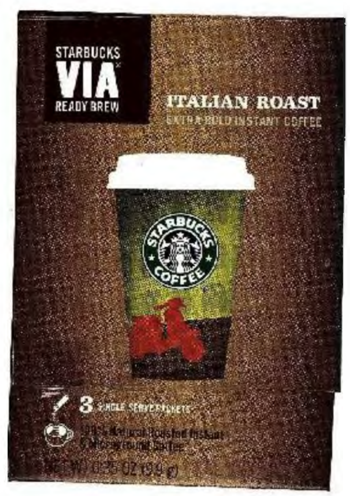
The Examining Attorney rejects Applicant's remaining specimens for a variety of unsupportable reasons. According to the Examining Attorney, Specimen 3 is not a substantially exact representation of the Applied-for Mark because the cup in the specimen is "not sufficiently set off from the other designs and wording on the signage." But as discussed above in Part A.1.ii above, proximity of additional matter to the Applied-for Mark does not dictate whether it creates a separate commercial impression. *In re 1175856 Ontario Ltd.*, 81 USPQ2d at 1448. Indeed, the TMEP contemplates the presence of additional matter in specimens. TMEP § 807.12(d) ("An applicant may apply to register any element of a composite mark if that element presents, or will present, a separate and distinct commercial impression apart from <u>any other matter with which the mark is or will be used on the specimen.")</u> (emphasis added). And the USPTO has accepted third-party specimens containing significant amounts of "additional matter" in close proximity to (and sometimes overlapping) the mark at issue. *See, e.g.*, 

submitted as a specimen for the  mark. Here, the Applied-for Mark as shown in Specimen 3 stands alone and creates a commercial impression separate and distinct from the informational text in the point-of-sale display. The white cup is readily distinguishable against the dark background of the display, bringing consumers' attention to it separate and apart from the remainder of the display.

The Examining Attorney also rejects Specimen 3 because it shows a cup with a lid, while the drawing of the Applied-for Mark does not have a lid. She similarly rejects Specimens 5 and 6 because they show cups with whipped toppings not depicted in the drawing. These arguments are wholly without merit. Again, Applicant's prior circular design registrations are instructive. U.S. Reg. No. 3175941 "consists of a series of five concentric circles in the colors green, white, green, white, and black placed centrally on the exterior of a cup." Similar to the Applied-for Mark, the drawing of U.S. Reg. No. 3175941 depicts the cup in dotted lines:



In 2012, the USPTO accepted the following specimen of a cup <u>with a lid</u> in support of Applicant's Section 8 and 15 declarations:



The Applied-for Mark warrants similar treatment. Like Applicant's prior registration and as is clear from the drawing and description of the Applied-for Mark, "[t]he broken lines depicting the cup indicate the placement of the mark on a cup," and "[t]he portions of the drawing represented by dotted lines are not claimed as elements of the mark." The Examining Attorney has rejected Specimens 3, 5, and 6 seemingly because they are not *identical* representations of a cup that is not even a part of the Applied-for Mark. This rejection directly contradicts the USPTO's prior acceptance of Applicant's own specimen of a cup with lid and undermines its general practice and procedure with respect to the use of broken lines in drawings. TMEP § 807.08 (broken lines may be used to show placement of the mark, matter depicted in broken lines is not a part of the mark). The rejection of Specimens 3, 5, and 6 must therefore be withdrawn.

The Examining Attorney rejects Specimen 4 because it "shows the circle on the right side of a stylized cup" while the drawing "depicts the mark as centrally placed on the cup." Again, Examining Attorney's analysis is incorrect and Specimen 4 is a "substantially exact" representation of the Applied-for Mark. TMEP § 807.12(a). Specimen 4 merely shows the Applied-for Mark from a different vantage point (i.e., from an angle rather than straight on as shown in the drawing). This difference in vantage point is not a "mutilation" of the mark; Specimen 4 still shows a green circle placed centrally on a white cup, only the cup is rotated slightly to one side. For the same reason

was an acceptable specimen for the mark

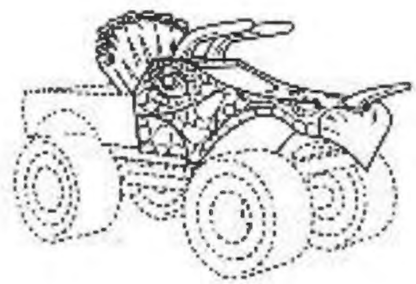
(*see* Applicant's February 10, 2015 office action response at 49), Specimen 4 is an acceptable specimen of the Applied-for Mark and the Examining Attorney's rejection must be withdrawn.

The Examining Attorney also rejects Specimen 4 because it "conveys information on a promotion" and is therefore "not an indicator of either goods or services." Not so. The Trademark Manual of Examining Procedure clearly states that window displays (as shown in Specimen 4) constitute acceptable specimens:

> Displays associated with the goods essentially comprise point-of-sale material such as banners, shelf-talkers, window displays, menus, and similar devices. These items must be designed to catch the attention of purchasers and prospective purchasers as an inducement to make a sale. Further, the display must prominently display the trademark in question and associate it with, or relate it to, the goods.

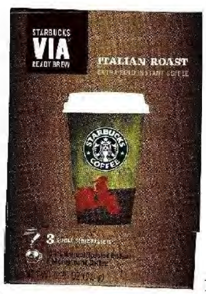
TMEP § 904.03(g) (emphasis added). Specimen 4 "catch[es] the attention of purchasers" and is an "inducement to make a sale" of coffee. It also prominently displays the Applied-for Mark in association with Applicant's goods, namely coffee: "Tall Latte + Perfect Oatmeal" (emphasis added). The Examining Attorney's rejection is entirely unfounded and must be withdrawn.

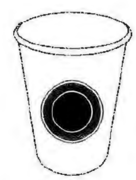
Finally, the Examining Attorney rejects Specimens 3-6 as "ornamental usage of a green circle on artists' renderings of white cups." Again, the Examining Attorney is mistaken. "Minor alterations" of a mark in a specimen are not mutilation. *See In re Frankish Enters. Ltd.*, 113 USPQ2d 1964, 1974 (TTAB 2015). Rather, the issue is the commercial impression consumers would take away when viewing the mark. In *Frankish*, the applicant applied for a mark consisting of "a truck body cab design of a fanciful, prehistoric animal" and submitted the following drawing:



Id. at 1965. The applicant then submitted the following specimens:

Id. at 1966-67. The examining attorney rejected these specimens because they contained "additional markings (e.g., stylized gills or stripes, peacock tail like design behind the truck cab, etc.)." *Id.* at 1973. In reversing the Examining Attorney's unduly strict assessment of the mark, the Board held that these "additional markings" were but "minor alterations" and reversed the refusal to register. *Id.* at 1974.

Similar to the gills, stripes, and peacock tail in *Frankish*, any differences (e.g., brush strokes, shading, and/or lids and whipped toppings that obscure cups that are not claimed as part of the mark, etc.) between the drawing of the Applied-for Mark and Specimens 3-6 are "minor alterations" that do not "create a new and different mark creating a different commercial impression." *In re Schecter Bros. Modular Corp.*, 182 USPQ at 695. In fact, the USPTO has already recognized that "artist[ic] renderings" of Applicant's existing circular design registrations are adequate specimens and are not improper mutilation. For the same reasons this artistic rendering 

is an acceptable specimen for the  mark, Specimens 3-6 are adequate specimens of the Applied-for Mark, and the Examining Attorney's rejection must be withdrawn.

B. The Refusals on the Ground of Failure to Function as a Mark Lack Merit

The Examining Attorney has refused the Applied-for Mark on the ground that it fails to function as a mark because it is (1) a nondistinctive color mark and (2) a nondistinctive background design. These refusals improperly apply the law and do not account for Applicant's substantial evidence of acquired distinctiveness and must be withdrawn.

1. Refusal Under TMEP § 1202.05 Is Inappropriate Because Applicant's Mark Does Not Consist Solely of Color

The Examining Attorney cites wholly inapplicable authority in support of her refusal to register the Applied-for Mark on the ground that it is a nondistinctive color mark. The Examining Attorney cites TMEP § 1202.05 in support of this refusal, the section addressing marks consisting *solely* of color. That Applicant's mark includes color as an element does not make it a color mark subject to the guidelines set forth in TMEP § 1202.05. Applicant has not applied for a mark consisting *solely* of color. The Applied-for Mark is not a green cup. It is not a white cup; it is the particular placement of a green circle on a white cup. Even prior to the *Qualitex* decision, "when color was applied to a defined design or when several colors were combined in a pattern . . . the courts viewed the design as a candidate for trademark or trade dress rights." MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 7.45. Applicant has already highlighted several examples of similar third-party shape/color combination marks. *See* Applicant's February 10, 2015 office action response at 57-64. Additional examples include:

- U.S. Reg. No. 997609 for an elongated yellow octagon displayed on boot soles and heels. *Quabang Rubber Co. v. Fabiano Shoe Co.*, 567 F.2d 154 (1st Cir. 1977); and

- U.S. Reg. No. 685185 for a blue rectangular label attached to the heel or instep of shoes. *Keds Corp. v. Renee Int'l Trading Corp.*, 888 F.2d 215 (1st Cir. 1989).

Applicant has applied for the very specific and inherently distinctive shape/color combination mark of a green circle placed centrally on a white cup and need not prove secondary meaning in order to receive protection. *See* MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 7.45 (inherent distinctiveness a possible alternative to proving secondary meaning for marks where color is confined to a defined design). However, as discussed at length in Applicant's prior office action responses and in Part C below, Applicant has provided evidence more than sufficient to show acquired distinctiveness generally and to meet the "substantial" burden of showing the acquired distinctiveness of a color mark. TMEP § 1202.05(a). In light of the Applied-for Mark's inherent distinctiveness or, alternatively, its acquired distinctiveness, the Examining Attorney's refusal on this ground must be withdrawn.

2. Applicant's Mark Is Not Merely a Background Design

The Examining Attorney has also refused the Applied-for Mark on the ground that it is merely a nondistinctive background design. This refusal fails for reasons similar to those discussed in Part B.1 above. The Applied-for Mark is not merely a background design. It is the very specific and inherently distinctive shape/color combination mark of a green circle placed centrally on a white cup. The Applied-for Mark is therefore registrable without a showing of secondary meaning. MCCARTHY ON TRADEMARKS AND UNFAIR COMPETITION § 7.25 ("Symbols and designs that are inherently distinctive can be registered and protected as marks without the need for proof of secondary meaning."). Even if secondary meaning were required (which Applicant contends it is not), Applicant has provided evidence more than sufficient to show secondary meaning in its prior office action responses and as discussed in Part C below. The Examining Attorney's refusal on this ground must therefore be withdrawn.

C. Applicant Has Provided Significant Evidence of Acquired Distinctiveness

"An evidentiary showing of secondary meaning, adequate to show that a mark has acquired distinctiveness indicating the origin of the goods includes evidence of the trademark owner's method of using the mark, supplemented by evidence of the effectiveness of such use to cause the purchasing public to identify the mark with the source of the product." TMEP § 1212.06 (*quoting In re Owens-Corning Fiberglas Corp.*, 774 F.2d 1116, 1125 (Fed. Cir. 1985)). Applicant has amply satisfied this test.

1. Applicant Has Provided Ample Evidence of Its Use of the Applied-for Mark

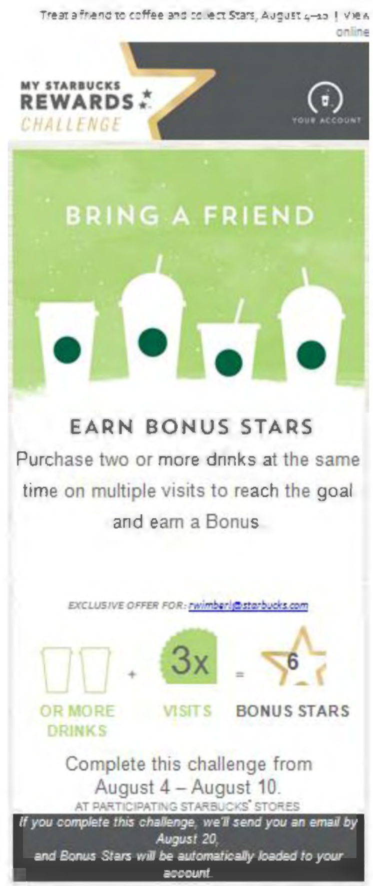
The Examining Attorney claims Applicant has not shown acquired distinctiveness of the Applied-for Mark because it has not provided "(1) advertising and promotional materials specifically promoting color as a mark; (2) dollar figures for advertising devoted to promotion of the specific color as a mark; (3) dealer and consumer statements of recognition of the specific color as a mark; and (4) any other evidence that might establish recognition of the identified color as a mark for the goods." (emphases added). Here again, the Examining Attorney relies on her mistaken classification of the Applied-for Mark as a mark consisting solely of color. As discussed above in Part B.1, the Applied-for Mark does not consist solely of color; it is a specific combination of shape and color (a green circle) placed centrally on a white cup. Applicant is not, as the Examining Attorney contends, required to submit evidence relating to promotion of a *specific color* as a mark. It must only submit evidence detailing its method of using its mark, which in this case is a green circle placed centrally on a white cup.

Applicant has submitted extensive evidence on this point in connection with its prior office action responses. *See* Declaration of Katherine Jean Seawell filed in connection with Applicant's October 7, 2013 Office Action Response; Applicant's May 15, 2014 Office Action response at 6-15 and the Supplemental Declaration of Katherine Jean Seawell submitted therewith; Applicant's February 10, 2015 Office Action Response at 67-82. Applicant provides additional examples below of more recent local and national advertising of the Applied-for Mark.

In May 2015, Starbucks ran a "Bonus Stars" promotion for its reward members featuring the Applied-for Mark. Below is a true and accurate copy of the promotional email sent to millions of Starbucks Rewards members:

(Second Supplemental Declaration of Katherine Seawell ¶ 10, November 4, 2015 ("Second Supp. Seawell Decl.").)

In August 2015, Starbucks ran another "Bonus Stars" promotion featuring the Applied-for Mark. Below is a true and accurate copy of the promotional email sent to millions of Starbucks Rewards members:



(Second Supp. Seawell Decl., ¶ 11.)

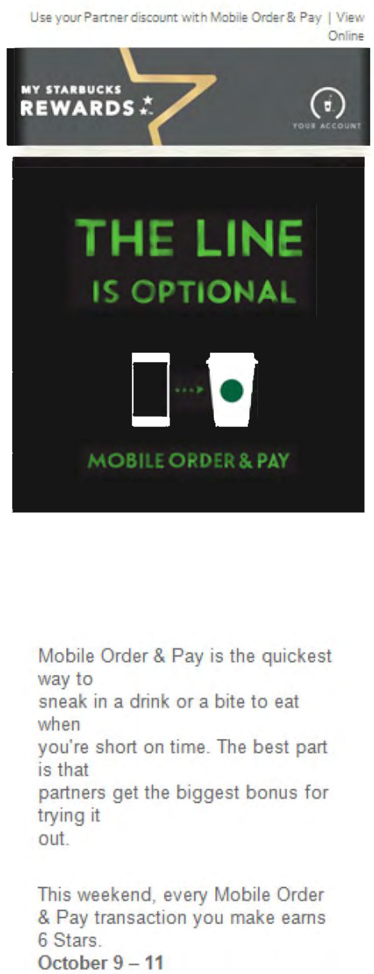
Additionally, on September 8, 2015, the Applied-for Mark was featured on the landing page customers see when logging in to the wireless network at U.S. Starbucks locations. That day, millions of customers used Starbucks' wireless network at its U.S. store locations and were exposed to the Applied-for Mark. (Second Supp. Seawell Decl., ¶ 12.) Below is a true and accurate copy of the Applied-for Mark as it appeared on the network's landing page:

(Second Supp. Seawell Decl., ¶ 12.)

Also in September 2015, Starbucks featured the Applied-for Mark in informational materials for its new mobile app, which allows users to purchase and pay for their orders remotely and pick them up in-store. These informational materials have been displayed in hundreds of Starbucks locations around the country. A true and accurate copy of these informational materials is shown below:

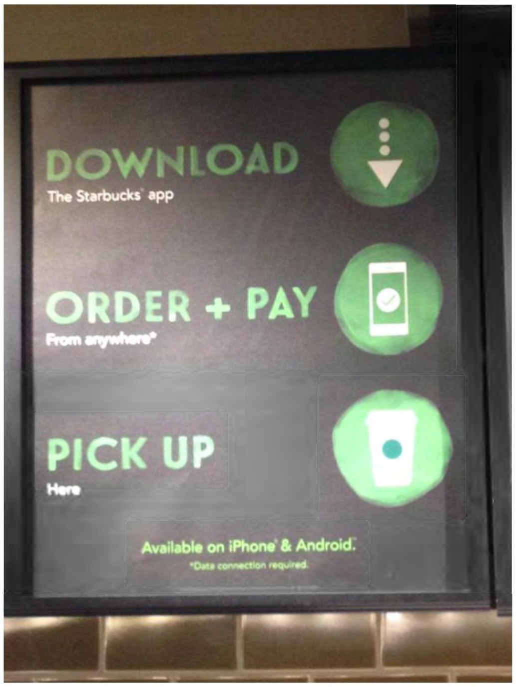
(Second Supp. Seawell Decl., ¶ 13.)

In October 2015, Starbucks featured the Applied-for-Mark in an email promotion of its new mobile app. Below is a true and accurate copy of the promotional email sent to millions of Starbucks Rewards members:



(Second Supp. Seawell Decl., ¶ 14.)

Also in October 2015, Starbucks featured the Applied-for-Mark on menu boards in over 10,000 Starbucks stores, exposing tens of millions of consumers to the Applied-for-Mark. Photographs of these menu boards are below:


DOWNLOAD
The Starbucks app
ORDER + PAY
From anywhere*
PICK UP
Here
Available on iPhone & Android.
*Data connection required.


DOWNLOAD
The Starbucks app
ORDER + PAY
From anywhere*
PICK UP
Here
Available on iPhone & Android.
NO TIME?
NO LINE.

(Second Supp. Seawell Decl., ¶ 15.)

These promotions alone reached tens of millions of consumers and further support a finding of acquired distinctiveness.

2. Applicant's Use of the Applied-for Mark Is Overwhelmingly Effective In Causing the Purchasing Public to Identify It with Starbucks

Applicant has also submitted substantial evidence regarding the public's unique association of the Applied-for Mark with Applicant. *See* Applicant's May 15, 2014 Office Action Response at 1-15 and the Supplemental Declaration of Katherine Jean Seawell submitted therewith; Applicant's February 10, 2015 Office Action Response at 67-82.

Although the Seawell Declaration and Supplemental Seawell Declaration (submitted with Applicant's October 7, 2013 and May 15, 2015 office actions responses respectively) readily show the Applied-for Mark's acquired distinctiveness, the Second Supplemental Declaration of Katherine Seawell shows updated sales figures and details additional unsolicited media attention of the Applied-for Mark. The dozens of additional articles referenced below further demonstrate the public's strong association of the Applied-for Mark with Applicant:

Author, Article Name, Publication, Publication Date	Excerpt
Andrea James, *Grounds for Action/Locals Hope to Keep the Coffee Flowing at Starbucks Stores Slated to Close*, The Seattle Post-Intelligencer, July 28, 2008	In many neighborhoods and towns, **Starbucks** means status, a **green-logo** stamp of validity.
Paul Doyle, *Under the Umbrella*, Hartford Courant (Connecticut), June 17, 2007	The **green circle** around the twin-tailed mermaid sparks a craving for a **Starbucks'** espresso.
Liyan Chen, *Incubators for Poets*, Forbes, August 17, 2015	The cofounders of **Starbucks** met at this school, and the coffee giant's **green logo** is a nod to the university.
8 Tips for a Stress-Free Semester End, The Sandspur: Rollins College (Winter Park, Florida), November 12, 2014	You'll have some type of mental breakdown if you don't get to class with that **white cylinder-shaped cup with the clearly displayed green logo on the front**. Yeah, I'm talking to you - **Starbucks** aficionados.
The Logo Redesign - Can Your Brand Survive, Business2Community.com, June 2, 2013	Keeping to **Starbucks** example, we can see how a logo's color helps make the right impact . . . **Starbucks** not only stands out from the crowd with its choice of a **green logo**, it also sends a messages of a brand that is fresh as well as environmentally aware.
Kellen Moore, *Starbucks Almost Complete at Harris Teeter*, The Watauga Democrat (Boone, North Carolina), April 9, 2012	Just three months after Boone welcomed its first **Starbucks**, local residents will soon be seeing more of the **iconic green logo**.
Steve Blow, *Funeral Home Adds Little Sip of Heaven: Starbucks Coffee*, The Dallas Morning News, March 17, 2011	**There is no Starbucks sign outside the funeral home**. But the **familiar green logo** at the coffee shop inside has definitely caused some double takes.
Jon Carroll, *We Cheer the March of the Peet's*, The San Francisco Chronicle, December 15, 2009	I can remember a flash of pleasure when I drove into a small down along the Hudson River about an hour north of New York City and saw that **familiar green circle**. Ah, liquid energy! What does venti mean, exactly? I still get confused at **Starbucks**, I regret to say.
Andrew Edwards, *Coffeehouses Flood Redlands*, San Bernardino Sun (California), July 28, 2007	Coffee cups from about 110 San Bernardino County cafes are emblazoned with **Starbucks' green logo**.

Author, Article Name, Publication, Publication Date	Excerpt
Jill Lawless, *Academic Looks for the Meaning of Modern Life at Starbucks*, The Associated Press, April 17, 2006	There is a **Starbucks** in Beijing's Forbidden City, and the **round green logo** adorns the streets of Edinburgh and the boulevards of Paris.
Anne Applebaum, *A Starbucks State of Mind*, The Washington Post, May 5, 2009	After the new **Starbucks** opened, I walked by the place a couple of times, just to see the crowds . . . Up and down the street, blue-jeaned students and dark-suited stockbrokers carried their **white paper cups**, with pride, the **famous green label** facing outward.
Paul Sonne and Anton Troianovski, *Arena - Sochi 2014: NBC's Starbucks Lockdown*, The Wall Street Journal, February 21, 2014	Behind the secure walls of the NBC compound here is a **Starbucks** counter replete with baristas who serve up hot caffeinated drinks to the network's employees. Some NBC employees were walking around the Olympic grounds proudly toting their **signature green-and-white Starbucks cups**, a perk financed entirely by the network.
Laura Gunderson, *CEO Embraces New Seasons' Values*, The Oregonian (Portland, Oregon), December 11, 2012	Before moving to Knowledge Universe, the privately held company that operates Portland-based KinderCare, Collie worked her way up from district manager to senior executive at **Starbucks** Coffee Co. There, she experienced the Seattle-based coffee giant's extraordinary pre-recessionary highs and soul-searching lows as it re-evaluated its fleet of stores on nearly every urban corner and worked to bring back the magic that made its **white and green cups** a morning routine for so many.
David Pierson, *China's Tea Farmers Switching to Coffee; Demand Grows as Starbucks Signifies Status for Urban Elite*, Los Angeles Times, December 29, 2012	Few pairings denote upward mobility more than an iPhone in one hand and a **white-and-green Starbucks cup** in the other.
Katie Queen, *Christmas Wouldn't Be Christmas Without . . .*, The Tiger Town Observer (Clemson, South Carolina), December 2, 2011	**Starbucks** in a plain, ordinary **white-and-green cup**? Good.
Jane C. Timm, *Coffee Talk: What's Next for Starbucks*, The Real Deal (New York, New York), July 31, 2008	**Starbucks Corporation's** announcement that it is shuttering 11 stores in the five boroughs by mid-2009 may have left java junkies In something of a caffeine coma. But the question on brokers' lips now is, what exactly will happen to all that prime retail square footage when the coffee giant takes its

Author, Article Name, Publication, Publication Date	**Excerpt**
	Frappuccino makers and **white-and-green coffee cups** and moves out?
Cool Symbols of Summer on New Starbucks Cold Cups, Imperial Valley News (California), July 5, 2015	Just as the design studio did in creating 100 pieces of art for the **Starbucks Dot Collection** last winter, the summer cups also incorporate a **signature "green dot."**
Jared Diamond, *For Mets Fans, a Trip to Flushing South*, The Wall Street Journal, February 24, 2015	Port St. Lucie has one standalone **Starbucks** (there's a second one inside the local Target) and it happens to be right down the road from the stadium. As a result, it's not uncommon to see the **familiar white and green cups** in the Mets' clubhouse in the morning before a day's workout.
Grande Logo Switch: Is Starbucks' New Cup Grabby – or a Grind?, The Wall Street Journal, April 8, 2008	See a flash of **green on a white cup** from down the street and you know it's a **Starbucks.**
How Did a Starbucks Sneak Past the Brand Police at the Olympics?, The Business Insider (New York, New York), August 3, 2012	**Starbucks** isn't an official sponsor of the games, yet hundreds of journalists are walking around Olympic events (and cameras) with the **green and white cups**.
Michael O'Rourke, *How Did We Live Without Starbucks?*, San Antonio Express, March 12, 2011	All you need to do is look in the backseat of my car and see the half-dozen **ubiquitous white and green cardboard coffee cups** to realize I have thrown at least 10 bucks to **Starbucks** in recent days.
Caitlin Petreycik, *Hungry Hungry Hipsters: Williamsburg Gets a Boozy Starbucks: Venti Pinot Noirs for All!*, Racked.com, August 19, 2014	Now that Williamsburg residents are used to having a **Starbucks** around—"It is more convenient to my commute than Gimme," they may have caught themselves saying recently, clutching a **green-and-white cup**—the mega-chain is bringing a second, boozier outpost to the neighborhood.
Jake Van Loon, *Innovation Central; Center Aims to Keep Talented UT Students in Tampa, Grow New Businesses*, The Tampa Tribune (Florida), September 4, 2015	Students from UT's Sykes School of Business, **white-and-green Starbucks cups** in hand, have been in and out of the new center's high, grey stone hallways since fall semester classes began Monday, but Thursday was the first day the public could see the top floor.
Pastor Greg Asimakouloulos, *Lessons from the Family Tree*, Mercer Island Reporter (Washington), January 4, 2011	My oldest daughter's post-college job as a **Starbucks** barista is documented by a tiny, **white to-go coffee cup** (complete with the **familiar green logo**).

Author, Article Name, Publication, Publication Date	Excerpt
'McDreamy' Says He Beat Starbucks for Coffee Chain, Sioux City Journal (Iowa), January 9, 2013	Dempsey won a bankruptcy auction to buy Tully's Coffee, a small coffee chain based in Seattle. Among those he beat out is Tully's much bigger Seattle neighbor, **Starbucks Corp.**, which is known for its **ubiquitous white cups** with a **circular green** mermaid logo.
New Reusable Cups, Designed by Starbucks Baristas, Benefit Partners in Need, ENP Newswire, September 8, 2015	Holding a **white Starbucks cup with its green** Siren logo in the center, Brandon Fragua didn't have much doubt about what he'd draw.
Daniel Hartis, *NoDa Brewing Gets Jump on Pumpkin Business; Beer Here*, Charlotte Observer (North Carolina), August 12, 2015	Soon, **Starbucks** will no doubt begin its annual campaign to grant early access to its Pumpkin Spice Latte (which actually doesn't contain pumpkin) to its most loyal customers. Some of the promotion for the beverage is done through the company's Twitter account, whose followers are treated to the **distinctive white and green cup** making sand castles or musing about its spirit animal.
Pamela Robel, *Seaside Tourism Director Ready to Roll*, The Daily Astorian (Oregon), September 13, 2007	Branding is a process often seen in the advertising industry—Volvo is the "safe" car, **Starbucks** is the **white to-go cup with the green emblem**—and somewhere down the road, Seaside will be able to develop a brand for itself after the foundation has been built.
Deborah Walsh, *'Shark Tank' Contestant Informs FBLA about Foibles of Success*, Suburban Trends (Morris, North Jersey), November 12, 2014	Wilson also said Howard Schultz of **Starbucks** was able to convince people in the United States and elsewhere that they wanted the coffee he sold in **white cups with green logos**—that his coffee was special.
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Sydney Berger, *The Guy Behind the Counter*, The Huffington Post, January 10, 2014	To compensate for the shortage, Clint took it upon himself to write a message on the side of my traditional **green and white Starbucks cup** that said: "Good luck, Sydney!!!" (He even underlined it).
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Steven Rosenberg, *When Brand Loyalty Becomes Addiction*, The Boston Globe, May 31, 2007	I deftly transfer the coffee from the Styrofoam Dunkin' Donuts container to the **white and green Starbucks paper cup**.

(Second Supp. Seawell Decl., ¶ 9, Ex. B.)

In sum, the record shows that the Applied-for Mark functions as a trademark and that it has achieved secondary meaning. The Examining Attorney's continued refusal sets an unreasonable and unattainable standard with no basis in law and contradictory to the realities of consumer decision-making. For these reasons, Applicant requests that the Examining Attorney withdraw her refusals and immediately approve the Applied-for Mark for publication.

Respectfully submitted,

Starbucks Corporation d/b/a
Starbucks Coffee Company

Dated: November 17, 2015

By:____________________
Julia Anne Matheson
Attorney for Applicant

Finnegan, Henderson, Farabow,
Garrett & Dunner, L.L.P.
901 New York Avenue, NW
Washington, D.C. 20001
Telephone: 202-408-4000
Facsimile: 202-408-4400

Attorney Docket: 08957.3718

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant: Starbucks Corporation d/b/a Starbucks Coffee Company
Serial Number: 85792872
Filing Date: December 3, 2012

Mark:

Examining Atty: Sharon A. Meier, Esq.
Law Office: 112

Commissioner for Trademarks
P.O. Box 1451
Alexandria, Virginia 22313-1451

DECLARATION IN SUPPORT OF SUBSTITUTE SPECIMEN

The undersigned, being warned that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code, and may jeopardize the validity of this application or any resulting registration, declares that he is authorized to make this declaration on behalf of the applicant; the attached substitute specimen showing use of the mark identified above was in use in commerce on or before the filing date of this application; all statements made herein of his own knowledge are true; and all statements made herein on information and belief are believed to be true.

Starbucks Corporation d/b/a Starbucks
Coffee Company

By: Russell W Jacobs
Russell W. Jacobs
director, corporate counsel

Date: 28 October 2015


PIKE PLACE
LA BOULANGE

Attorney Docket: 08957.3718

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant: Starbucks Corporation
Serial Number: 85/792,872
Filing Date: December 3, 2012

Mark: 

Examining Atty: Sharon A. Meier, Esq.
Law Office: 112

Commissioner of Trademarks
P.O. Box 1451
Alexandria, Virginia 22313-1451

SECOND SUPPLEMENTAL DECLARATION OF
<u>KATHERINE JEAN SEAWELL UNDER SECTION 2(f), 15 U.S.C. § 1052(f)</u>

I, Katherine Jean Seawell, declare as follows:

1. I am senior vice president, Americas Category & Integrated Marketing, of Starbucks Corporation d/b/a Starbucks Coffee Company ("Starbucks"). I have been employed with Starbucks for over eleven years and have been in my current position for over one year. The facts set forth in this Declaration are based on my personal knowledge and documents and records maintained by Starbucks in the ordinary course of business.

2. The mark filed under Application Serial No. 85792872 (the "Green Circle Design" shown below) consists of a three-dimensional configuration of a cup, including a green circle placed centrally on the front side of a white beverage cup. The color green is claimed as a feature of the mark. The design of the cup itself is not claimed as an element of the mark. The application covers "Coffee, tea, coffee and tea based beverages, and cocoa" in International

Class 030 (the "Beverages") and "Restaurants, cafes, cafeterias, snack bars and coffee bars; carry-out restaurant and food preparation services" in International Class 043.

4. My October 4, 2013 declaration (submitted with Starbucks' October 7, 2013 Office Action response), my May 14, 2014 supplemental declaration (submitted with Starbucks' May 15, 2014 Office Action response), and the February 9, 2015 Declaration of Russell W. Jacobs (submitted with Starbucks' February 10, 2015 Office action response) are incorporated by reference in their entireties.

5. I submit this supplemental declaration in support of acquired distinctiveness of the Green Circle Design based upon Starbucks over four and a half years of continuous use, substantial advertising and promotion of the mark, placements of goods bearing the mark in television programs, unsolicited media attention, use and registration of related marks, and enforcement efforts to maintain exclusive rights in the mark.

6. Starbucks has over 12,500 licensed and company-owned store locations across all 50 States that offer the Beverages for sale under the Green Circle Design.

7. Starbucks has for many years worked with licensees who operate STARBUCKS stores in locations like grocery stores, hotels, airports, train stations, and hospitals. Approximately 310 licensees operate nearly 5,000 STARBUCKS stores in the United States.

Attached as Exhibit A are true and correct copies of Starbucks' 2014 10-K filings with the SEC and Annual Report, which set forth information about these licensed store arrangements.

8. All of the company-owned and licensed STARBUCKS stores sell customers the Beverages in cups bearing the Green Circle Design. Customers in the U.S. have purchased the Beverages in cups bearing the Starbucks Cup Mark from STARBUCKS stores, both company-owned and licensed locations, in the following quantities.

Year	Number of Cups
2011 (April through December)	679,000,000
2012	977,000,000
2013	1,037,000,000
2014	1,359,284,000
2015 (January through September)	1,297,732,000
Total	***over 5 billion***

9. As detailed in my October 2013 and May 2014 declarations, the Green Circle Design has enjoyed widespread unsolicited media attention. Representative unsolicited media articles shown below demonstrate the public's association of the Green Circle Design with Starbucks:

Author, Article Name, Publication, Publication Date	Excerpt
Andrea James, *Grounds for Action/Locals Hope to Keep the Coffee Flowing at Starbucks Stores Slated to Close*, The Seattle Post-Intelligencer, July 28, 2008	In many neighborhoods and towns, **Starbucks** means status, a **green-logo** stamp of validity.
Paul Doyle, *Under the Umbrella*, Hartford Courant (Connecticut), June 17, 2007	The **green circle** around the twin-tailed mermaid sparks a craving for a **Starbucks'** espresso.
Liyan Chen, *Incubators for Poets*, Forbes, August 17, 2015	The cofounders of **Starbucks** met at this school, and the coffee giant's **green logo** is a nod to the university.

Author, Article Name, Publication, Publication Date	**Excerpt**
8 Tips for a Stress-Free Semester End, The Sandspur: Rollins College (Winter Park, Florida), November 12, 2014	You'll have some type of mental breakdown if you don't get to class with that **white cylinder-shaped cup with the clearly displayed green logo on the front**. Yeah, I'm talking to you - **Starbucks** aficionados.
The Logo Redesign - Can Your Brand Survive, Business2Community.com, June 2, 2013	Keeping to **Starbucks** example, we can see how a logo's color helps make the right impact . . . **Starbucks** not only stands out from the crowd with its choice of a **green logo**, it also sends a messages of a brand that is fresh as well as environmentally aware.
Kellen Moore, *Starbucks Almost Complete at Harris Teeter*, The Watauga Democrat (Boone, North Carolina), April 9, 2012	Just three months after Boone welcomed its first **Starbucks**, local residents will soon be seeing more of the **iconic green logo**.
Steve Blow, *Funeral Home Adds Little Sip of Heaven: Starbucks Coffee*, The Dallas Morning News, March 17, 2011	**There is no Starbucks sign outside the funeral home**. But the **familiar green logo** at the coffee shop inside has definitely caused some double takes.
Jon Carroll, *We Cheer the March of the Peet's*, The San Francisco Chronicle, December 15, 2009	I can remember a flash of pleasure when I drove into a small down along the Hudson River about an hour north of New York City and saw that **familiar green circle**. Ah, liquid energy! What does venti mean, exactly? I still get confused at **Starbucks**, I regret to say.
Andrew Edwards, *Coffeehouses Flood Redlands*, San Bernardino Sun (California), July 28, 2007	Coffee cups from about 110 San Bernardino County cafes are emblazoned with **Starbucks' green logo**.
Jill Lawless, *Academic Looks for the Meaning of Modern Life at Starbucks*, The Associated Press, April 17, 2006	There is a **Starbucks** in Beijing's Forbidden City, and the **round green logo** adorns the streets of Edinburgh and the boulevards of Paris.
Anne Applebaum, *A Starbucks State of Mind*, The Washington Post, May 5, 2009	After the new **Starbucks** opened, I walked by the place a couple of times, just to see the crowds . . . Up and down the street, blue-jeaned students and dark-suited stockbrokers carried their **white paper cups**, with pride, the

Author, Article Name, Publication, Publication Date	Excerpt
	famous green label facing outward.
Paul Sonne and Anton Troianovski, *Arena - Sochi 2014: NBC's Starbucks Lockdown*, The Wall Street Journal, February 21, 2014	Behind the secure walls of the NBC compound here is a **Starbucks** counter replete with baristas who serve up hot caffeinated drinks to the network's employees. Some NBC employees were walking around the Olympic grounds proudly toting their **signature green-and-white Starbucks cups**, a perk financed entirely by the network.
Laura Gunderson, *CEO Embraces New Seasons' Values*, The Oregonian (Portland, Oregon), December 11, 2012	Before moving to Knowledge Universe, the privately held company that operates Portland-based KinderCare, Collie worked her way up from district manager to senior executive at **Starbucks** Coffee Co. There, she experienced the Seattle-based coffee giant's extraordinary pre-recessionary highs and soul-searching lows as it re-evaluated its fleet of stores on nearly every urban corner and worked to bring back the magic that made its **white and green cups** a morning routine for so many.
David Pierson, *China's Tea Farmers Switching to Coffee; Demand Grows as Starbucks Signifies Status for Urban Elite*, Los Angeles Times, December 29, 2012	Few pairings denote upward mobility more than an iPhone in one hand and a **white-and-green Starbucks cup** in the other.
Katie Queen, *Christmas Wouldn't Be Christmas Without . . .* , The Tiger Town Observer (Clemson, South Carolina), December 2, 2011	**Starbucks** in a plain, ordinary **white-and-green cup**? Good.
Jane C. Timm, *Coffee Talk: What's Next for Starbucks*, The Real Deal (New York, New York), July 31, 2008	**Starbucks Corporation's** announcement that it is shuttering 11 stores in the five boroughs by mid-2009 may have left java junkies In something of a caffeine coma. But the question on brokers' lips now is, what exactly will happen to all that prime retail square footage when the coffee giant takes its Frappuccino makers and **white-and-green coffee cups** and moves out?

Author, Article Name, Publication, Publication Date	Excerpt
Cool Symbols of Summer on New Starbucks Cold Cups, Imperial Valley News (California), July 5, 2015	Just as the design studio did in creating 100 pieces of art for the **Starbucks Dot Collection** last winter, the summer cups also incorporate a **signature "green dot."**
Jared Diamond, *For Mets Fans, a Trip to Flushing South*, The Wall Street Journal, February 24, 2015	Port St. Lucie has one standalone **Starbucks** (there's a second one inside the local Target) and it happens to be right down the road from the stadium. As a result, it's not uncommon to see the **familiar white and green cups** in the Mets' clubhouse in the morning before a day's workout.
Grande Logo Switch: Is Starbucks' New Cup Grabby – or a Grind?, The Wall Street Journal, April 8, 2008	See a flash of **green on a white cup** from down the street and you know it's a **Starbucks.**
How Did a Starbucks Sneak Past the Brand Police at the Olympics?, The Business Insider (New York, New York), August 3, 2012	**Starbucks** isn't an official sponsor of the games, yet hundreds of journalists are walking around Olympic events (and cameras) with the **green and white cups**.
Michael O'Rourke, *How Did We Live Without Starbucks?*, San Antonio Express, March 12, 2011	All you need to do is look in the backseat of my car and see the half-dozen **ubiquitous white and green cardboard coffee cups** to realize I have thrown at least 10 bucks to **Starbucks** in recent days.
Caitlin Petreycik, *Hungry Hungry Hipsters: Williamsburg Gets a Boozy Starbucks: Venti Pinot Noirs for All!*, Racked.com, August 19, 2014	Now that Williamsburg residents are used to having a **Starbucks** around—"It is more convenient to my commute than Gimme," they may have caught themselves saying recently, clutching a **green-and-white cup**—the mega-chain is bringing a second, boozier outpost to the neighborhood.
Jake Van Loon, *Innovation Central; Center Aims to Keep Talented UT Students in Tampa, Grow New Businesses*, The Tampa Tribune (Florida), September 4, 2015	Students from UT's Sykes School of Business, **white-and-green Starbucks cups** in hand, have been in and out of the new center's high, grey stone hallways since fall semester classes began Monday, but Thursday was the first day the public could see the top floor.

Author, Article Name, Publication, Publication Date	Excerpt
Pastor Greg Asimakouloulos, *Lessons from the Family Tree*, Mercer Island Reporter (Washington), January 4, 2011	My oldest daughter's post-college job as a **Starbucks** barista is documented by a tiny, **white to-go coffee cup** (complete with the **familiar green logo**).
'McDreamy' Says He Beat Starbucks for Coffee Chain, Sioux City Journal (Iowa), January 9, 2013	Dempsey won a bankruptcy auction to buy Tully's Coffee, a small coffee chain based in Seattle. Among those he beat out is Tully's much bigger Seattle neighbor, **Starbucks Corp.**, which is known for its **ubiquitous white cups** with a **circular green** mermaid logo.
New Reusable Cups, Designed by Starbucks Baristas, Benefit Partners in Need, ENP Newswire, September 8, 2015	Holding a **white Starbucks cup with its green** Siren logo in the center, Brandon Fragua didn't have much doubt about what he'd draw.
Daniel Hartis, *NoDa Brewing Gets Jump on Pumpkin Business; Beer Here*, Charlotte Observer (North Carolina), August 12, 2015	Soon, **Starbucks** will no doubt begin its annual campaign to grant early access to its Pumpkin Spice Latte (which actually doesn't contain pumpkin) to its most loyal customers. Some of the promotion for the beverage is done through the company's Twitter account, whose followers are treated to the **distinctive white and green cup** making sand castles or musing about its spirit animal.
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Copies of these articles are attached as Exhibit B.

Recent Promotional Campaigns under the Green Circle Design

10. In May 2015, Starbucks ran a "Bonus Stars" promotion for its reward members featuring the Green Circle Design. A true and accurate copy of the promotional email sent to millions of Starbucks Rewards members is below:

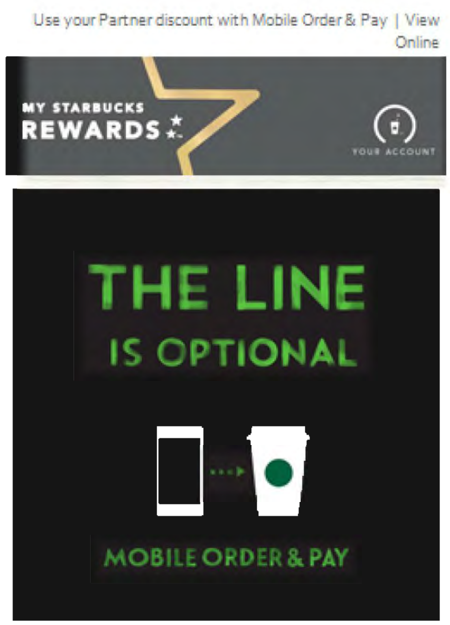
11. In August 2015, Starbucks ran another "Bonus Stars" promotion featuring the Green Circle Design. A true and accurate copy of the promotional email sent to millions of Starbucks Rewards members is below:

12. On September 8, 2015, the Green Circle Design was featured on the landing page customers see when logging in to the wireless network at U.S. STARBUCKS locations. That day, millions of customers used Starbucks wireless network at its U.S. store locations and were

exposed to the Green Circle Mark. A true and accurate copy of the Green Circle Design as it appeared on the network's landing page is below:

13. Also in September 2015, Starbucks featured the Green Circle Design in informational materials for its new mobile app, which allows users to purchase and pay for their orders remotely and pick them up in-store. These informational materials have been displayed in hundreds of STARBUCKS locations around the country. A true and accurate copy of these informational materials is below:

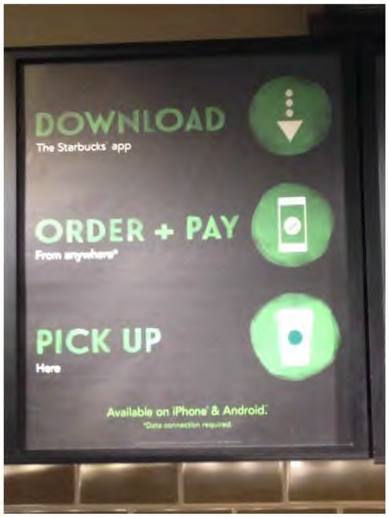
14. In October 2015, Starbucks featured the Green Circle Design in an email promotion of its new mobile app. A true and accurate copy of the promotional email sent to millions of Starbucks Rewards members is below:

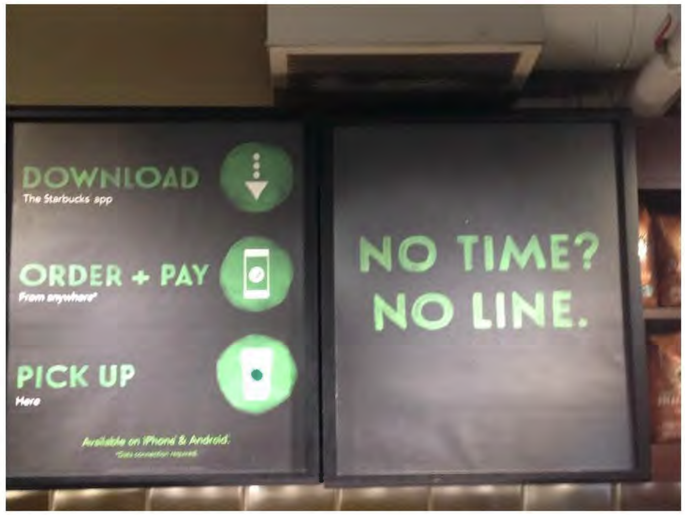


Mobile Order & Pay is the quickest way to sneak in a drink or a bite to eat when you're short on time. The best part is that partners get the biggest bonus for trying it out.

This weekend, every Mobile Order & Pay transaction you make earns 6 Stars.
October 9 – 11

15. Also in October 2015, Starbucks featured the Green Circle Design on menu boards in over 10,000 STARBUCKS locations, exposing tens of millions of consumers to the Green Circle Design:





Conclusion

16. The widespread use of the Green Circle Design through billions of transactions in multiple venues spread across all 50 States, the extensive advertising and promotion of goods bearing the mark, the references in popular culture to the mark, the use and registration of similar

marks on a wide range of goods and services, and the enforcement efforts to maintain the exclusive rights in the mark, when considered collectively, demonstrate that the Green Circle Design has acquired distinctiveness.

17. The undersigned, being warned that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code, and may jeopardize the validity of this application or any resulting registration, declares that she is authorized to make this declaration on behalf of the applicant; she believes that the above-referenced mark has become distinctive, as applied to the applicant's goods, by reason of applicant's substantial advertising and promotion of goods in connection with the mark, and by its substantially exclusive and continuous use of the mark in commerce for over four years preceding the execution of this declaration; all statements made herein of her own knowledge are true; and all statements made herein on information and belief are believed to be true.

I declare under penalty of perjury that the foregoing is true and correct pursuant to 28 U.S.C. § 1746.

STARBUCKS CORPORATION

Date: November 4, 2015

By: Katherine J Seawell
Name: Katherine Jean Seawell
Title: senior vice president, Americas Category & Integrated Marketing

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

Form 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Fiscal Year Ended September 28, 2014

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to .

Commission File Number: 0-20322

Starbucks Corporation

(Exact Name of Registrant as Specified in its Charter)

Washington	**91-1325671**
(State of Incorporation)	*(IRS Employer ID)*

2401 Utah Avenue South, Seattle, Washington 98134

(206) 447-1575

(Address of principal executive offices, zip code, telephone number)

Securities Registered Pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Common Stock, $0.001 par value per share	Nasdaq Global Select Market

Securities Registered Pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation of S-K (§ 229.405 of this chapter) is not contained herein, and will not be contained, to the best of the registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐ (Do not check if a smaller reporting company)	Smaller reporting company	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the voting stock held by non-affiliates of the registrant as of the last business day of the registrant's most recently completed second fiscal quarter, based upon the closing sale price of the registrant's common stock on March 28, 2014 as reported on the NASDAQ Global Select Market was $54 billion. As of November 7, 2014, there were 748.3 million shares of the registrant's Common Stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the definitive Proxy Statement for the registrant's Annual Meeting of Shareholders to be held on March 18, 2015 have been incorporated by reference into Part III of this Annual Report on Form 10-K.

STARBUCKS CORPORATION

Form 10-K

For the Fiscal Year Ended September 28, 2014

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K includes "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words such as "believes," "expects," "anticipates," "estimates," "intends," "plans," "seeks" or words of similar meaning, or future or conditional verbs, such as "will," "should," "could," "may," "aims," "intends," or "projects." A forward-looking statement is neither a prediction nor a guarantee of future events or circumstances, and those future events or circumstances may not occur. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Annual Report on Form 10-K. These forward-looking statements are all based on currently available operating, financial and competitive information and are subject to various risks and uncertainties. Our actual future results and trends may differ materially depending on a variety of factors, including, but not limited to, the risks and uncertainties discussed under "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations". Given these risks and uncertainties, you should not rely on forward-looking statements as a prediction of actual results. Any or all of the forward-looking statements contained in this Annual Report on Form 10-K and any other public statement made by us, including by our management, may turn out to be incorrect. We are including this cautionary note to make applicable and take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 for forward-looking statements. We expressly disclaim any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

PART I

Item 1. *Business*

General

Starbucks is the premier roaster, marketer and retailer of specialty coffee in the world, operating in 65 countries. Formed in 1985, Starbucks Corporation's common stock trades on the NASDAQ Global Select Market ("NASDAQ") under the symbol "SBUX." We purchase and roast high-quality coffees that we sell, along with handcrafted coffee, tea and other beverages and a variety of fresh food items, through company-operated stores. We also sell a variety of coffee and tea products and license our trademarks through other channels such as licensed stores, grocery and national foodservice accounts. In addition to our flagship Starbucks Coffee brand, we also sell goods and services under the following brands: Teavana, Tazo, Seattle's Best Coffee, Evolution Fresh, La Boulange and Ethos.

Our objective is to maintain Starbucks standing as one of the most recognized and respected brands in the world. To achieve this, we are continuing the disciplined expansion of our global store base, adding stores in both existing, developed markets such as the US, and in newer, higher growth markets such as China, as well as optimizing the mix of company-operated and licensed stores in each market. In addition, by leveraging the experience gained through our traditional store model, we continue to offer consumers new coffee and other products in a variety of forms, across new categories, and through diverse channels. We also believe our Starbucks Global Responsibility strategy, commitments related to ethically sourcing high-quality coffee and contributing positively to the communities we do business in, and being an employer of choice are contributors to our objective.

In this Annual Report on Form 10-K ("10-K" or "Report") for the fiscal year ended September 28, 2014 ("fiscal 2014"), Starbucks Corporation (together with its subsidiaries) is referred to as "Starbucks," the "Company," "we," "us" or "our."

Segment Financial Information

We have four reportable operating segments: 1) Americas, which is inclusive of the US, Canada, and Latin America; 2) Europe, Middle East, and Africa ("EMEA"); 3) China/Asia Pacific ("CAP") and 4) Channel Development. We also have several non-reportable operating segments, including Teavana, Seattle's Best Coffee, Evolution Fresh, and our Digital Ventures business, which are combined and referred to as All Other Segments. Revenues from our reportable segments and All Other Segments as a percentage of total net revenues for fiscal 2014 were as follows: Americas (73%), EMEA (8%), CAP (7%), Channel Development (9%) and All Other Segments (3%).

Our Americas, EMEA, and CAP segments include both company-operated and licensed stores. Our Americas segment is our most mature business and has achieved significant scale. Certain markets within our EMEA and CAP operations are still in the early stages of development and require a more extensive support organization, relative to their current levels of revenue and operating income, than our Americas operations. In certain markets within EMEA and CAP, occupancy costs and store operating expenses can be higher than in the Americas segment due to higher rents for prime store locations or costs of compliance with country-specific regulatory requirements. The Americas and EMEA segments also include certain foodservice accounts, primarily in Canada and the UK. Our Americas segment also includes our La Boulange® retail stores.

Our Channel Development segment includes roasted whole bean and ground coffees, premium Tazo® teas, Starbucks- and Tazo-branded single-serve products, a variety of ready-to-drink beverages, such as Frappuccino® beverages, Starbucks Doubleshot® espresso drinks, Starbucks Refreshers® beverages, and other branded products sold worldwide through channels such as grocery stores, warehouse clubs, specialty retailers, convenience stores, and US foodservice accounts.

Starbucks segment information is included in Note 16, Segment Reporting, to the consolidated financial statements included in Item 8 of Part II of this 10-K.

Revenue Components

We generate nearly all of our revenues through company-operated stores, licensed stores, consumer packaged goods ("CPG") and foodservice operations.

Company-operated and Licensed Store Summary as of September 28, 2014

	Americas	As a% of Total Americas Stores	EMEA	As a% of Total EMEA Stores	CAP	As a% of Total CAP Stores	All Other Segments	As a% of Total All Other Segments Stores	Total	As a% of Total Stores
Company-operated stores	8,395	59%	817	38%	1,132	24%	369	90%	10,713	50%
Licensed stores	5,796	41%	1,323	62%	3,492	76%	42	10%	10,653	50%
Total	**14,191**	**100%**	**2,140**	**100%**	**4,624**	**100%**	**411**	**100%**	**21,366**	**100%**

The mix of company-operated versus licensed stores in a given market will vary based on several factors, including our ability to access desirable local retail space, the complexity and expected ultimate size of the market for Starbucks, and our ability to leverage the support infrastructure in an existing geographic region.

Company-operated Stores

Revenue from company-operated stores accounted for 79% of total net revenues during fiscal 2014. Our retail objective is to be the leading retailer and brand of coffee and tea in each of our target markets by selling the finest quality coffee, tea and related products, and by providing each customer with a unique *Starbucks Experience*. The *Starbucks Experience* is built upon superior customer service, as well as clean and well-maintained company-operated stores that reflect the personalities of the communities in which they operate, thereby building a high degree of customer loyalty.

Our strategy for expanding our global retail business is to increase our market share in a disciplined manner, by selectively opening additional stores in new and existing markets, as well as increasing sales in existing stores, to support our long-term strategic objective to maintain Starbucks standing as one of the most recognized and respected brands in the world. Store growth in specific existing markets will vary due to many factors, including the maturity of the market.

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Company-operated store data for the year-ended September 28, 2014:

	Stores Open as of Sep 29, 2013	Opened	Closed	Net	Stores Open as of Sep 28, 2014
Americas:					
US	7,049	287	(33)	254	7,303
Canada	940	56	(13)	43	983
Brazil	70	19	—	19	89
Puerto Rico	19	1	—	1	20
Total Americas	8,078	363	(46)	317	8,395
EMEA[1]:					
UK[1]	522	1	(17)	(16)	506
Germany	157	1	(6)	(5)	152
France	72	6	—	6	78
Switzerland	52	3	—	3	55
Austria	16	2	(1)	1	17
Netherlands	7	2	—	2	9
Total EMEA	826	15	(24)	(9)	817
CAP[2]:					
China	614	217	(8)	209	823
Thailand	174	31	(2)	29	203
Singapore	94	16	(4)	12	106
Total CAP	882	264	(14)	250	1,132
All Other Segments:					
Teavana	338	27	—	27	365
Seattle's Best Coffee	15	—	(15)	(15)	—
Evolution Fresh	4	—	—	—	4
Total All Other Segments	357	27	(15)	12	369
Total company-operated	**10,143**	**669**	**(99)**	**570**	**10,713**

(1) EMEA store data has been adjusted for the transfer of certain company-operated stores to licensed stores in the second and fourth quarters of fiscal 2014.

(2) CAP store data has been adjusted for the transfer of certain company-operated stores to licensed stores in the fourth quarter of fiscal 2014.

Starbucks® company-operated stores are typically located in high-traffic, high-visibility locations. Our ability to vary the size and format of our stores allows us to locate them in or near a variety of settings, including downtown and suburban retail centers, office buildings, university campuses, and in select rural and off-highway locations. We are continuing the expansion of our various store formats, including Drive Thru stores, to provide a greater degree of access and convenience for our customers.

Starbucks® stores offer a choice of coffee and tea beverages, as well as other premium coffee, tea and related products, including distinctively packaged roasted whole bean and ground coffees, a variety of premium single-serve and ready-to-drink coffee and tea products, juices and bottled water. Starbucks® stores also offer an assortment of fresh food offerings, including selections focusing on high-quality ingredients, nutritional value and great flavor. A focused selection of beverage-making equipment and accessories are also sold in our stores. Each Starbucks® store varies its product mix depending upon the size of the store and its location. To complement the in-store experience, our company-operated Starbucks® stores in the US, Canada, and certain other international markets also provide customers free access to wireless internet.

Retail sales mix by product type for company-operated stores:

Fiscal Year Ended	Sep 28, 2014	Sep 29, 2013	Sep 30, 2012
Beverages	73%	74%	75%
Food	18%	18%	17%
Packaged and single-serve coffees and teas	4%	4%	4%
Other(1)	5%	4%	4%
Total	100%	100%	100%

(1) "Other" primarily includes sales of ready-to-drink beverages, serveware and coffee-making equipment, among other items.

In fiscal 2014, we moved ready-to-drink beverage revenues from the "Food" category to the "Other" category and combined packaged and single-serve teas, which were previously included in the "Other" category, with packaged and single serve coffees, which are now categorized as "Packaged and single-serve coffees and teas." Additionally, we revised our discount allocation methodology to more precisely allocate sales discounts to the various revenue product categories. None of these changes had a material impact on the composition of our retail sales mix by product type. Prior period amounts have been revised to be consistent with the current period presentation.

Stored Value Cards

The Starbucks Card and our other branded stored value card programs are designed to provide customers with a convenient payment method, support gifting, and increase the frequency of store visits by cardholders, in part through the related My Starbucks Rewards® loyalty program. Stored value cards are issued to customers when they initially load them with an account balance. They can be obtained in our company-operated and most licensed stores in North America, China, Brazil, and many of our markets in the EMEA segment, as well as on-line, via the Starbucks mobile app, and through other retailers, including a number of other international locations. Customers may access their card balances by utilizing their stored value card or the Starbucks® mobile app in participating stores, which also includes certain Teavana®, Evolution Fresh™, and La Boulange® locations. Customers who register their card in the US, Canada, and certain other countries are automatically enrolled in the My Starbucks Rewards® program and can receive various benefits depending on factors such as the number of reward points ("Stars") earned in a 12-month period.

Licensed Stores

Revenues from our licensed stores accounted for 10% of total net revenues in fiscal 2014. Licensed stores generally have a higher operating margin than company-operated stores. Under the licensed model, Starbucks receives a reduced share of the total store revenues, but this is more than offset by the reduction in its share of costs as these are primarily incurred by the licensee.

In our licensed store operations, we leverage the expertise of our local partners and share our operating and store development experience. Licensees provide improved, and at times the only, access to desirable retail space. Most licensees are prominent retailers with in-depth market knowledge and access. As part of these arrangements, we receive royalties and license fees from and sell coffee, tea and related products to licensees for use in their operations or resale to customers. We also sell certain equipment, such as coffee brewers and espresso machines, to our licensees for use in their operations. Employees working in licensed retail locations are required to follow our detailed store operating procedures and attend training classes similar to those given to employees in company-operated stores. For Teavana® and Seattle's Best Coffee®, as well as Starbucks® stores within certain markets, we also use traditional franchising.

Licensed store data for the year-ended September 28, 2014:

	Stores Open as of Sep 29, 2013	Opened	Closed	Net	Stores Open as of Sep 28, 2014
Americas:					
US	4,408	361	(110)	251	4,659
Mexico	403	31	—	31	434
Canada	397	69	(4)	65	462
Other	207	37	(3)	34	241
Total Americas	5,415	498	(117)	381	5,796
EMEA[1]:					
UK[1]	242	47	(4)	43	285
Turkey	193	32	(5)	27	220
United Arab Emirates	107	12	(4)	8	115
Spain	82	5	(1)	4	86
Kuwait	69	4	(1)	3	72
Saudi Arabia	62	9	(4)	5	67
Russia	65	24	(2)	22	87
Other	323	74	(6)	68	391
Total EMEA	1,143	207	(27)	180	1,323
CAP[2]:					
Japan	1,000	61	(1)	60	1,060
China	403	146	(5)	141	544
South Korea	559	159	(18)	141	700
Taiwan	297	32	(6)	26	323
Philippines	216	25	(1)	24	240
Other[2]	525	117	(17)	100	625
Total CAP	3,000	540	(48)	492	3,492
All Other Segments:					
Teavana	28	3	(2)	1	29
Seattle's Best Coffee	38	1	(26)	(25)	13
Total All Other Segments	66	4	(28)	(24)	42
Total licensed	**9,624**	**1,249**	**(220)**	**1,029**	**10,653**

(1) EMEA store data has been adjusted for the transfer of certain company-operated stores to licensed stores in the second and fourth quarters of fiscal 2014.

(2) CAP store data has been adjusted for the transfer of certain company-operated stores to licensed stores in the fourth quarter of fiscal 2014.

Consumer Packaged Goods

Revenues from sales of consumer packaged goods comprised 8% of total net revenues in fiscal 2014. Consumer packaged goods includes both domestic and international sales of packaged coffee and tea as well as a variety of ready-to-drink beverages and single-serve coffee and tea products to grocery, warehouse clubs and specialty retail stores. It also includes revenues from product sales to and licensing revenues from manufacturers that produce and market Starbucks- and Seattle's Best Coffee-branded products through licensing agreements.

Foodservice

Revenues from foodservice accounts comprised 3% of total net revenues in fiscal 2014. We sell Starbucks® and Seattle's Best Coffee® roasted whole bean and ground coffees, a selection of premium Tazo® teas, Starbucks VIA® Ready Brew, and other coffee and tea related products to institutional foodservice companies that service business and industry, education, healthcare, office coffee distributors, hotels, restaurants, airlines and other retailers. We also sell our Seattle's Best Coffee® through arrangements with national accounts. The majority of the sales in this channel come through national broadline distribution networks with SYSCO Corporation, US Foodservice™, and other distributors.

Product Supply

Starbucks is committed to selling the finest whole bean coffees and coffee beverages. To ensure compliance with our rigorous coffee standards, we control coffee purchasing, roasting and packaging, and the global distribution of coffee used in our operations. We purchase green coffee beans from multiple coffee-producing regions around the world and custom roast them to our exacting standards for our many blends and single origin coffees.

The price of coffee is subject to significant volatility. Although most coffee trades in the commodity market, high-altitude *arabica* coffee of the quality sought by Starbucks tends to trade on a negotiated basis at a premium above the "C" coffee commodity price. Both the premium and the commodity price depend upon the supply and demand at the time of purchase. Supply and price can be affected by multiple factors in the producing countries, including weather, natural disasters, crop disease, general increase in farm inputs and costs of production, inventory levels and political and economic conditions. Price is also impacted by trading activities in the *arabica* coffee futures market, including hedge funds and commodity index funds. In addition, green coffee prices have been affected in the past, and may be affected in the future, by the actions of certain organizations and associations that have historically attempted to influence prices of green coffee through agreements establishing export quotas or by restricting coffee supplies.

We buy coffee using fixed-price and price-to-be-fixed purchase commitments, depending on market conditions, to secure an adequate supply of quality green coffee. Price-to-be-fixed contracts are purchase commitments whereby the quality, quantity, delivery period, and other negotiated terms are agreed upon, but the date, and therefore the price, at which the base "C" coffee commodity price component will be fixed has not yet been established. For these types of contracts, either Starbucks or the seller has the option to select a date on which to "fix" the base "C" coffee commodity price prior to the delivery date. Until prices are fixed, we estimate the total cost of these purchase commitments. Total green coffee purchase commitments as of September 28, 2014 were $1.1 billion, comprised of $417 million under fixed-price contracts and an estimated $718 million under price-to-be-fixed contracts. As of September 28, 2014, approximately $29 million of our price-to-be-fixed contracts were effectively fixed through the use of futures contracts and approximately $16 million were price-protected through the use of collar instruments. All price-to-be-fixed contracts as of September 28, 2014 were at the Company's option to fix the base "C" coffee commodity price component. Total purchase commitments, together with existing inventory, are expected to provide an adequate supply of green coffee through fiscal 2015.

We depend upon our relationships with coffee producers, outside trading companies and exporters for our supply of green coffee. We believe, based on relationships established with our suppliers, the risk of non-delivery on such purchase commitments is remote.

To help ensure the future supply of high-quality green coffee, and to reinforce our leadership role in the coffee industry, Starbucks operates six farmer support centers. The farmer support centers are staffed with agronomists and sustainability experts who work with coffee farming communities to promote best practices in coffee production designed to improve both coffee quality and yields.

In addition to coffee, we also purchase significant amounts of dairy products, particularly fluid milk, to support the needs of our company-operated stores. We believe, based on relationships established with our dairy suppliers, that the risk of non-delivery of sufficient fluid milk to support our stores is remote.

Products other than whole bean coffees and coffee beverages sold in Starbucks® stores include tea and a number of ready-to-drink beverages that are purchased from several specialty suppliers, usually under long-term supply contracts. Food products, such as La Boulange™ pastries, breakfast sandwiches and lunch items, are purchased from national, regional and local sources. We also purchase a broad range of paper and plastic products, such as cups and cutlery, from several companies to support the needs of our retail stores as well as our manufacturing and distribution operations. We believe, based on relationships established with these suppliers and manufacturers, that the risk of non-delivery of these items is remote.

Competition

Our primary competitors for coffee beverage sales are quick-service restaurants and specialty coffee shops. In almost all markets in which we do business, there are numerous competitors in the specialty coffee beverage business. We believe that our customers choose among specialty coffee retailers primarily on the basis of product quality, service and convenience, as well as price. We continue to experience direct competition from large competitors in the US quick-service restaurant sector and the US ready-to-drink coffee beverage market, in addition to well-established companies in many international markets. We also compete with restaurants and other specialty retailers for prime retail locations and qualified personnel to operate both new and existing stores.

Our coffee and tea products sold through our Channel Development segment compete directly against specialty coffees and teas sold through grocery stores, warehouse clubs, specialty retailers, convenience stores, and US foodservice accounts and compete indirectly against all other coffees and teas on the market.

Patents, Trademarks, Copyrights and Domain Names

Starbucks owns and has applied to register numerous trademarks and service marks in the US and in additional countries throughout the world. Some of our trademarks, including Starbucks, the Starbucks logo, Tazo, Seattle's Best Coffee, Teavana, Frappuccino, Starbucks VIA, Evolution Fresh and La Boulange are of material importance. The duration of trademark registrations varies from country to country. However, trademarks are generally valid and may be renewed indefinitely as long as they are in use and/or their registrations are properly maintained.

We own numerous copyrights for items such as product packaging, promotional materials, in-store graphics and training materials. We also hold patents on certain products, systems and designs. In addition, Starbucks has registered and maintains numerous Internet domain names, including "Starbucks.com," "Starbucks.net," "Tazo.com," "Seattlesbest.com" and "Teavana.com."

Seasonality and Quarterly Results

Our business is subject to seasonal fluctuations, including fluctuations resulting from the holiday season in December. Excluding the impact of a $2.8 billion cash payment in the first quarter of fiscal 2014 related to the Kraft arbitration matter, our cash flows from operations are considerably higher in the first fiscal quarter than the remainder of the year. This is largely driven by cash received as Starbucks Cards are issued to and loaded by customers during the holiday season. Since revenues from Starbucks Cards are recognized upon redemption and not when purchased, the impact of seasonal fluctuations on the consolidated statements of earnings is much less pronounced. Quarterly results are also affected by the timing of the opening of new stores and the closing of existing stores. For these reasons, results for any quarter are not necessarily indicative of the results that may be achieved for the full fiscal year.

Employees

Starbucks employed approximately 191,000 people worldwide as of September 28, 2014. In the US, Starbucks employed approximately 141,000 people, with approximately 133,000 in company-operated stores and the remainder in support facilities, store development, and roasting, manufacturing, warehousing and distribution operations. Approximately 50,000 employees were employed outside of the US, with approximately 47,000 in company-operated stores and the remainder in regional support operations. The number of Starbucks employees represented by unions is not significant. We believe our current relations with our employees are good.

Executive Officers of the Registrant

Name	Age	Position
Howard Schultz	61	chairman, president and chief executive officer
Troy Alstead	51	chief operating officer
Cliff Burrows	55	group president, US, Americas and Teavana
John Culver	54	group president, China, Asia Pacific, Channel Development and Emerging Brands
Scott Maw	47	executive vice president, chief financial officer
Lucy Lee Helm	57	executive vice president, general counsel and secretary

Howard Schultz is the founder of Starbucks Corporation and serves as the chairman, president and chief executive officer. Mr. Schultz has served as chairman of the board of directors since Starbucks inception in 1985, and in January 2008, he reassumed the role of president and chief executive officer. From June 2000 to February 2005, Mr. Schultz also held the title of chief global strategist. From November 1985 to June 2000, he served as chairman of the board and chief executive officer. From November 1985 to June 1994, Mr. Schultz also served as president. From January 1986 to July 1987, Mr. Schultz was the chairman of the board, chief executive officer and president of Il Giornale Coffee Company, a predecessor to the Company. From September 1982 to December 1985, Mr. Schultz was the director of retail operations and marketing for Starbucks Coffee Company, a predecessor to the Company.

Troy Alstead joined Starbucks in 1992 and has served as chief operating officer since February 2014. Mr. Alstead is responsible for overseeing Starbucks day-to-day operations, including aligning and prioritizing Company investments and operations across the global business units. He also has oversight responsibility for Starbucks Global Technology, Global Supply Chain, and Global Finance organizations. From September 2013 to February 2014, he served as chief financial officer and group president, Global Business Services. Mr. Alstead previously served as chief financial officer and chief administrative officer from November 2008 to September 2013, as chief operating officer, Starbucks Greater China from April 2008 to October 2008, senior vice president, Global Finance and Business Operations from August 2007 to April 2008, and senior vice president, Corporate Finance from September 2004 to August 2007. Mr. Alstead served in a number of other senior positions with Starbucks prior to 2004.

Cliff Burrows joined Starbucks in April 2001 and has served as group president, US, Americas and Teavana since February 2014. From May 2013 to February 2014, he served as group president, Americas and US, EMEA (Europe, Middle East and Africa) and Teavana. Mr. Burrows served as president, Starbucks Coffee Americas and US from October 2011 to May 2013 and as president, Starbucks Coffee US from March 2008 to October 2011. He served as president, Europe, Middle East and Africa (EMEA) from April 2006 to March 2008. He served as vice president and managing director, UK prior to April 2006. Prior to joining Starbucks, Mr. Burrows served in various management positions with Habitat Designs Limited, a furniture and housewares retailer.

John Culver joined Starbucks in August 2002 and has served as group president, China, Asia Pacific, Channel Development and Emerging Brands since May 2013. Mr. Culver served as president, Starbucks Coffee China and Asia Pacific from October 2011 to May 2013. From December 2009 to October 2011, he served as president, Starbucks Coffee International. Mr. Culver served as executive vice president; president, Global Consumer Products, Foodservice and Seattle's Best Coffee from February 2009 to September 2009, and then as president, Global Consumer Products and Foodservice from October 2009 to November 2009. He previously served as senior vice president; president, Starbucks Coffee Asia Pacific from January 2007 to February 2009, and vice president; general manager, Foodservice from August 2002 to January 2007.

Scott Maw joined Starbucks in August 2011 and has served as executive vice president, chief financial officer since February 2014. From October 2012 to February 2014, he served as senior vice president, Corporate Finance and as corporate controller from August 2011 to October 2012. Prior to joining Starbucks, Mr. Maw served as chief financial officer of SeaBright Insurance Company from February 2010 to August 2011. From October 2008 to February 2010 Mr. Maw served as chief financial officer of the Consumer Banking division of JPMorgan Chase & Co., having held a similar position at Washington Mutual Bank prior to its acquisition by Chase. From 1994 to 2003, he served in various finance leadership positions at General Electric Company.

Lucy Lee Helm joined Starbucks in September 1999 and has served as executive vice president, general counsel and secretary since May 2012. She served as senior vice president and deputy general counsel from October 2007 to April 2012 and served as interim general counsel and secretary from April 2012 to May 2012. Ms. Helm previously served as vice president, assistant general counsel from June 2002 to September 2007 and as director, corporate counsel from September 1999 to May 2002. During her tenure at Starbucks, Ms. Helm has led various teams of the Starbucks legal department, including the Litigation and Brand protection team, the Global Business (Commercial) team and the Litigation and Employment team. Prior to joining Starbucks, Ms. Helm was a principal at the Seattle law firm of Riddell Williams P.S. from 1990 to 1999, where she was a trial lawyer specializing in commercial, insurance coverage and environmental litigation.

Global Responsibility

We are committed to being a deeply responsible company in the communities where we do business. Our focus is on ethically sourcing high-quality coffee, reducing our environmental impacts and contributing positively to communities around the world. Starbucks Global Responsibility strategy and commitments are integral to our overall business strategy. As a result, we believe we deliver benefits to our stakeholders, including employees, business partners, customers, suppliers, shareholders, community members and others. For an overview of Starbucks Global Responsibility strategy and commitments, please visit www.starbucks.com/responsibility.

Available Information

Starbucks 10-K reports, along with all other reports and amendments filed with or furnished to the Securities and Exchange Commission ("SEC"), are publicly available free of charge on the Investor Relations section of our website at investor.starbucks.com or at www.sec.gov as soon as reasonably practicable after these materials are filed with or furnished to the SEC. Our corporate governance policies, code of ethics and Board committee charters and policies are also posted on the Investor Relations section of Starbucks website at investor.starbucks.com. The information on our website is not part of this or any other report Starbucks files with, or furnishes to, the SEC.

Item 1A. *Risk Factors*

You should carefully consider the risks described below. If any of the risks and uncertainties described in the cautionary factors described below actually occurs, our business, financial condition and results of operations, and the trading price of our common stock could be materially and adversely affected. Moreover, we operate in a very competitive and rapidly changing environment. New factors emerge from time to time and it is not possible to predict the impact of all these factors on our business, financial condition or results of operation.

• ***Economic conditions in the US and certain international markets could adversely affect our business and financial results.***

As a retailer that is dependent upon consumer discretionary spending, our results of operations are sensitive to changes in macro-economic conditions. Our customers may have less money for discretionary purchases and may stop or reduce their purchases of our products or trade down to Starbucks or competitors' lower priced products as a result of job losses, foreclosures, bankruptcies, increased fuel and energy costs, higher interest rates, higher taxes and reduced access to credit. Decreases in customer traffic and/or average value per transaction will negatively impact our financial performance as reduced revenues without a corresponding decrease in expenses result in sales de-leveraging, which creates downward pressure on margins and also negatively impacts comparable store sales, net revenues, operating income and earnings per share. There is also a risk that if negative economic conditions persist for a long period of time or worsen, consumers may make long-lasting changes to their discretionary purchasing behavior, including less frequent discretionary purchases on a more permanent basis.

• ***Our success depends substantially on the value of our brands and failure to preserve their value, either through our actions or those of our business partners, could have a negative impact on our financial results.***

We believe we have built an excellent reputation globally for the quality of our products, for delivery of a consistently positive consumer experience and for our corporate social responsibility programs. Our brand is recognized throughout the world and we have received high ratings in global brand value studies. To be successful in the future, particularly outside of the US, where the Starbucks brand and our other brands are less well-known, we believe we must preserve, grow and leverage the value of our brands across all sales channels. Brand value is based in part on consumer perceptions on a variety of subjective qualities.

Additionally, our business strategy, including our plans for new stores, foodservice, branded products and other initiatives, relies significantly on a variety of business partners, including licensee and joint venture relationships, particularly in our international markets. Licensees and food service operators are often authorized to use our logos and provide branded beverages, food and other products directly to customers. We provide training and support to, and monitor the operations of, certain of these business partners, but the product quality and service they deliver may be diminished by any number of factors beyond our control, including financial pressures they may face. We believe customers expect the same quality of products and service from our licensees and food services providers as they do from us and we strive to ensure customers receive the same quality of products and service experience whether they visit a company-operated store, licensed store or food service location. We also source our food, beverage and other products from a wide variety of domestic and international business partners in our supply chain operations, and in certain cases such products are produced or sourced by our licensees directly.

Business incidents, whether isolated or recurring and whether originating from us or our business partners, that erode consumer trust, such as actual or perceived breaches of privacy, contaminated food, recalls or other potential incidents discussed in this risk factors section, particularly if the incidents receive considerable publicity, including rapidly through social or digital media, or result in litigation, can significantly reduce brand value and have a negative impact on our financial results. Consumer demand for our products and our brand equity could diminish significantly if we or our licensees or other business partners fail to preserve the quality of our products, are perceived to act in an unethical or socially irresponsible manner, including with respect to the sourcing or content of our products, fail to comply with laws and regulations or fail to deliver a consistently positive consumer experience in each of our markets. Additionally, inconsistent uses of our brand and other of our intellectual property assets, as well as failure to protect our intellectual property, including from unauthorized uses of our brand or other of our intellectual property assets, can erode consumer trust and our brand value and have a negative impact on our financial results.

• ***The unauthorized access, theft or destruction of customer or employee personal, financial or other data or of Starbucks proprietary or confidential information that is stored in our information systems could impact our reputation and brand and expose us to potential liability and loss of revenues.***

Our information technology systems, such as those we use for our point-of-sale, web and mobile platforms, including online and mobile payment systems and rewards programs, and for administrative functions, as well as the information technology systems of our third party business partners and service providers, can contain personal, financial or other information that is entrusted to us by our customers and employees. Our information technology systems also contain Starbucks proprietary and other confidential information related to our business. Security breaches of our or a third party's information technology systems that result in the unauthorized access, theft or destruction of customers' or employees' data or that of the Company stored in such systems, including through cyber-attacks or other external or internal methods, could result in a material loss of revenues from the potential adverse impact to our reputation and brand, our ability to retain or attract new customers and the potential disruption to our business and plans. Such security breaches also could result in a violation of applicable US and international privacy and other laws, and subject us to private consumer or securities litigation and governmental investigations and proceedings, any of which could result in our exposure to material civil or criminal liability. Our reputation and brand and our ability to attract new customers could also be adversely impacted if we fail, or are perceived to have failed, to properly respond to these incidents, which could also result in similar exposure to liability. Significant capital investments and other expenditures could be required to remedy the problem and prevent future breaches, including costs associated with additional security technologies, personnel, experts and credit monitoring services for those whose data has been breached. These costs, which could be material, could adversely impact our results of operations in the period in which they are incurred and may not meaningfully limit the success of future attempts to breach our information technology systems. Media or other reports of existing or perceived security vulnerabilities in our systems or those of our third party business partners or service providers, even if no breach has been attempted or has occurred, can also adversely impact our brand and reputation and materially impact our business. Like many other retail companies and because of the prominence of our brand, we have experienced frequent attempts to compromise our information technology systems but none have resulted in a material breach. Additionally, the techniques and sophistication used to conduct cyber-attacks and breaches of information technology systems, as well as the sources and targets of these attacks, change frequently and are often not recognized until such attacks are launched or have been in place for a period of time. We continue to make significant investments in technology, third party services and personnel to develop and implement systems and processes that are designed to anticipate cyber-attacks and prevent breaches of our information technology systems or data loss, but these security measures cannot provide assurance that we will be successful in preventing such breaches or data loss.

• ***Incidents involving food-borne illnesses, food tampering, food contamination or mislabeling, whether or not accurate, as well as adverse public or medical opinions about the health effects of consuming our products, could harm our business.***

Instances or reports, whether true or not, of unclean water supply or food-safety issues, such as food-borne illnesses, food tampering, food contamination or mislabeling, either during growing, manufacturing, packaging, storing or preparation, have in the past severely injured the reputations of companies in the food processing, grocery and quick-service restaurant sectors and could affect us as well. Any report linking us to the use of unclean water, food-borne illnesses or food tampering, contamination, mislabeling or other food-safety issues could damage our brand value and severely hurt sales of our beverages and food products, and possibly lead to product liability claims, litigation (including class actions) or damages. Clean water is critical to the preparation of coffee and tea beverages and our ability to ensure a clean water supply to our stores can be limited, particularly in some international locations. We have also incorporated many products in our food and beverage lineup that require freezing or refrigeration, including produce (such as fruits and vegetables in our salads and juices), dairy products (such as milk and cheeses) and meats. If customers become ill from food-borne illnesses, tampering, contamination, mislabeling or other food-safety issues, we could also be forced to temporarily close some stores and/or supply chain facilities, as well as recall products. In addition, instances of food-safety issues, even those involving solely the restaurants or stores of competitors or of suppliers or distributors (regardless of whether we use or have used those suppliers or distributors), could, by resulting in negative publicity about us or the foodservice industry in general, adversely affect our sales on a regional or global basis. A decrease in customer traffic as a result of food-safety concerns or negative publicity, or as a result of a temporary closure of any of our stores or recalls, as well as adverse results of claims or litigation, could materially harm our business and results of operations.

Some of our products contain caffeine, dairy products, sugar and other compounds, the health effects of which are the subject of public scrutiny, including the suggestion that excessive consumption of caffeine, dairy products, sugar and other compounds can lead to a variety of adverse health effects. Particularly in the US, there is increasing consumer awareness of health risks, including obesity, due in part to increased publicity and attention from health organizations, as well as increased consumer litigation based on alleged adverse health impacts of consumption of various food products. While we have a variety of beverage and food items, including items that are coffee-free and have reduced calories, an unfavorable report on the health effects of caffeine or other compounds present in our products, whether accurate or not, or negative publicity or litigation arising from certain health risks could significantly reduce the demand for our beverages and food products and could materially harm our business and results of operations.

• ***We may not be successful in implementing important strategic initiatives or effectively managing growth, which may have an adverse impact on our business and financial results.***

There is no assurance that we will be able to implement important strategic initiatives in accordance with our expectations, which may result in an adverse impact on our business and financial results. These strategic initiatives are designed to create growth, improve our results of operations and drive long-term shareholder value, and include:

- successfully leveraging Starbucks brand portfolio outside the company-operated store base, including our increased focus on international licensed stores;
- focusing on relevant product innovation and profitable new growth platforms, including retail tea, and achieving customer acceptance of these new products and platforms while maintaining demand for our current offerings;
- continuing the growth of our Channel Development business;
- balancing disciplined global store growth and existing store renovation while meeting target store-level unit economics in a given market;
- executing a multi-channel advertising and marketing campaign to effectively communicate our message directly to Starbucks consumers and employees; and
- strategic acquisitions, divestitures or joint ventures.

In addition to other factors listed in this risk factors section, factors that may adversely affect the successful implementation of these initiatives, which could adversely impact our business and financial results, include construction cost increases associated with new store openings and remodeling of existing stores; delays in store openings for reasons beyond our control or a lack of desirable real estate locations available for lease at reasonable rates, either of which could keep us from meeting annual store opening targets in the US and internationally; lack of customer acceptance of new products due to price increases necessary to cover the costs of new products or higher input costs; the degree to which we enter into, maintain, develop and are able to negotiate appropriate terms and conditions of, and enforce, commercial and other agreements; not successfully consummating favorable strategic transactions or integrating acquired businesses; or the deterioration in our credit ratings, which could limit the availability of additional financing and increase the cost of obtaining financing to fund our initiatives. If we are not successful in implementing these strategic initiatives, we may be required to evaluate whether certain assets, including other intangibles and goodwill, have become impaired. In the event we record an impairment charge, it could have a material impact on our financial results.

Additionally, effectively managing growth can be challenging, particularly as we continue to expand into new channels outside the retail store model, increase our focus on our Channel Development business, and expand into new markets internationally where we must balance the need for flexibility and a degree of autonomy for local management against the need for consistency with our goals, philosophy and standards. Growth can make it increasingly difficult to ensure a consistent supply of high-quality raw materials, to locate and hire sufficient numbers of key employees, to maintain an effective system of internal controls for a globally dispersed enterprise and to train employees worldwide to deliver a consistently high quality product and customer experience.

• ***We face intense competition in each of our channels and markets, which could lead to reduced profitability.***

The specialty coffee market is intensely competitive, including with respect to product quality, innovation, service, convenience, and price, and we face significant and increasing competition in all these areas in each of our channels and markets. Accordingly, we do not have leadership positions in all channels and markets. In the US, the ongoing focus by large competitors in the quick-service restaurant sector on selling high-quality specialty coffee beverages could lead to decreases in customer traffic to Starbucks® stores and/or average value per transaction adversely affecting our sales and results of operations. Similarly, continued competition from well-established competitors in our international markets could hinder growth and adversely affect our sales and results of operations in those markets. Increased competition in the US packaged coffee and tea and single-serve and ready-to-drink coffee beverage markets, including from new and large entrants to this market, could adversely affect the profitability of the Channel Development segment. Additionally, declines in general consumer demand for specialty coffee products for any reason, including due to consumer preference for other products, could have a negative effect on our business.

• We are highly dependent on the financial performance of our Americas operating segment.

Our financial performance is highly dependent on our Americas operating segment, as it comprised approximately 73% of consolidated total net revenues in fiscal 2014. If the Americas operating segment revenue trends slow or decline our other segments may be unable to make up any significant shortfall and our business and financial results could be adversely affected. And because the Americas segment is relatively mature and produces the large majority of our operating cash flows, such a slowdown or decline could result in reduced cash flows for funding the expansion of our international business and other initiatives and for returning cash to shareholders.

• We are increasingly dependent on the success of our CAP and EMEA operating segments in order to achieve our growth targets.

Our future growth increasingly depends on the growth and sustained profitability of our CAP and EMEA operating segments. Some or all of our international market business units ("MBUs"), which we generally define by the countries in which they operate, may not be successful in their operations or in achieving expected growth, which ultimately requires achieving consistent, stable net revenues and earnings. The performance of these international operations may be adversely affected by economic downturns in one or more of the countries in which our large MBUs operate. In particular, our China MBU contributes meaningfully to both net revenues and earnings for our CAP segment and our Japan MBU contributes significantly to earnings in that segment. In the EMEA segment, our UK MBU accounts for a significant portion of the net revenues. A decline in performance of any of these MBUs could have a material adverse impact on the results of our international operations.

Additionally, some factors that will be critical to the success of the CAP and EMEA segments are different than those affecting our US stores and licensees. Tastes naturally vary by region, and consumers in some MBUs may not embrace our products to the same extent as consumers in the US or other international markets. Occupancy costs and store operating expenses can be higher internationally than in the US due to higher rents for prime store locations or costs of compliance with country-specific regulatory requirements. Because many of our international operations are in an early phase of development, operating expenses as a percentage of related revenues are often higher compared to more developed operations, such as in the US. Additionally, our international joint venture partners or licensees may face capital constraints or other factors that may limit the speed at which they are able to expand and develop in a certain market.

Our international operations are also subject to additional inherent risks of conducting business abroad, such as:

- foreign currency exchange rate fluctuations, or requirements to transact in specific currencies;
- changes or uncertainties in economic, legal, regulatory, social and political conditions in our markets;
- interpretation and application of laws and regulations;
- restrictive actions of foreign or US governmental authorities affecting trade and foreign investment, especially during periods of heightened tension between the US and such foreign governmental authorities, including protective measures such as export and customs duties and tariffs, government intervention favoring local competitors, and restrictions on the level of foreign ownership;
- import or other business licensing requirements;
- the enforceability of intellectual property and contract rights;
- limitations on the repatriation of funds and foreign currency exchange restrictions due to current or new US and international regulations;
- in developing economies, the growth rate in the portion of the population achieving sufficient levels of disposable income may not be as fast as we forecast;
- difficulty in staffing, developing and managing foreign operations and supply chain logistics, including ensuring the consistency of product quality and service, due to governmental actions affecting supply chain logistics, distance, language and cultural differences, as well as challenges in recruiting and retaining high quality employees in local markets;
- local laws that make it more expensive and complex to negotiate with, retain or terminate employees;
- delays in store openings for reasons beyond our control, competition with locally relevant competitors or a lack of desirable real estate locations available for lease at reasonable rates, any of which could keep us from meeting annual store opening targets and, in turn, negatively impact net revenues, operating income and earnings per share; and
- disruption in energy supplies affecting our markets.

Moreover, many of the foregoing risks are particularly acute in developing countries, which are important to our long-term growth prospects.

• ***Increases in the cost of high-quality* arabica *coffee beans or other commodities or decreases in the availability of high-quality* arabica *coffee beans or other commodities could have an adverse impact on our business and financial results.***

We purchase, roast, and sell high-quality whole bean *arabica* coffee beans and related coffee products. The price of coffee is subject to significant volatility and has and may again increase significantly due to one or more of the factors described below. The high-quality *arabica* coffee of the quality we seek tends to trade on a negotiated basis at a premium above the "C" price. This premium depends upon the supply and demand at the time of purchase and the amount of the premium can vary significantly. Increases in the "C" coffee commodity price do increase the price of high-quality *arabica* coffee and also impact our ability to enter into fixed-price purchase commitments. We frequently enter into supply contracts whereby the quality, quantity, delivery period, and other negotiated terms are agreed upon, but the date, and therefore price, at which the base "C" coffee commodity price component will be fixed has not yet been established. These are known as price-to-be-fixed contracts. The supply and price of coffee we purchase can also be affected by multiple factors in the producing countries, including weather, natural disasters, crop disease, general increase in farm inputs and costs of production, inventory levels and political and economic conditions, as well as the actions of certain organizations and associations that have historically attempted to influence prices of green coffee through agreements establishing export quotas or by restricting coffee supplies. Speculative trading in coffee commodities can also influence coffee prices. Because of the significance of coffee beans to our operations, combined with our ability to only partially mitigate future price risk through purchasing practices and hedging activities, increases in the cost of high-quality *arabica* coffee beans could have an adverse impact on our profitability. In addition, if we are not able to purchase sufficient quantities of green coffee due to any of the above factors or to a worldwide or regional shortage, we may not be able to fulfill the demand for our coffee, which could have an adverse impact on our profitability.

We also purchase significant amounts of dairy products, particularly fluid milk, to support the needs of our company-operated retail stores. Additionally, and although less significant to our operations than coffee or dairy, other commodities, including but not limited to tea and those related to food inputs, such as cocoa, produce, baking ingredients, meats and energy, are important to our operations. Increases in the cost of dairy products and other commodities, or lack of availability, especially in international markets, could have an adverse impact on our profitability.

• ***Our financial condition and results of operations are sensitive to, and may be adversely affected by, a number of factors, many of which are largely outside our control.***

Our operating results have been in the past and will continue to be subject to a number of factors, many of which are largely outside our control. Any one or more of the factors listed below or described elsewhere in this risk factors section could adversely impact our business, financial condition and/or results of operations:

- increases in labor costs such as increased health care costs, general market and minimum wage levels and workers' compensation insurance costs;
- adverse outcomes of litigation; and
- especially in our larger or fast growing markets, labor discord, war, terrorism (including incidents targeting us), political instability, boycotts, social unrest, and natural disasters, including health pandemics that lead to avoidance of public places or restrictions on public gatherings such as in our stores.

• ***Interruption of our supply chain could affect our ability to produce or deliver our products and could negatively impact our business and profitability.***

Any material interruption in our supply chain, such as material interruption of roasted coffee supply due to the casualty loss of any of our roasting plants, interruptions in service by our third party logistic service providers or common carriers that ship goods within our distribution channels, trade restrictions, such as increased tariffs or quotas, embargoes or customs restrictions, or natural disasters that cause a material disruption in our supply chain could negatively impact our business and our profitability.

Additionally, our food, beverage and other products are sourced from a wide variety of domestic and international business partners in our supply chain operations, and in certain cases are produced or sourced by our licensees directly. We rely on these suppliers and vendors to provide high quality products and to comply with applicable laws. Our ability to find qualified suppliers and vendors who meet our standards and supply products in a timely and efficient manner is a significant challenge, especially with respect to goods sourced from outside the US. A vendor's or supplier's failure to meet our standards, provide products in a timely and efficient manner, and comply with applicable laws is beyond our control. These issues could negatively impact our business and profitability.

• Failure to meet market expectations for our financial performance will likely adversely affect the market price and volatility of our stock.

Failure to meet market expectations going forward, particularly with respect to operating margins, earnings per share, comparable store sales, operating cash flows, and net revenues, will likely result in a decline and/or increased volatility in the market price of our stock. In addition, price and volume fluctuations in the stock market as a whole may affect the market price of our stock in ways that may be unrelated to our financial performance.

• The loss of key personnel or difficulties recruiting and retaining qualified personnel could adversely impact our business and financial results.

Much of our future success depends on the continued availability and service of senior management personnel. The loss of any of our executive officers or other key senior management personnel could harm our business. We must continue to recruit, retain and motivate management and other employees sufficiently, both to maintain our current business and to execute our strategic initiatives, some of which involve ongoing expansion in business channels outside of our traditional company-operated store model. Our success also depends substantially on the contributions and abilities of our retail store employees whom we rely on to give customers a superior in-store experience. Accordingly, our performance depends on our ability to recruit and retain high quality employees to work in and manage our stores, both domestically and internationally. If we are unable to recruit, retain and motivate employees sufficiently to maintain our current business and support our projected growth, our business and financial performance may be adversely affected.

• We rely heavily on information technology in our operations, and any material failure, inadequacy, interruption or security failure of that technology could harm our ability to effectively operate our business and could adversely affect our financial results.

We rely heavily on information technology systems across our operations, including for administrative functions, point-of-sale processing and payment in our stores and online, management of our supply chain, Starbucks Cards, online business, mobile payments, reloads and loyalty functionality and various other processes and transactions. Our ability to effectively manage our business and coordinate the production, distribution and sale of our products depends significantly on the reliability, integrity and capacity of these systems. We also rely on third party providers and platforms for some of these information technology systems and support. Although we have security measures in place, they may not be effective in preventing the failure of these systems or platforms to operate effectively and be available. Such failures may be caused by various factors, including power outages, catastrophic events, problems with transitioning to upgraded or replacement systems or platforms, flaws in third party software, or a breach in the security of these systems or platforms, including through cyber-attacks. If our disaster recovery and business continuity plans do not resolve these issues in an effective manner they could cause material negative impacts to our product availability and sales, the efficiency of our operations and our financial results.

• Failure to comply with applicable laws and regulations could harm our business and financial results.

Our policies and procedures are designed to comply with all applicable laws, accounting and reporting requirements, tax rules and other regulations and requirements, including those imposed by the SEC, NASDAQ, and foreign countries, as well as applicable trade, labor, healthcare, privacy, food, anti-bribery and corruption and merchandise laws. The complexity of the regulatory environment in which we operate and the related cost of compliance are both increasing due to additional or changing legal and regulatory requirements, our ongoing expansion into new markets and new channels, and the fact that foreign laws occasionally conflict with domestic laws. In addition to potential damage to our reputation and brand, failure to comply with the various laws and regulations, as well as changes in laws and regulations or the manner in which they are interpreted or applied, may result in litigation, civil and criminal liability, damages, fines and penalties, increased cost of regulatory compliance and restatements of our financial statements.

Item 1B. *Unresolved Staff Comments*

None.

Item 2. *Properties*

The significant properties used by Starbucks in connection with its roasting, manufacturing, warehousing, distribution and corporate administrative operations, serving all segments, are as follows:

Location	Approximate Size in Square Feet	Purpose
Rancho Cucamonga, CA	265,000	Manufacturing
San Francisco, CA	79,000	Warehouse and distribution
Augusta, GA	131,000	Manufacturing
Minden, NV (Carson Valley)	360,000	Roasting and distribution
York, PA	1,035,000	Roasting, distribution and warehouse
Gaston, SC (Sandy Run)	117,000	Roasting and distribution
Lebanon, TN	680,000	Distribution center
Auburn, WA	491,000	Warehouse and distribution
Kent, WA	510,000	Roasting and distribution
Seattle, WA	1,001,000	Corporate administrative
Amsterdam, Netherlands	97,000	Roasting and distribution
Samutprakarn, Thailand	80,000	Warehouse and distribution

We own our roasting facilities and lease the majority of our warehousing and distribution locations. As of September 28, 2014, Starbucks had 10,713 company-operated stores, almost all of which are leased. We also lease space in various locations worldwide for regional, district and other administrative offices, training facilities and storage. In addition to the locations listed above, we hold inventory at various locations managed by third-party warehouses.

Item 3. *Legal Proceedings*

See Note 15, Commitments and Contingencies, to the consolidated financial statements included in Item 8 of Part II of this 10-K for information regarding certain legal proceedings in which we are involved.

Item 4. *Mine Safety Disclosures*

Not applicable.

PART II

Item 5. *Market for the Registrant's Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities*

SHAREHOLDER INFORMATION

MARKET INFORMATION AND DIVIDEND POLICY

Starbucks common stock is traded on NASDAQ, under the symbol "SBUX."

The following table shows the quarterly high and low sale prices per share of Starbucks common stock as reported by NASDAQ for each quarter during the last two fiscal years and the quarterly cash dividend declared per share of our common stock during the periods indicated:

	High	Low	Cash Dividends Declared
Fiscal 2014:			
Fourth Quarter	$ 80.64	$ 73.78	$ 0.32
Third Quarter	78.35	67.93	0.26
Second Quarter	78.83	68.67	0.26
First Quarter	82.50	74.45	0.26
Fiscal 2013:			
Fourth Quarter	$ 77.84	$ 65.82	$ 0.26
Third Quarter	67.48	56.65	0.21
Second Quarter	58.97	52.39	0.21
First Quarter	54.90	44.27	0.21

As of November 7, 2014, we had approximately 17,800 shareholders of record. This does not include persons whose stock is in nominee or "street name" accounts through brokers.

Future decisions to pay cash dividends continue to be at the discretion of the Board of Directors and will be dependent on our operating performance, financial condition, capital expenditure requirements, and other factors that the Board of Directors considers relevant.

ISSUER PURCHASES OF EQUITY SECURITIES

The following table provides information regarding repurchases of our common stock during the quarter ended September 28, 2014:

	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs (2)
Period(1)				
June 30, 2014 — July 27, 2014	—	$ —	—	18,132,067
July 28, 2014 — August 24, 2014	789,975	77.27	789,975	17,342,092
August 25, 2014 — September 28, 2014	1,484,884	76.52	1,484,884	15,857,208
Total	2,274,859	$ 76.78	2,274,859	

(1) Monthly information is presented by reference to our fiscal months during the fourth quarter of fiscal 2014.

(2) The share repurchase program is conducted under authorizations made from time to time by our Board of Directors. On November 15, 2012, we publicly announced the authorization of up to 25 million shares. This authorization has no expiration date.

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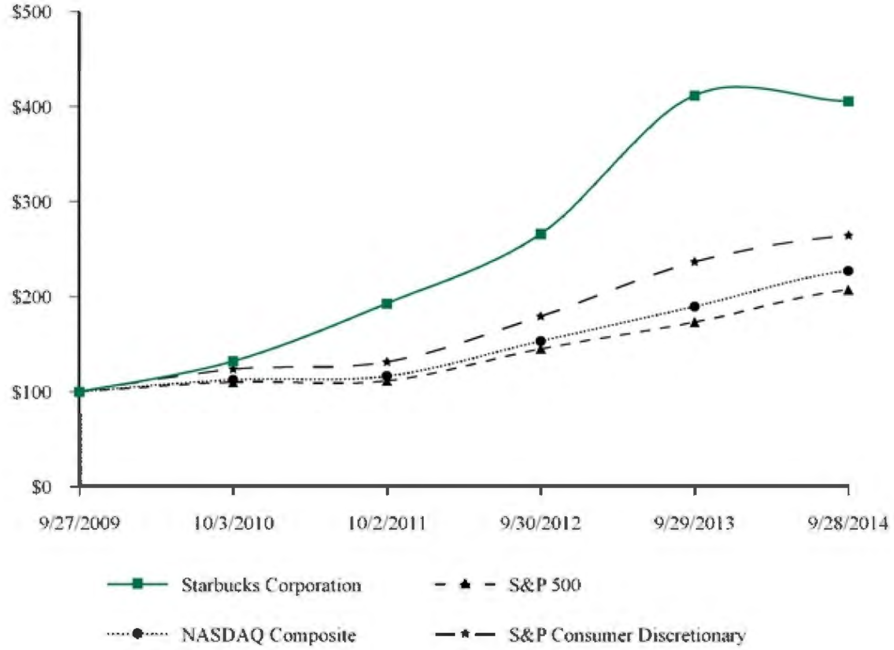
Performance Comparison Graph

The following graph depicts the total return to shareholders from September 27, 2009 through September 28, 2014, relative to the performance of the Standard & Poor's 500 Index, the NASDAQ Composite Index, and the Standard & Poor's 500 Consumer Discretionary Sector, a peer group that includes Starbucks. All indices shown in the graph have been reset to a base of 100 as of September 27, 2009, and assume an investment of $100 on that date and the reinvestment of dividends paid since that date. The stock price performance shown in the graph is not necessarily indicative of future price performance.



	Sep 27, 2009	Oct 3, 2010	Oct 2, 2011	Sep 30, 2012	Sep 29, 2013	Sep 28, 2014
Starbucks Corporation	$ 100.00	$ 132.04	$ 192.82	$ 266.00	$ 411.41	$ 405.56
S&P 500	100.00	110.16	111.42	145.07	173.13	207.30
NASDAQ Composite	100.00	112.55	116.28	153.12	189.49	227.09
S&P Consumer Discretionary	100.00	123.63	131.26	179.35	236.45	264.29

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Item 6. *Selected Financial Data*

The following selected financial data is derived from the consolidated financial statements. The data below should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Risk Factors," and the consolidated financial statements and notes.

Financial Information (in millions, except per share data):

As of and for the Fiscal Year Ended [1]	Sep 28, 2014 (52 Wks)	Sep 29, 2013 (52 Wks)	Sep 30, 2012 (52 Wks)	Oct 2, 2011 (52 Wks)	Oct 3, 2010 (53 Wks)
Results of Operations					
Net revenues:					
Company-operated stores	$ 12,977.9	$ 11,793.2	$ 10,534.5	$ 9,632.4	$ 8,963.5
Licensed stores	1,588.6	1,360.5	1,210.3	1,007.5	875.2
CPG, foodservice and other[2]	1,881.3	1,713.1	1,532.0	1,060.5	868.7
Total net revenues[2]	$ 16,447.8	$ 14,866.8	$ 13,276.8	$ 11,700.4	$ 10,707.4
Operating income/(loss)[3,4]	$ 3,081.1	$ (325.4)	$ 1,997.4	$ 1,728.5	$ 1,419.4
Net earnings including noncontrolling interests[3,4]	2,067.7	8.8	1,384.7	1,248.0	948.3
Net earnings attributable to noncontrolling interests	(0.4)	0.5	0.9	2.3	2.7
Net earnings attributable to Starbucks[3,4]	2,068.1	8.3	1,383.8	1,245.7	945.6
EPS — diluted[3,4]	2.71	0.01	1.79	1.62	1.24
Cash dividends declared per share	1.10	0.89	0.72	0.56	0.36
Net cash provided by operating activities	607.8	2,908.3	1,750.3	1,612.4	1,704.9
Capital expenditures (additions to property, plant and equipment)	1,160.9	1,151.2	856.2	531.9	440.7
Balance Sheet					
Total assets	$ 10,752.9	$ 11,516.7	$ 8,219.2	$ 7,360.4	$ 6,385.9
Long-term debt (including current portion)	2,048.3	1,299.4	549.6	549.5	549.4
Shareholders' equity	5,272.0	4,480.2	5,109.0	4,384.9	3,674.7

(1) Our fiscal year ends on the Sunday closest to September 30. The fiscal year ended on October 3, 2010 included 53 weeks with the 53rd week falling in our fourth fiscal quarter.

(2) For fiscal 2013 and 2012, we reclassified certain fees related to our US and Seattle's Best Coffee foodservice operations, totaling $25.4 million and $22.7 million, respectively, from other operating expenses to foodservice revenues included in CPG, foodservice and other net revenues. This correction of an immaterial error is discussed further in Note 1, Summary of Significant Accounting Policies, to the consolidated financial statements included in Item 8 of Part II of this 10-K.

(3) Fiscal 2010 results include pretax restructuring charges of $53.0 million.

(4) Fiscal 2013 results include a pretax charge of $2,784.1 million resulting from the conclusion of our arbitration with Kraft Foods Global, Inc. The impact of this charge to net earnings attributable to Starbucks and diluted EPS, net of the related tax benefit, was $1,713.1 million and $2.25 per share, respectively.

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Comparable Store Sales:

Fiscal Year Ended	Sep 28, 2014 (52 Wks)	Sep 29, 2013 (52 Wks)	Sep 30, 2012 (52 Wks)	Oct 2, 2011 (52 Wks)	Oct 3, 2010 (53 Wks)
Percentage change in comparable store sales(5)					
Americas					
Sales growth	6%	7 %	8%	8%	7 %
Change in transactions	2%	5 %	6%	5%	3 %
Change in ticket	3%	2 %	2%	2%	3 %
EMEA					
Sales growth	5%	— %	—%	3%	5 %
Change in transactions	3%	2 %	—%	3%	6 %
Change in ticket	2%	(2)%	—%	—%	(1)%
China/Asia Pacific					
Sales growth	7%	9 %	15%	22%	11 %
Change in transactions	6%	7 %	11%	20%	9 %
Change in ticket	—%	2 %	3%	2%	2 %
Consolidated					
Sales growth	6%	7 %	7%	8%	7 %
Change in transactions	3%	5 %	6%	6%	4 %
Change in ticket	3%	2 %	1%	2%	3 %

(5) Includes only Starbucks® company-operated stores open 13 months or longer. For fiscal 2010, comparable store sales percentages were calculated excluding the 53rd week. Comparable store sales exclude the effect of fluctuations in foreign currency exchange rates.

Store Count Data:

As of and for the Fiscal Year Ended	Sep 28, 2014 (52 Wks)	Sep 29, 2013 (52 Wks)	Sep 30, 2012 (52 Wks)	Oct 2, 2011 (52 Wks)	Oct 3, 2010 (53 Wks)
Net stores opened/(closed) during the year:					
Americas(6)					
Company-operated stores	317	276	228	32	(32)
Licensed stores	381	404	280	215	101
EMEA(7)					
Company-operated stores	(9)	(29)	10	25	(64)
Licensed stores	180	129	101	79	100
China/Asia Pacific (8)					
Company-operated stores	250	239	152	74	31
Licensed stores	492	349	296	192	78
All Other Segments (9)					
Company-operated stores	12	343	—	6	(1)
Licensed stores(10)	(24)	(10)	(4)	(478)	10
Total	1,599	1,701	1,063	145	223
Stores open at year end:					
Americas (6)					
Company-operated stores	8,395	8,078	7,802	7,574	7,542
Licensed stores	5,796	5,415	5,011	4,731	4,516
EMEA(7)					
Company-operated stores	817	826	855	845	820
Licensed stores	1,323	1,143	1,014	913	834
China/Asia Pacific(8)					
Company-operated stores	1,132	882	643	491	417
Licensed stores	3,492	3,000	2,651	2,355	2,163
All Other Segments (9)					
Company-operated stores	369	357	14	14	8
Licensed stores (10)	42	66	76	80	558
Total	21,366	19,767	18,066	17,003	16,858

(6) Americas store data has been adjusted for the sale of store locations in Chile to a joint venture partner in the fourth quarter of fiscal 2013 by reclassifying historical information from company-operated stores to licensed stores, and to exclude Seattle's Best Coffee and Evolution Fresh, which are reported within All Other Segments.

(7) EMEA store data has been adjusted for the acquisition of store locations in Austria and Switzerland in the fourth quarter of fiscal 2011 by reclassifying historical information from licensed stores to company-operated stores, and the transfer of certain company-operated stores to licensed stores in the fourth quarter of fiscal 2012 and in the second and fourth quarters of fiscal 2014.

(8) CAP store data has been adjusted for the transfer of certain company-operated stores to licensed stores in the fourth quarter of fiscal 2014.

(9) Includes 337 Teavana® stores acquired in the second quarter of fiscal 2013.

(10) Includes the closure of 475 licensed Seattle's Best Coffee® locations in Borders Bookstores during fiscal 2011.

Item 7. *Management's Discussion and Analysis of Financial Condition and Results of Operations*

General

Our fiscal year ends on the Sunday closest to September 30. The fiscal years ended on September 28, 2014, September 29, 2013 and September 30, 2012 all included 52 weeks. All references to store counts, including data for new store openings, are reported net of related store closures, unless otherwise noted.

Financial Highlights

- Total net revenues increased 11% to $16.4 billion in fiscal 2014 compared to $14.9 billion in fiscal 2013.
- Global comparable store sales grew 6% driven by a 3% increase in the number of transactions and a 3% increase in average ticket.
- Consolidated operating income increased to $3.1 billion in fiscal 2014 compared to an operating loss of $325.4 million in fiscal 2013. Fiscal 2014 operating margin was 18.7% compared to (2.2)% in fiscal 2013. The operating margin expansion was primarily due to lapping the $2.8 billion Kraft litigation charge in the prior year. The remaining change in operating margin was primarily driven by sales leverage and lower commodity costs, mainly coffee.
- Earnings per share for fiscal 2014 increased to $2.71, compared to EPS of $0.01 in fiscal 2013, primarily due to lapping the Kraft litigation charge, which reduced EPS by $2.25 per share in fiscal 2013. The remaining increase was primarily due to the improved sales leverage and lower commodity costs, as well as a gain on the sale of our equity interest in our Malaysia joint venture.
- Cash flows from operations were $607.8 million in fiscal 2014 compared to $2.9 billion in fiscal 2013. The decline in fiscal 2014 was driven by the payment of $2.8 billion during the year for the Kraft arbitration matter. This was partially offset by cash provided by operating activities of $3.4 billion resulting from strong earnings and favorable changes in working capital accounts in the current year.
- Capital expenditures were $1.2 billion in fiscal 2014 and fiscal 2013.
- We returned $1.6 billion to our shareholders in fiscal 2014 through dividends and share repurchases.

Overview

Starbucks results for fiscal 2014 demonstrate the continued strength of our global business model and our ability to successfully execute new growth initiatives in a disciplined manner. All reportable segments contributed to strong revenue growth and collectively drove an increase in consolidated operating income and operating margin expansion.

The Americas segment continued its strong performance in fiscal 2014, with revenues growing 9% to $12.0 billion, primarily driven by comparable store sales growth of 6%, comprised of a 3% increase in average ticket and a 2% increase in number of transactions. Enhanced food offerings, including the full rollout of our La Boulange™ food platform in the US, the impact of price increases in our retail stores and successful promotional beverages contributed to the growth in comparable store sales. Americas operating margin grew 190 basis points to 23.4% in fiscal 2014, primarily driven by sales leverage and lower commodity costs. Looking forward, we expect to continue to drive revenue growth and margin expansion through new stores and continued product innovation, targeted at driving growth across all geographies and all dayparts. We plan to continue to expand our beverage platforms and elevate our food program, in part with continued enhancements to our lunch options.

In the EMEA segment, fiscal 2014 benefited from the significant performance improvement of this segment, reaching double-digit revenue growth and increased profitability compared to the prior year. Revenues grew 12% to $1.3 billion, primarily driven by favorable foreign currency exchange and comparable store sales growth of 5%. Incremental revenues from 180 net new licensed store openings over the past year also contributed. EMEA operating margin expanded 370 basis points to 9.2% in fiscal 2014, primarily due to sales leverage and continued cost management, largely driven by the shift in our store portfolio to more licensed stores in this segment. We expect our continued disciplined licensed store expansion and focus on the customer experience in this region will result in improved operating performance as we progress on our plan towards mid-teens operating margin over time.

Our China/Asia Pacific segment results reflect the growth and strong performance of new stores in the region, including 250 company-operated and 492 licensed net new store openings over the past year. This new store growth, along with a 7% increase in comparable store sales, drove a 23% increase in total net revenues to $1.1 billion for fiscal 2014. Operating income grew $51.3 million, or 16%, to $373 million compared to the prior year. Operating margin declined 200 basis points primarily resulting from the shift in the composition of our store portfolio in this segment to more company-operated stores. We expect this segment will become a more significant contributor to overall company profitability in the future. We look forward to continued new store openings and the acquisition and integration of Starbucks Japan, including expanding our presence into other channels in the Japan market, such as CPG, licensing and foodservice. We also expect that China will continue to grow toward being one of our largest markets outside of the US.

Channel Development segment revenues grew 11% to $1.5 billion, in fiscal 2014, primarily due to increased sales of premium single-serve products. Lower coffee costs was the primary contributor to the 630 basis point increase in operating margin for fiscal 2014. As we continue to expand customer occasions outside of our retail stores, including growing our presence in the premium single-serve category, we expect this segment to become a more significant contributor to future growth.

Fiscal 2015 — The View Ahead

For fiscal 2015, we expect revenue growth of 16% to 18%, including 6% to 7% of incremental growth from the acquisition of Starbucks Japan. The remaining growth will primarily come from mid-single-digit global comparable store sales growth and the addition of approximately 1,650 net new stores. Approximately one-half of net new store openings will be in our China/Asia Pacific segment, with the remaining half coming primarily from the Americas.

We expect consolidated operating margin to decline slightly in fiscal 2015 when compared to our fiscal 2014 results, primarily due to the mildly dilutive margin impact of the acquisition of Starbucks Japan, largely driven by the change in business model from a joint venture to a company-operated market. We expect strong EPS growth in fiscal 2015, due in part to an anticipated acquisition-related gain of approximately $325 million to $375 million after-tax, or $0.43 to $0.49 per share, resulting from a fair value adjustment of our current 39.5% ownership interest in Starbucks Japan. We expect sales leverage to also contribute to the EPS growth.

The effective tax rate for fiscal 2015 is expected to be approximately 31%, including a net tax benefit of approximately 4% from the acquisition of Starbucks Japan.

Capital expenditures in fiscal 2015 are expected to be approximately $1.4 billion, primarily for new stores and store renovations, as well as for other investments to support our ongoing growth initiatives.

Acquisitions and Divestitures

See Note 2, Acquisitions and Divestitures, to the consolidated financial statements included in Item 8 of Part II of this 10-K for information regarding acquisitions and divestitures.

RESULTS OF OPERATIONS — FISCAL 2014 COMPARED TO FISCAL 2013

Consolidated results of operations *(in millions)*:

Revenues

Fiscal Year Ended		Sep 28, 2014		Sep 29, 2013	% Change
Net revenues:					
Company-operated stores	$	12,977.9	$	11,793.2	10.0%
Licensed stores		1,588.6		1,360.5	16.8
CPG, foodservice and other		1,881.3		1,713.1	9.8
Total net revenues	**$**	**16,447.8**	**$**	**14,866.8**	**10.6%**

Total net revenues were $16.4 billion for fiscal 2014, an increase of $1.6 billion, or 11%, over fiscal 2013, primarily due to increased revenues from company-operated stores (contributing $1.2 billion). The growth in company-operated store revenues was driven by a 6% increase in comparable store sales (approximately $641 million) and incremental revenues from 555 net new Starbucks® company-operated store openings over the past 12 months (approximately $529 million).

Licensed store revenue growth contributed $228 million to the increase in total net revenues, primarily due to increased product sales to and royalty revenues from our licensees, as a result of improved comparable store sales and the opening of 1,029 net new licensed stores over the past 12 months.

CPG, foodservice and other revenues increased $168 million, primarily due to increased sales of premium single-serve products (approximately $111 million) and increased foodservice sales (approximately $17 million).

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Operating Expenses

Fiscal Year Ended		Sep 28, 2014		Sep 29, 2013	Sep 28, 2014	Sep 29, 2013
					% of Total Net Revenues	
Cost of sales including occupancy costs	$	6,858.8	$	6,382.3	41.7 %	42.9 %
Store operating expenses		4,638.2		4,286.1	28.2	28.8
Other operating expenses		457.3		431.8	2.8	2.9
Depreciation and amortization expenses		709.6		621.4	4.3	4.2
General and administrative expenses		991.3		937.9	6.0	6.3
Litigation charge		(20.2)		2,784.1	(0.1)	18.7
Total operating expenses		13,635.0		15,443.6	82.9	103.9
Income from equity investees		268.3		251.4	1.6	1.7
Operating income/(loss)	**$**	**3,081.1**	**$**	**(325.4)**	**18.7 %**	**(2.2)%**
Store operating expenses as a percentage of company-operated store revenues					35.7 %	36.3 %

Cost of sales including occupancy costs as a percentage of total net revenues decreased 120 basis points, primarily driven by lower commodity costs (approximately 80 basis points), mainly coffee, and sales leverage (approximately 40 basis points).

Store operating expenses as a percentage of total net revenues, and as a percentage of company-operated store revenues, decreased 60 basis points, mainly driven by sales leverage (approximately 80 basis points).

Other operating expenses as a percentage of total net revenues decreased 10 basis points. Excluding the impact of company-operated store revenues, other operating expenses decreased 80 basis points, primarily due to sales leverage (approximately 30 basis points).

General and administrative expenses as a percentage of total net revenues decreased 30 basis points, mainly due to lapping of costs associated with our leadership conference held in the prior year.

The litigation charge of $2,784.1 million in fiscal 2013 reflects the charge we recorded as a result of the conclusion of the arbitration with Kraft. This charge included $2,227.5 million in damages and $556.6 million in estimated interest and attorneys' fees. The $20.2 million litigation credit recorded in fiscal 2014 reflects a reduction to our estimated prejudgment interest payable associated with the Kraft arbitration as a result of paying our obligation earlier than anticipated.

Income from equity investees increased $17 million, primarily due to improved performance from our joint venture operations in China, South Korea, and Japan, as well as improved performance from our North American Coffee Partnership joint venture, which produces, bottles and distributes our ready-to-drink beverages.

The combination of these changes resulted in an overall increase in operating margin to 18.7% compared to (2.2)% in the prior year period.

Other Income and Expenses

Fiscal Year Ended		**Sep 28, 2014**		**Sep 29, 2013**	**Sep 28, 2014**	**Sep 29, 2013**
					% of Total Net Revenues	
Operating income/(loss)	$	3,081.1	$	(325.4)	18.7 %	(2.2)%
Interest income and other, net		142.7		123.6	0.9	0.8
Interest expense		(64.1)		(28.1)	(0.4)	(0.2)
Earnings/(loss) before income taxes		3,159.7		(229.9)	19.2	(1.5)
Income taxes		1,092.0		(238.7)	6.6	(1.6)
Net earnings including noncontrolling interests		2,067.7		8.8	12.6	0.1
Net earnings attributable to noncontrolling interests		(0.4)		0.5	—	—
Net earnings attributable to Starbucks	**$**	**2,068.1**	**$**	**8.3**	**12.6 %**	**0.1 %**
Effective tax rate including noncontrolling interests					34.6 %	103.8 %

Net interest income and other increased $19 million over the prior year, primarily due to a net benefit from transactions in the fourth quarter of fiscal 2014, driven by a gain on the sale of our equity interest in our Malaysia joint venture (approximately $68 million), favorable fair value adjustments from derivatives used to manage our risk of commodity price and foreign currency fluctuations (approximately $14 million), net favorable foreign exchange fluctuations (approximately $9 million), and realized gains on sales of investments (approximately $6 million). These increases were partially offset by lapping gains on the sales of our equity interests in our joint ventures in Chile and Argentina in the fourth quarter of fiscal 2013 (approximately $45 million) and in Mexico in the second quarter of fiscal 2013 (approximately $35 million).

Interest expense increased $36 million due to interest on the long-term debt we issued in the first quarter of fiscal 2014 and the fourth quarter of fiscal 2013.

Our tax rate is affected by recurring items, such as tax rates in foreign jurisdictions and the relative amounts of income we earn in those jurisdictions, as well as discrete items that may occur in any given year, but are not consistent from year to year.

The effective tax rate for fiscal 2014 was 34.6% compared to 103.8% for fiscal 2013. The change in our effective tax rate was primarily due to lapping the 71.2% impact of the litigation charge associated with the Kraft arbitration in fiscal 2013. For additional information on the impact to our fiscal 2013 effective tax rate from the litigation charge, see Note 13, Income Taxes, to the consolidated financial statements included in Item 8 of Part II of this 10-K. The remaining change in the effective tax rate over fiscal 2013 was an increase of 2.0%, which was primarily due to net higher discrete benefits in the prior year. In fiscal 2013, our effective tax rate benefited from releasing certain tax reserves that did not recur in fiscal 2014 and a net tax benefit from state income tax expense adjustments for returns filed in prior years. Also contributing to the increase in fiscal 2014 was additional tax resulting from the sale of our Australian company-operated retail store assets and operations and our 50% equity interest in our Malaysia joint venture.

Segment Information

Results of operations by segment *(in millions)*:

Americas

Fiscal Year Ended	Sep 28, 2014	Sep 29, 2013	Sep 28, 2014	Sep 29, 2013
			As a % of Americas Total Net Revenues	
Net revenues:				
Company-operated stores	$ 10,866.5	$ 10,038.3	90.7%	91.3%
Licensed stores	1,074.9	915.4	9.0	8.3
CPG, foodservice and other	39.1	47.1	0.3	0.4
Total net revenues	**11,980.5**	**11,000.8**	**100.0**	**100.0**
Cost of sales including occupancy costs	4,487.0	4,214.9	37.5	38.3
Store operating expenses	3,946.8	3,710.2	32.9	33.7
Other operating expenses	100.4	96.9	0.8	0.9
Depreciation and amortization expenses	469.5	429.3	3.9	3.9
General and administrative expenses	167.8	186.7	1.4	1.7
Total operating expenses	9,171.5	8,638.0	76.6	78.5
Income from equity investees	—	2.4	—	—
Operating income	**$ 2,809.0**	**$ 2,365.2**	**23.4%**	**21.5%**
Store operating expenses as a percentage of company-operated store revenues			36.3%	37.0%

Revenues

Americas total net revenues for fiscal 2014 increased $980 million, or 9%, primarily due to increased revenues from company-operated stores (contributing $828 million) and licensed stores (contributing $160 million).

The increase in company-operated store revenues was driven by a 6% increase in comparable store sales (approximately $554 million), attributable to a 3% increase in average ticket and a 2% increase in number of transactions, and incremental revenues from 314 net new Starbucks® company-operated store openings over the past 12 months (approximately $377 million). Partially offsetting these increases was unfavorable foreign currency exchange (approximately $65 million), primarily driven by the strengthening of the US dollar against the Canadian dollar.

The increase in licensed store revenues was primarily due to increased product sales to and royalty revenues from our licensees as a result of an increase in comparable store sales and the opening of 381 net new licensed stores over the past 12 months.

Operating Expenses

Cost of sales including occupancy costs as a percentage of total net revenues decreased 80 basis points, primarily due to sales leverage (approximately 40 basis points) and lower commodity costs (approximately 30 basis points), mainly coffee.

Store operating expenses as a percentage of total net revenues decreased 80 basis points. As a percentage of company-operated store revenues, store operating expenses decreased 70 basis points, mainly driven by sales leverage (approximately 60 basis points).

General and administrative expenses as a percentage of total net revenues decreased 30 basis points primarily due to lapping of costs associated with our leadership conference held in the prior year (approximately 20 basis points) and sales leverage (approximately 10 basis points).

The combination of these changes resulted in an overall increase in operating margin of 190 basis points over fiscal 2013.

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EMEA

Fiscal Year Ended		Sep 28, 2014		Sep 29, 2013	Sep 28, 2014	Sep 29, 2013
					As a % of EMEA Total Net Revenues	
Net revenues:						
Company-operated stores	$	1,013.8	$	932.8	78.3%	80.4%
Licensed stores		238.4		190.3	18.4	16.4
CPG, foodservice and other		42.6		36.9	3.3	3.2
Total net revenues		**1,294.8**		**1,160.0**	**100.0**	**100.0**
Cost of sales including occupancy costs		646.8		590.9	50.0	50.9
Store operating expenses		365.8		339.4	28.3	29.3
Other operating expenses		48.2		38.5	3.7	3.3
Depreciation and amortization expenses		59.4		55.5	4.6	4.8
General and administrative expenses		59.1		71.9	4.6	6.2
Total operating expenses		1,179.3		1,096.2	91.1	94.5
Income from equity investees		3.7		0.4	0.3	—
Operating income	**$**	**119.2**	**$**	**64.2**	**9.2%**	**5.5%**
Store operating expenses as a percentage of company-operated store revenues					36.1%	36.4%

Revenues

EMEA total net revenues for fiscal 2014 increased $135 million, or 12%, over the prior year primarily due to an increase in company-operated stores revenues (approximately $81 million). This increase was primarily driven by favorable foreign currency exchange (approximately $47 million) and a 5% increase in comparable store sales (approximately $42 million), attributable to a 3% increase in number of transactions and a 2% increase in average ticket.

Licensed store revenues grew $48 million, or 25%, primarily due to increased product and equipment sales to and royalty revenues from our licensees, primarily resulting from the opening of 180 net new licensed stores over the past 12 months and improved comparable store sales.

Operating Expenses

Cost of sales including occupancy costs as a percentage of total net revenues decreased 90 basis points, primarily driven by lower coffee costs (approximately 50 basis points), sales leverage (approximately 40 basis points) and favorable foreign currency fluctuations (approximately 40 basis points). This favorability was partially offset by lapping a reduction to the estimated asset retirement obligations of our store leases in the region in fiscal 2013 (approximately 60 basis points).

Store operating expenses as a percentage of total net revenues decreased 100 basis points primarily due to sales leverage from more licensed stores in the region compared to the prior year. As a percentage of company-operated store revenues, store operating expenses decreased 30 basis points mainly due to sales leverage.

Other operating expenses as a percentage of total net revenues increased 40 basis points over fiscal 2013. Excluding the impact of company-operated store revenues, other operating expenses increased 30 basis points, driven by increased costs to grow our non-retail operations in the region (approximately 40 basis points).

General and administrative expenses as a percentage of total net revenues decreased 160 basis points, primarily due to sales leverage and reduced support costs, largely driven by the shift to more licensed stores.

The combination of these changes resulted in an overall increase in operating margin of 370 basis points over fiscal 2013.

China/Asia Pacific

Fiscal Year Ended		Sep 28, 2014		Sep 29, 2013	Sep 28, 2014	Sep 29, 2013
					As a % of China/Asia Pacific Total Net Revenues	
Net revenues:						
Company-operated stores	$	859.4	$	671.7	76.1%	73.2%
Licensed stores		270.2		245.3	23.9	26.8
Total net revenues		**1,129.6**		**917.0**	**100.0**	**100.0**
Cost of sales including occupancy costs		547.4		449.5	48.5	49.0
Store operating expenses		221.1		170.0	19.6	18.5
Other operating expenses		48.0		46.1	4.2	5.0
Depreciation and amortization expenses		46.1		33.8	4.1	3.7
General and administrative expenses		58.5		48.4	5.2	5.3
Total operating expenses		921.1		747.8	81.5	81.5
Income from equity investees		164.0		152.0	14.5	16.6
Operating income	**$**	**372.5**	**$**	**321.2**	**33.0%**	**35.0%**
Store operating expenses as a percentage of company-operated store revenues					25.7%	25.3%

Revenues

China/Asia Pacific total net revenues for fiscal 2014 increased $213 million, or 23%, primarily due to increased revenues from company-operated stores (contributing $188 million). This increase was primarily driven by the opening of 250 net new company-operated stores over the past 12 months (approximately $154 million) and a 7% increase in comparable store sales (approximately $44 million), mainly attributable to a 6% increase in the number of transactions.

Licensed store revenues contributed $25 million to the increase in total net revenues, mainly due to higher royalty revenues from and product sales to licensees, as a result of 492 net new licensed store openings over the past 12 months and an increase in comparable store sales.

Operating Expenses

Cost of sales including occupancy costs as a percentage of total net revenues decreased 50 basis points, primarily due to sales leverage (approximately 40 basis points).

Store operating expenses as a percentage of total net revenues increased 110 basis points, or 40 basis points as a percentage of company-operated store revenues, over the prior year period, as a result of company-operated store growth outpacing licensed store growth.

Other operating expenses as a percentage of total net revenues decreased 80 basis points. Excluding the impact of company-operated store revenues, other operating expenses decreased 100 basis points, largely due to cost management (approximately 60 basis points) and sales leverage (approximately 40 basis points).

Income from equity investees increased $12 million, primarily driven by improved performance from our joint venture operations in China, South Korea and Japan. This increase was partially offset by unfavorable foreign currency fluctuations, driven by the weakening of the Japanese yen against the US dollar and lapping a reduction to the estimated asset retirement obligations of our store leases in the region in fiscal 2013. These fluctuations, paired with the accelerated growth in segment revenues resulting from the shift in the composition of the store portfolio to more company-operated stores, resulted in income from equity investees declining 210 basis points as a percentage of total net revenues.

The combination of these changes resulted in an overall decline in operating margin of 200 basis points over fiscal 2013.

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Channel Development

Fiscal Year Ended		Sep 28, 2014		Sep 29, 2013	Sep 28, 2014	Sep 29, 2013
					As a % of Channel Development Total Net Revenues	
Net revenues:						
CPG	$	1,178.8	$	1,056.0	76.2%	75.5%
Foodservice		367.2		342.9	23.8	24.5
Total net revenues		**1,546.0**		**1,398.9**	**100.0**	**100.0**
Cost of sales		882.4		878.4	57.1	62.8
Other operating expenses		187.0		179.4	12.1	12.8
Depreciation and amortization expenses		1.8		1.1	0.1	0.1
General and administrative expenses		18.2		21.1	1.2	1.5
Total operating expenses		1,089.4		1,080.0	70.5	77.2
Income from equity investees		100.6		96.6	6.5	6.9
Operating income	**$**	**557.2**	**$**	**415.5**	**36.0%**	**29.7%**

Revenues

Channel Development total net revenues for fiscal 2014 increased $147 million, or 11%, over the prior year, primarily driven by increased sales of premium single-serve products (approximately $111 million) and increased foodservice sales (approximately $24 million).

Operating Expenses

Cost of sales as a percentage of total net revenues decreased 570 basis points, largely due to lower coffee costs (approximately 440 basis points) and other cost of goods sold efficiencies (approximately 150 basis points).

Other operating expenses as a percentage of total net revenues decreased 70 basis points, primarily driven by sales leverage (approximately 40 basis points).

Income from equity investees increased $4 million, driven by higher income from our North American Coffee Partnership joint venture, primarily due to strong sales of bottled Frappuccino® beverages. The growth in segment revenues resulted in our joint venture income declining 40 basis points as a percentage of total net revenues.

The combination of these changes contributed to an overall increase in operating margin of 630 basis points over fiscal 2013.

All Other Segments

Fiscal Year Ended		Sep 28, 2014		Sep 29, 2013	% Change
Net revenues:					
Company-operated stores	$	238.2	$	150.4	58.4 %
Licensed stores		5.1		9.5	(46.3)
CPG, foodservice and other		253.6		230.2	10.2
Total net revenues		**496.9**		**390.1**	**27.4**
Cost of sales		287.2		239.8	19.8
Store operating expenses		104.5		66.5	57.1
Other operating expenses		74.6		71.7	4.0
Depreciation and amortization expenses		15.2		11.7	29.9
General and administrative expenses		42.2		34.9	20.9
Total operating expenses		523.7		424.6	23.3
Operating loss	**$**	**(26.8)**	**$**	**(34.5)**	**(22.3)%**

All Other Segments includes Teavana, Seattle's Best Coffee, Evolution Fresh, and Digital Ventures.

Total net revenues for All Other Segments increased $107 million, primarily due to having an additional quarter of Teavana revenues in fiscal 2014 as Teavana was acquired at the beginning of the second quarter of fiscal 2013 (approximately $92 million).

Total operating expenses increased $99 million, primarily due to having an additional quarter of Teavana expenses in fiscal 2014 as Teavana was acquired at the beginning of the second quarter of fiscal 2013.

RESULTS OF OPERATIONS — FISCAL 2013 COMPARED TO FISCAL 2012

Consolidated results of operations *(in millions)*:

Revenues

Fiscal Year Ended		Sep 29, 2013		Sep 30, 2012	% Change
Net revenues:					
Company-operated stores	$	11,793.2	$	10,534.5	11.9%
Licensed stores		1,360.5		1,210.3	12.4
CPG, foodservice and other		1,713.1		1,532.0	11.8
Total net revenues	**$**	**14,866.8**	**$**	**13,276.8**	**12.0%**

Total net revenues were $14.9 billion for fiscal 2013, an increase of $1.6 billion, or 12%, over fiscal 2012, primarily due to increased revenues from company-operated stores (contributing $1.3 billion). The increase in company-operated store revenue was driven by an increase in comparable store sales (7%, or approximately $720 million) and incremental revenues from 492 net new company-operated store openings over the past 12 months (approximately $386 million).

Licensed store revenue growth contributed $150 million to the increase in total net revenues in fiscal 2013, primarily due to higher product sales to and royalty revenues from our licensees, as a result of improved comparable store sales and the opening of 843 net new licensed stores over the past 12 months.

CPG, foodservice and other revenues increased $181 million, primarily driven by increased sales of premium single-serve products (approximately $116 million) and increased foodservice sales (approximately $35 million).

Operating Expenses

Fiscal Year Ended	Sep 29, 2013	Sep 30, 2012	Sep 29, 2013	Sep 30, 2012
			% of Total Net Revenues	
Cost of sales including occupancy costs	$ 6,382.3	$ 5,813.3	42.9 %	43.8%
Store operating expenses	4,286.1	3,918.1	28.8	29.5
Other operating expenses	431.8	407.2	2.9	3.1
Depreciation and amortization expenses	621.4	550.3	4.2	4.1
General and administrative expenses	937.9	801.2	6.3	6.0
Litigation charge	2,784.1	—	18.7	—
Total operating expenses	15,443.6	11,490.1	103.9	86.5
Income from equity investees	251.4	210.7	1.7	1.6
Operating income/(loss)	**$ (325.4)**	**$ 1,997.4**	**(2.2)%**	**15.0%**
Store operating expenses as a percentage of company-operated store revenues			36.3 %	37.2%

Cost of sales including occupancy costs as a percentage of total net revenues decreased 90 basis points, primarily due to lower commodity costs (approximately 50 basis points), driven by a decrease in coffee costs.

Store operating expenses as a percentage of total net revenues decreased 70 basis points. As a percentage of company-operated store revenues, store operating expenses decreased 90 basis points, primarily driven by sales leverage in our Americas segment (approximately 90 basis points) and store portfolio optimization initiatives in Europe that began in the fourth quarter of fiscal 2012 (approximately 50 basis points). This was partially offset by the addition of Teavana and continued investment in our emerging brands (approximately 60 basis points).

Other operating expenses as a percentage of total net revenues decreased 20 basis points. As a percentage of non-company-operated store revenues, other operating expenses decreased 80 basis points, primarily driven by sales leverage (approximately 50 basis points) and decreased marketing expenses (approximately 20 basis points).

General and administrative expenses as a percentage of total net revenues increased 30 basis points, primarily driven by increased costs to support overall company growth and the costs related to our October Global Leadership Conference.

Income from equity investees increased $41 million, primarily due to increased income from of our joint venture operations in Japan and China, as well as improved performance from our North American Coffee Partnership joint venture, which produces, bottles and distributes our ready-to-drink beverages.

Litigation charge of $2,784.1 million reflects the accrual we recorded as a result of the conclusion of the arbitration with Kraft. This charge includes $2,227.5 million in damages and $556.6 million in estimated interest and attorneys' fees.

The combination of the above resulted in an operating loss of $325.4 million and operating margin of (220) basis points.

Other Income and Expenses

Fiscal Year Ended	Sep 29, 2013	Sep 30, 2012	Sep 29, 2013	Sep 30, 2012
			% of Total Net Revenues	
Operating income/(loss)	$ (325.4)	$ 1,997.4	(2.2)%	15.0 %
Interest income and other, net	123.6	94.4	0.8	0.7
Interest expense	(28.1)	(32.7)	(0.2)	(0.2)
Earnings/(loss) before income taxes	(229.9)	2,059.1	(1.5)	15.5
Income taxes	(238.7)	674.4	(1.6)	5.1
Net earnings including noncontrolling interests	8.8	1,384.7	0.1	10.4
Net earnings attributable to noncontrolling interests	0.5	0.9	—	—
Net earnings attributable to Starbucks	**$ 8.3**	**$ 1,383.8**	**0.1 %**	**10.4 %**
Effective tax rate including noncontrolling interests			103.8 %	32.8 %

Net interest income and other increased $29 million over the prior year, primarily due to gains on the sale of the equity in our Chile and Argentina joint ventures in the fourth quarter of fiscal 2013 (approximately $45 million) and in Mexico in the second quarter of fiscal 2013 (approximately $35 million). These gains were partially offset by the absence of additional income recognized in the prior year associated with unredeemed gift cards following a court ruling related to state unclaimed property laws (approximately $29 million). Also offsetting the gains were unfavorable mark-to-market adjustments in fiscal 2013 compared to favorable mark-to-market adjustments in fiscal 2012 from derivatives used to manage our risk of commodity price fluctuations (approximately $24 million).

Income taxes for fiscal year 2013 resulted in an effective tax rate of 103.8% compared to 32.8% for fiscal year 2012. The change in our effective tax rate was primarily due to the impact of the litigation charge associated with the Kraft arbitration in fiscal 2013. For additional information on the impact to our fiscal 2013 effective tax rate from the litigation charge, see Note 13, Income Taxes, to the consolidated financial statements included in Item 8 of Part II of this 10-K. Excluding the impact of the litigation charge, the effective tax rate for fiscal year 2013 decreased slightly compared to fiscal 2012 primarily due to benefits from releasing certain tax reserves in fiscal 2013 and a further benefit in fiscal 2013 primarily relating to state income tax expense adjustments for returns filed in prior years. These items were partially offset by a decrease in tax benefits relating to coffee procurement in fiscal 2013 compared to fiscal 2012.

Segment Information

Results of operations by segment *(in millions)*:

Americas

Fiscal Year Ended	Sep 29, 2013	Sep 30, 2012	Sep 29, 2013	Sep 30, 2012
			As a % of Americas Total Net Revenues	
Net revenues:				
Company-operated stores	$ 10,038.3	$ 9,077.0	91.3%	91.4%
Licensed stores	915.4	825.8	8.3	8.3
CPG, foodservice and other	47.1	33.2	0.4	0.3
Total net revenues	**11,000.8**	**9,936.0**	**100.0**	**100.0**
Cost of sales including occupancy costs	4,214.9	3,885.5	38.3	39.1
Store operating expenses	3,710.2	3,427.8	33.7	34.5
Other operating expenses	96.9	83.8	0.9	0.8
Depreciation and amortization expenses	429.3	392.4	3.9	3.9
General and administrative expenses	186.7	128.2	1.7	1.3
Total operating expenses	8,638.0	7,917.7	78.5	79.7
Income from equity investees	2.4	2.1	—	—
Operating income	**$ 2,365.2**	**$ 2,020.4**	**21.5%**	**20.3%**
Store operating expenses as a percentage of company-operated store revenues			37.0%	37.8%

Revenues

Americas total net revenues for fiscal 2013 increased $1.1 billion, or 11%, primarily due to increased revenues from company-operated stores (contributing $961 million) and licensed stores (contributing $90 million).

The increase in company-operated store revenues was driven by an increase in comparable store sales (7%, or approximately$676 million) and incremental revenues from 276 net new company-operated store openings over the past 12 months (approximately $273 million). The increase in licensed store revenues was due to higher product sales to and royalty revenues from our licensees as a result of improved comparable store sales and the opening of 404 net new licensed stores over the past 12 months.

Operating Expenses

Cost of sales including occupancy costs as a percentage of total net revenues decreased 80 basis points, primarily due to store initiatives to reduce waste (approximately 40 basis points) and lower commodity costs (approximately 30 basis points), driven by a decrease in coffee costs.

Store operating expenses as a percentage of total net revenues (as well as a percentage of company-operated store revenues) decreased 80 basis points, primarily driven by sales leverage (approximately 60 basis points).

General and administrative expenses as a percentage of total net revenues increased 40 basis points primarily due to the costs related to our October Global Leadership Conference (approximately 20 basis points).

The combination of these changes resulted in an increase in operating margin of 120 basis points over fiscal 2012.

EMEA

Fiscal Year Ended		Sep 29, 2013		Sep 30, 2012	Sep 29, 2013	Sep 30, 2012
					As a % of EMEA Total Net Revenues	
Net revenues:						
Company-operated stores	$	932.8	$	968.3	80.4%	84.8%
Licensed stores		190.3		139.5	16.4	12.2
CPG, foodservice and other		36.9		33.5	3.2	2.9
Total net revenues		**1,160.0**		**1,141.3**	**100.0**	**100.0**
Cost of sales including occupancy costs		590.9		597.3	50.9	52.3
Store operating expenses		339.4		371.1	29.3	32.5
Other operating expenses		38.5		33.6	3.3	2.9
Depreciation and amortization expenses		55.5		57.1	4.8	5.0
General and administrative expenses		71.9		75.7	6.2	6.6
Total operating expenses		1,096.2		1,134.8	94.5	99.4
Income from equity investees		0.4		0.3	—	—
Operating income	**$**	**64.2**	**$**	**6.8**	**5.5%**	**0.6%**
Store operating expenses as a percentage of company-operated store revenues					36.4%	38.3%

Revenues

EMEA total net revenues for fiscal 2013 increased $19 million, or 2%, over fiscal 2012. Licensed store revenues grew $51 million, or 36%, due to increased product sales to and higher royalty revenues from licensees, primarily from the opening of 129 net new licensed stores over the past 12 months and improved comparable store sales. This growth was largely offset by a decline of $36 million in company-operated store revenues resulting from our store portfolio optimization activities which began in the prior year.

Operating Expenses

Cost of sales including occupancy costs as a percentage of total net revenues decreased 140 basis points, primarily due to lower occupancy costs resulting from our store portfolio optimization initiatives in Europe that began in the fourth quarter of fiscal 2012 (approximately 120 basis points) and a reduction to the estimated asset retirement obligations of our store leases in the region in fiscal 2013 (approximately 70 basis points). These improvements were partially offset by the impact of the shift in composition of our store portfolio in the region to more licensed stores, which have a lower gross margin.

Store operating expenses as a percentage of total net revenues decreased 320 basis points. As a percentage of company-operated store revenues, store operating expenses decreased 190 basis points, primarily from our store portfolio optimization initiatives (approximately 120 basis points).

Other operating expenses as a percentage of total net revenues increased 40 basis points. As a percentage of non-company-operated store revenues, other operating expenses decreased 250 basis points, mainly driven by sales leverage (approximately 180 basis points).

The above changes contributed to an overall improvement in operating margin of 490 basis points over fiscal 2012.

China/Asia Pacific

Fiscal Year Ended		Sep 29, 2013		Sep 30, 2012	Sep 29, 2013	Sep 30, 2012
					As a % of CAP Total Net Revenues	
Net revenues:						
Company-operated stores	$	671.7	$	489.2	73.2%	67.8%
Licensed stores		245.3		232.2	26.8	32.2
Total net revenues		**917.0**		**721.4**	**100.0**	**100.0**
Cost of sales including occupancy costs		449.5		362.8	49.0	50.3
Store operating expenses		170.0		119.2	18.5	16.5
Other operating expenses		46.1		47.0	5.0	6.5
Depreciation and amortization expenses		33.8		23.2	3.7	3.2
General and administrative expenses		48.4		39.0	5.3	5.4
Total operating expenses		747.8		591.2	81.5	82.0
Income from equity investees		152.0		122.4	16.6	17.0
Operating income	**$**	**321.2**	**$**	**252.6**	**35.0%**	**35.0%**
Store operating expenses as a percentage of company-operated store revenues					25.3%	24.4%

Revenues

China/Asia Pacific total net revenues for fiscal 2013 increased $196 million, or 27%, primarily due to increased revenues from company-operated stores (contributing $183 million), driven by the opening of 240 net new stores over the past 12 months (approximately $129 million) and a 9% increase in comparable store sales (approximately $43 million).

Licensed store revenues contributed $13 million to the increase in total net revenues, mainly from increased royalty revenues from and product sales to licensees, driven by the opening of 348 net new licensed stores over the past 12 months.

Operating Expenses

Cost of sales including occupancy costs as a percentage of total net revenues decreased 130 basis points, primarily driven by company-operated store growth (approximately 170 basis points) as product sales through company-operated stores have higher gross margins than product sales to licensees.

Store operating expenses as a percentage of total net revenues increased 200 basis points due primarily to new store growth. As a percentage of company-operated store revenues, store operating expenses increased 90 basis points due to a change in classification of certain operating costs that were included in general and administrative expenses (approximately 50 basis points) and other operating expenses (approximately 40 basis points) in the prior year.

Other operating expenses as a percentage of total net revenues decreased 150 basis points. As a percentage of non-company-operated store revenues, other operating expenses decreased 140 basis points, primarily driven by a change in classification of certain operating costs to store operating expenses in the current year (approximately 110 basis points).

Income from equity investees increased $30 million, primarily due to improved performance of our joint venture operations in Japan and China.

The above changes resulted in the operating margin percentage being unchanged year over year.

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Channel Development

Fiscal Year Ended	Sep 29, 2013	Sep 30, 2012	Sep 29, 2013	Sep 30, 2012
			As a % of Channel Development Total Net Revenues	
Net revenues:				
CPG	$ 1,056.0	$ 952.1	75.5%	74.8%
Foodservice	342.9	320.9	24.5	25.2
Total net revenues	**1,398.9**	**1,273.0**	**100.0**	**100.0**
Cost of sales	878.4	827.6	62.8	65.0
Other operating expenses	179.4	171.9	12.8	13.5
Depreciation and amortization expenses	1.1	1.3	0.1	0.1
General and administrative expenses	21.1	17.0	1.5	1.3
Total operating expenses	1,080.0	1,017.8	77.2	80.0
Income from equity investees	96.6	85.2	6.9	6.7
Operating income	**$ 415.5**	**$ 340.4**	**29.7%**	**26.7%**

Revenues

Channel Development total net revenues for fiscal 2013 increased $126 million, or 10%, primarily due to increased sales of premium single-serve products (approximately $116 million).

Operating Expenses

Cost of sales as a percentage of total net revenues decreased 220 basis points, primarily due to lower coffee costs (approximately 260 basis points).

Other operating expenses as a percentage of total net revenues decreased 70 basis points, due primarily to lower marketing expenditures (approximately 20 basis points) and increased sales leverage (approximately 20 basis points).

The above changes contributed to an increase in operating margin of 300 basis points over fiscal 2012.

All Other Segments

Fiscal Year Ended	Sep 29, 2013	Sep 30, 2012	% Change
Net revenues:			
Company-operated stores	$ 150.4	$ —	nm
Licensed stores	9.5	12.8	(25.8)%
CPG, foodservice and other	230.2	192.3	19.7
Total net revenues	**390.1**	**205.1**	**90.2**
Cost of sales	239.8	140.1	71.2
Store operating expenses	66.5	—	nm
Other operating expenses	71.7	70.9	1.1
Depreciation and amortization expenses	11.7	2.5	368.0
General and administrative expenses	34.9	19.7	77.2
Total operating expenses	424.6	233.2	82.1
Income from equity investees	—	0.7	(100.0)
Operating loss	**$ (34.5)**	**$ (27.4)**	**25.9 %**

All Other Segments includes Teavana, Seattle's Best Coffee, Evolution Fresh, and Digital Ventures.

Total net revenues for All Other Segments increased $185 million, driven by incremental revenues from the acquisition of Teavana in the second quarter of fiscal 2013 (approximately $156 million).

Total operating expenses increased $191 million, largely due to incremental expenses from the acquisition of Teavana.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Cash and Investment Overview

Starbucks cash and investments were $2.2 billion and $3.3 billion as of September 28, 2014 and September 29, 2013, respectively. In the first quarter of fiscal 2014, we paid $2.8 billion for the Kraft arbitration matter that was accrued in the fourth quarter of fiscal 2013. We actively manage our cash and investments in order to internally fund operating needs, make scheduled interest and principal payments on our borrowings, and return cash to shareholders through common stock cash dividend payments and share repurchases. Our investment portfolio primarily includes highly liquid available-for-sale securities, including government treasury securities (foreign and domestic), corporate bonds, mortgage and asset-backed securities, state and local government obligations, agency obligations and certificates of deposit. During the fourth quarter of fiscal 2014, a significant portion of our offshore investment portfolio was liquidated in anticipation of funding the acquisition of Starbucks Japan, Ltd ("Starbucks Japan") in fiscal 2015, discussed further in Note 18, Subsequent Event. As of September 28, 2014, approximately $1.4 billion of cash and investments were held in foreign subsidiaries.

Borrowing capacity

In December 2013, we issued $400 million of 3-year 0.875% Senior Notes ("the 2016 notes") due December 2016, and $350 million of 5-year 2.000% Senior Notes ("the 2018 notes") due December 2018, in an underwritten registered public offering, to fund a portion of the payment required by the arbitration award in the Kraft litigation matter. Interest on the notes is payable semi-annually on June 5 and December 5 of each year, commencing on June 5, 2014. See Note 9, Debt, to the consolidated financial statements included in Item 8 of Part II of this 10-K for details of the components of our long-term debt.

The indentures under which all of our Senior Notes were issued require us to maintain compliance with certain covenants, including limits on future liens and sale and leaseback transactions on certain material properties. As of September 28, 2014, we were in compliance with all applicable covenants.

Our $750 million unsecured, revolving credit facility with various banks, of which $150 million may be used for issuances of letters of credit, is available for working capital, capital expenditures and other corporate purposes, including acquisitions and share repurchases, and is currently set to mature on February 5, 2018. We may request, and the banks may grant, at their discretion, increases to the credit facility by a total additional amount of up to $750 million. Borrowings under the credit facility will bear interest at a variable rate based on LIBOR, and, for US dollar-denominated loans under certain circumstances, a Base Rate (as defined in the credit facility), in each case plus an applicable margin. The applicable margin is based on the better of (i) the Company's long-term credit ratings assigned by Moody's and Standard & Poor's rating agencies, and (ii) the Company's fixed charge coverage ratio, pursuant to a pricing grid set forth in the credit facility. The current applicable margin is 0.795% for Eurocurrency Rate Loans and 0.00% for Base Rate Loans. The credit facility contains provisions requiring us to maintain compliance with certain covenants, including a minimum fixed charge coverage ratio, which measures our ability to cover financing expenses. As of September 28, 2014, we were in compliance with all applicable covenants. No amounts were outstanding under our credit facility as of September 28, 2014.

Under our commercial paper program, as approved by our Board of Directors, we may issue unsecured commercial paper notes up to a maximum aggregate amount outstanding at any time of $1 billion, with individual maturities that may vary, but not exceed 397 days from the date of issue. Amounts outstanding under the commercial paper program are to be backstopped by available commitments under our credit facility. Currently, we may issue up to $727 million under our commercial paper program (the $750 million committed credit facility amount, less $23 million in outstanding letters of credit). The proceeds from borrowings under our commercial paper program may be used for working capital needs, capital expenditures and other corporate purposes, including acquisitions and share repurchases. In the first quarter of fiscal 2014, we issued and subsequently repaid commercial paper borrowings of $225 million to fund a portion of the $2.8 billion payment for the Kraft arbitration matter. In the fourth quarter of fiscal 2014, we issued and subsequently repaid commercial paper borrowings of $25 million to fund other corporate purposes. There were no other commercial paper borrowings during fiscal 2014 or fiscal 2013.

Use of Cash

In the first quarter of fiscal 2014, Starbucks paid all amounts due to Kraft under the arbitration, including prejudgment interest and attorneys' fees, and fully extinguished the litigation charge liability. Of the $2,784.1 million litigation charge accrued in the fourth quarter of fiscal 2013, $2,763.9 million was paid and the remainder was released as a litigation credit in the first quarter of fiscal 2014 to reflect a reduction to our estimated prejudgment interest payable as a result of paying our obligation earlier than anticipated.

We expect to use additional available cash and investments, including additional potential future borrowings under the credit facility and commercial paper program, to invest in our core businesses, including new product innovations and related marketing support, as well as other new business opportunities related to our core businesses. Further, we may use our available cash resources to make proportionate capital contributions to our equity method and cost method investees. We may also seek strategic acquisitions to leverage existing capabilities and further build our business in support of our growth agenda. Acquisitions may include increasing our ownership interests in our equity method and cost method investees. Any decisions to increase such ownership interests will be driven by valuation and fit with our ownership strategy.

We believe that future cash flows generated from operations and existing cash and investments both domestically and internationally will be sufficient to finance capital requirements for our core businesses in those respective markets as well as shareholder distributions for the foreseeable future. Significant new joint ventures, acquisitions and/or other new business opportunities may require additional outside funding.

As described further in Note 18, Subsequent Event, in September 2014, we entered into a tender offer bid agreement with Starbucks Japan and our joint venture partner, Sazaby League, Ltd., to acquire the remaining 60.5% ownership interest in Starbucks Japan for approximately $893 million, through a two-step tender offer. In the first quarter of fiscal 2015, we funded the first tender offer step with approximately $511 million in offshore cash. We also expect to fund a majority of the second tender offer step with offshore cash. We have borrowed funds domestically and continue to believe we have the ability to do so at reasonable interest rates; however, additional borrowings would result in increased interest expense in the future.

We consider the majority of undistributed earnings of our foreign subsidiaries and equity investees as of September 28, 2014 to be indefinitely reinvested and, accordingly, no US income and foreign withholding taxes have been provided on such earnings. We have not, nor do we anticipate the need to, repatriate funds to the US to satisfy domestic liquidity needs; however, in the event that we need to repatriate all or a portion of our foreign cash to the US, we would be subject to additional US income taxes, which could be material. We do not believe it is practicable to calculate the potential tax impact of repatriation, as there is a significant amount of uncertainty around the calculation, including the availability and amount of foreign tax credits at the time of repatriation, tax rates in effect, and other indirect tax consequences associated with repatriation.

Other than normal operating expenses and funding the acquisition of Starbucks Japan for approximately $893 million, cash requirements for fiscal 2015 are expected to consist primarily of capital expenditures for new company-operated stores; remodeling and refurbishment of, and equipment upgrades for, existing company-operated stores; systems and technology investments in the stores and in the support infrastructure; and additional investments in manufacturing capacity. Total capital expenditures for fiscal 2015 are expected to be approximately $1.4 billion.

During each of the first three quarters of fiscal 2013, we declared and paid a cash dividend to shareholders of $0.21 per share. In the fourth quarter of fiscal 2013 and each of the first three quarters of fiscal 2014 we declared a cash dividend of $0.26 per share. Cash dividends paid in fiscal 2014 and 2013 totaled $783.1 million and $628.9 million, respectively. In the fourth quarter of fiscal 2014, we declared a cash dividend of $0.32 per share to be paid on November 28, 2014 with an expected payout of approximately $239.8 million.

During fiscal years 2014 and 2013, we repurchased 10.5 million and 10.8 million shares of common stock, respectively, or $769.8 million and $544.1 million, respectively, under share repurchase authorizations. The number of remaining shares authorized for repurchase at September 28, 2014 totaled 15.9 million.

Cash Flows

Cash provided by operating activities was $607.8 million for fiscal 2014, compared to $2.9 billion for fiscal 2013. The decrease was driven by the first quarter payment of $2.8 billion for the Kraft arbitration matter discussed above. This was partially offset by cash provided by operating activities of $3.4 billion primarily resulting from strong earnings and favorable changes in working capital accounts in the current year.

Cash used by investing activities totaled $817.7 million for fiscal 2014, compared to $1.4 billion for fiscal 2013. The change was primarily due to cash paid to acquire Teavana in the prior year. Also contributing was an increase in our investments in long-term securities during fiscal 2014, more than offset by the subsequent liquidation of a significant portion of our offshore investment portfolio in the fourth quarter of fiscal 2014 in anticipation of funding the acquisition of Starbucks Japan.

Cash used by financing activities for fiscal 2014 totaled $623.3 million, compared to $108.2 million for fiscal 2013. The increase was primarily due to an increase in cash returned to shareholders through share repurchases and higher dividend payments in fiscal 2014 and decreased proceeds from the exercise of stock options and the related excess tax benefits, resulting from fewer stock option exercises during the period.

Contractual Obligations

Our contractual obligations and borrowings as of September 28, 2014, and the timing and effect that such commitments are expected to have on our liquidity and capital requirements in future periods (*in millions*):

	Payments Due by Period				
Contractual Obligations [1]	Total	Less than 1 Year	1 - 3 Years	3 - 5 Years	More than 5 Years
Operating lease obligations[2]	$ 4,957.9	$ 925.6	$ 1,522.9	$ 1,007.1	$ 1,502.3
Debt obligations					
Principal payments	2,050.0	—	950.0	350.0	750.0
Interest payments[3]	417.7	73.8	145.8	68.2	129.9
Purchase obligations[4]	1,254.7	848.9	365.7	27.7	12.4
Other obligations[5]	55.1	2.7	5.6	5.3	41.5
Total	$ 8,735.4	$ 1,851.0	$ 2,990.0	$ 1,458.3	$ 2,436.1

(1) Income tax liabilities for uncertain tax positions were excluded as we are not able to make a reasonably reliable estimate of the amount and period of related future payments. As of September 28, 2014, we had $121.0 million of gross unrecognized tax benefits for uncertain tax positions, which includes accrued interest and penalties.

(2) Amounts include direct lease obligations, excluding any taxes, insurance and other related expenses.

(3) Amounts exclude any gain or loss upon settlement of related interest rate swap agreements, which are described further in Note 3, Derivative Financial Instruments.

(4) Purchase obligations include agreements to purchase goods or services that are enforceable and legally binding on Starbucks and that specify all significant terms. Green coffee purchase commitments comprise 90% of total purchase obligations.

(5) Other obligations include other long-term liabilities primarily consisting of asset retirement obligations, capital lease obligations and hedging instruments.

Starbucks currently expects to fund these commitments primarily with operating cash flows generated in the normal course of business.

Off-Balance Sheet Arrangements

Off-balance sheet arrangements relate to operating lease and purchase commitments detailed in the footnotes to the consolidated financial statements included in Item 8 of Part II of this 10-K.

COMMODITY PRICES, AVAILABILITY AND GENERAL RISK CONDITIONS

Commodity price risk represents Starbucks primary market risk, generated by our purchases of green coffee and dairy products, among other items. We purchase, roast and sell high-quality whole-bean *arabica* coffee and related products and risk arises from the price volatility of green coffee. In addition to coffee, we also purchase significant amounts of dairy products to support the needs of our company-operated stores. The price and availability of these commodities directly impacts our results of operations and we expect commodity prices, particularly coffee, to impact future results of operations. For additional details see Product Supply in Item 1, as well as Risk Factors in Item 1A of this 10-K.

FINANCIAL RISK MANAGEMENT

Market risk is defined as the risk of losses due to changes in commodity prices, foreign currency exchange rates, equity security prices, and interest rates. We manage our exposure to various market-based risks according to a market price risk management policy. Under this policy, market-based risks are quantified and evaluated for potential mitigation strategies, such as entering into hedging transactions. The market price risk management policy governs how hedging instruments may be used to mitigate risk. Risk limits are set annually and prohibit speculative trading activity. We also monitor and limit the amount of associated counterparty credit risk. In general, hedging instruments do not have maturities in excess of three years.

The sensitivity analyses disclosed below provide only a limited, point-in-time view of the market risk of the financial instruments discussed. The actual impact of the respective underlying rates and price changes on the financial instruments may differ significantly from those shown in the sensitivity analyses.

Commodity Price Risk

We purchase commodity inputs, including coffee, dairy products and diesel that are used in our operations and are subject to price fluctuations that impact our financial results. We use a combination of pricing features embedded within supply contracts and financial derivatives to manage our commodity price risk exposure, such as fixed-price and price-to-be-fixed contracts for coffee purchases.

The following table summarizes the potential impact as of September 28, 2014 to Starbucks future net earnings and other comprehensive income ("OCI") from changes in commodity prices. The information provided below relates only to the hedging instruments and does not represent the corresponding changes in the underlying hedged items *(in millions)*:

	Increase/(Decrease) to Net Earnings		Increase/(Decrease) to OCI	
	10% Increase in Underlying Rate	10% Decrease in Underlying Rate	10% Increase in Underlying Rate	10% Decrease in Underlying Rate
Commodity hedges	$ 4	$ (4)	$ 3	$ (3)

Foreign Currency Exchange Risk

The majority of our revenue, expense and capital purchasing activities are transacted in US dollars. However, because a portion of our operations consists of activities outside of the US, we have transactions in other currencies, primarily the Canadian dollar, Japanese yen, Chinese renminbi, British pound, and euro. To reduce cash flow volatility from foreign currency fluctuations, we enter into derivative instruments to hedge portions of cash flows of anticipated revenue streams and inventory purchases in currencies other than our functional currency, the US dollar, as well as the translation risk of certain balance sheet items. See Note 3, Derivative Financial Instruments, for further discussion.

The following table summarizes the potential impact as of September 28, 2014 to Starbucks future net earnings and other comprehensive income ("OCI") from changes in the fair value of these derivative financial instruments due to a change in the value of the US dollar as compared to foreign exchange rates. The information provided below relates only to the hedging instruments and does not represent the corresponding changes in the underlying hedged items (*in millions*):

	Increase/(Decrease) to Net Earnings		Increase/(Decrease) to OCI	
	10% Increase in Underlying Rate	10% Decrease in Underlying Rate	10% Increase in Underlying Rate	10% Decrease in Underlying Rate
Foreign currency hedges	$ 7	$ (7)	$ 47	$ (47)

Equity Security Price Risk

We have minimal exposure to price fluctuations on equity mutual funds and equity exchange-traded funds within our trading securities portfolio. Trading securities are recorded at fair value with unrealized holding gains and losses recorded in net interest income and other in the consolidated statements of earnings. Our trading securities portfolio approximates a portion of our liability under our Management Deferred Compensation Plan ("MDCP"), which is included in accrued compensation and related costs, within accrued liabilities on the consolidated balance sheets. Changes in our MDCP liability are recorded in general and administrative expenses in the consolidated statements of earnings.

We performed a sensitivity analysis based on a 10% change in the underlying equity prices of our investments as of September 28, 2014 and determined that such a change would not have a significant impact on the fair value of these instruments.

Interest Rate Risk

Long-term Debt

We utilize short-term and long-term financing and may use interest rate hedges to manage our overall interest expense related to our existing fixed-rate debt, as well as to hedge the variability in cash flows due to changes in the benchmark interest rate related to anticipated debt issuances. As of September 28, 2014, we did not have any interest rate hedge agreements outstanding.

The following table summarizes the impact of a change in interest rates as of September 28, 2014 on the fair value of Starbucks debt *(in millions)*:

			Change in Fair Value	
	Stated Interest Rate	Fair Value	100 Basis Point Increase in Underlying Rate	100 Basis Point Decrease in Underlying Rate
2016 notes	0.875%	$ 400	$ (9)	$ 9
2017 notes	6.250%	$ 625	$ (17)	$ 17
2018 notes	2.000%	$ 353	$ (14)	$ 14
2023 notes	3.850%	$ 786	$ (58)	$ 58

Available-for-Sale Securities

Our available-for-sale securities comprise a diversified portfolio consisting mainly of fixed-income instruments. The primary objective of these investments is to preserve capital and liquidity. Available-for-sale securities are recorded on the consolidated balance sheets at fair value with unrealized gains and losses reported as a component of accumulated other comprehensive income. We do not hedge the interest rate exposure on our available-for-sale securities. We performed a sensitivity analysis based on a 100 basis point change in the underlying interest rate of our available-for-sale securities as of September 28, 2014, and determined that such a change would not have a significant impact on the fair value of these instruments.

APPLICATION OF CRITICAL ACCOUNTING POLICIES

Critical accounting policies are those that management believes are both most important to the portrayal of our financial condition and results and require the most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. Judgments and uncertainties affecting the application of those policies may result in materially different amounts being reported under different conditions or using different assumptions.

Our significant accounting policies are discussed in Note 1, Summary of Significant Accounting Policies, to the consolidated financial statements included in Item 8 of Part II of this 10-K. We believe that of our significant accounting policies, the following policies involve a higher degree of judgment and/or complexity.

We consider financial reporting and disclosure practices and accounting policies quarterly to ensure that they provide accurate and transparent information relative to the current economic and business environment. During the past three fiscal years, we have not made any material changes to the accounting methodologies used to assess the areas discussed below, unless noted otherwise.

Property, Plant and Equipment and Other Definite-Lived Assets

We evaluate property, plant and equipment and other definite-lived assets for impairment when facts and circumstances indicate that the carrying values of such assets may not be recoverable. When evaluating for impairment, we first compare the carrying value of the asset to the asset's estimated future undiscounted cash flows. If the estimated undiscounted future cash flows are less than the carrying value of the asset, we determine if we have an impairment loss by comparing the carrying value of the asset to the asset's estimated fair value and recognize an impairment charge when the asset's carrying value exceeds its estimated fair value. The adjusted carrying amount of the asset becomes its new cost basis and is depreciated over the asset's remaining useful life.

Long-lived assets are grouped with other assets and liabilities at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. For company-operated store assets, the impairment test is performed at the individual store asset group level. The fair value of a store's assets is estimated using a discounted cash flow model. For other long-lived assets, fair value is determined using an approach that is appropriate based on the relevant facts and circumstances, which may include discounted cash flows, comparable transactions, or comparable company analyses.

Our impairment calculations contain uncertainties because they require management to make assumptions and to apply judgment to estimate future cash flows and asset fair values. Key assumptions used in estimating future cash flows and asset fair values include projected revenue growth and operating expenses, as well as forecasting asset useful lives and selecting an appropriate discount rate. For company-operated stores, estimates of revenue growth and operating expenses are based on internal projections and consider the store's historical performance, the local market economics and the business environment impacting the store's performance. The discount rate is selected based on what we believe a buyer would assume when determining a purchase price for the store. These estimates are subjective and our ability to realize future cash flows and asset fair values is affected by factors such as ongoing maintenance and improvement of the assets, changes in economic conditions, and changes in operating performance.

During fiscal 2014, there were no significant changes in any of our estimates or assumptions that had a material impact on the outcome of our impairment calculations. However, as we periodically reassess estimated future cash flows and asset fair values, changes in our estimates and assumptions may cause us to realize material impairment charges in the future.

Goodwill and Indefinite-Lived Intangible Assets

We evaluate goodwill and indefinite-lived intangible assets (primarily trade names and trademarks) for impairment annually during our third fiscal quarter, or more frequently if an event occurs or circumstances change that would indicate that impairment may exist. When evaluating for impairment, we may first perform a qualitative assessment to determine whether it is more likely than not that a reporting unit or intangible asset group is impaired. If we do not perform a qualitative assessment, or if we determine that it is not more likely than not that the fair value of the reporting unit or intangible asset group exceeds its carrying amount, we calculate the estimated fair value of the reporting unit or intangible asset group. Fair value is the price a market participant would pay for the reporting unit or intangible asset and is typically calculated using an income approach, such as a discounted cash flow or relief-from-royalty method. If the carrying amount of the reporting unit or intangible asset group exceeds the estimated fair value, an impairment charge is recorded to reduce the carrying value to the estimated fair value.

Our decision to perform a qualitative impairment assessment for an individual reporting unit in a given year is influenced by a number of factors, inclusive of the size of the reporting unit's goodwill, the significance of the excess of the reporting unit's estimated fair value over carrying value at the last quantitative assessment date, and the amount of time in between quantitative fair value assessments. During fiscal 2014, as part of our annual goodwill impairment analysis, we performed the qualitative assessment for approximately $104 million, or 12%, of our total goodwill balance of $856.2 million, the majority of which resides in our China retail, US licensed and US consumer packaged goods reporting units.

As part of our ongoing operations, we may close certain stores within a reporting unit containing goodwill due to underperformance of the store or inability to renew our lease, among other reasons. We may abandon certain assets associated with a closed store, including leasehold improvements and other non-transferable assets. When a portion of a reporting unit that constitutes a business is to be disposed of, the associated goodwill is included in the carrying amount when determining any loss on disposal. Our evaluation of whether the portion of a reporting unit being disposed of constitutes a business occurs on the date of abandonment. Although an operating store meets the accounting definition of a business prior to abandonment, it does not constitute a business on the closure date because the remaining assets on that date do not constitute an integrated set of assets that are capable of being managed for the purpose of providing a return to investors. As a result, when closing individual stores, we do not include goodwill in the calculation of any loss on disposal of the related assets. If store closures are indicative of potential impairment of goodwill at the reporting unit level, we perform an evaluation of our reporting unit goodwill when such closures occur.

Our impairment calculations contain uncertainties because they require management to make assumptions and to apply judgment when performing a qualitative assessment or when estimating future cash flows and asset fair values. Key assumptions used in estimating future cash flows and asset fair values typically include projected revenue growth and operating expenses related to existing businesses, product innovation and new store concepts, as well as selecting an appropriate discount rate. For indefinite-lived intangible assets, management also makes assumptions around the royalty rate that could hypothetically be charged by a licensor of the asset to an unrelated licensee. For a goodwill reporting unit, estimates of revenue growth and operating expenses are based on internal projections considering the reporting unit's past performance and forecasted growth, strategic initiatives, local market economics and the local business environment impacting the reporting unit's performance. The discount rate is selected based on the estimated cost of capital for a retail operator to operate the reporting unit in the region. For indefinite-lived intangible assets, estimates of revenue growth are based on internal projections considering the intangible asset group's past performance and forecasted growth, and the royalty rate used is based on observed market royalty rates for similar licensing arrangements, adjusted for our particular facts and circumstances. The discount rate is selected based on the estimated cost of capital that reflects the risk profile of the related business. These estimates are highly subjective judgments and our ability to realize the future cash flows used in our fair value calculations is affected by factors such as the success of strategic initiatives, changes in economic conditions, changes in our operating performance, and changes in our business strategies.

For fiscal 2014, we determined the fair value of our material reporting units and intangible asset groups were significantly in excess of their carrying values. Accordingly, we did not recognize any material impairment charges during the current fiscal year. During fiscal 2014, there were no significant changes in any of our estimates or assumptions that had a material impact on the outcome of our impairment calculations. However, as we periodically reassess estimated future cash flows and asset fair values, changes in our estimates and assumptions may cause us to realize material impairment charges in the future.

Income Taxes

We recognize deferred tax assets and liabilities based on the differences between the financial statement carrying amounts and the respective tax bases of our assets and liabilities. Deferred tax assets and liabilities are measured using current enacted tax rates expected to apply to taxable income in the years in which we expect the temporary differences to reverse. We routinely evaluate the likelihood of realizing the benefit of our deferred tax assets and may record a valuation allowance if, based on all available evidence, we determine that some portion of the tax benefit will not be realized. Changes in tax laws and rates may affect recorded deferred tax assets and liabilities and our effective tax rate in the future; however, we do not expect changes from recently enacted tax laws to be material to the consolidated financial statements.

In evaluating our ability to recover our deferred tax assets within the jurisdiction from which they arise, we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax-planning strategies, and results of recent operations. In projecting future taxable income, we consider historical results and incorporate assumptions about the amount of future state, federal, and foreign pretax operating income adjusted for items that do not have tax consequences. Our assumptions regarding future taxable income are consistent with the plans and estimates we are using to manage the underlying businesses. In evaluating the objective evidence that historical results provide, we consider three years of cumulative operating income/(loss).

In addition, our income tax returns are periodically audited by domestic and foreign tax authorities. These audits include review of our tax filing positions, including the timing and amount of deductions taken and the allocation of income between tax jurisdictions. We evaluate our exposures associated with our various tax filing positions and recognize a tax benefit only if it is more likely than not that the tax position will be sustained upon examination by the relevant taxing authorities, including resolutions of any related appeals or litigation processes, based on the technical merits of our position. For uncertain tax positions that do not meet this threshold, we record a related liability. We adjust our unrecognized tax benefit liability and income tax expense in the period in which the uncertain tax position is effectively settled, the statute of limitations expires for the relevant taxing authority to examine the tax position, or when new information becomes available. There is a reasonable possibility that our unrecognized tax benefit liability will be adjusted within 12 months due to the expiration of a statute of limitations; however, we do not expect this change to be material to the consolidated financial statements.

We have generated income in certain foreign jurisdictions that has not been subject to US income taxes. We intend to reinvest these earnings for the foreseeable future. While we do not expect to repatriate cash to the US to satisfy domestic liquidity needs, if these amounts were distributed to the US, in the form of dividends or otherwise, we would be subject to additional US income taxes, which could be material. Determination of the amount of unrecognized deferred income tax liabilities on these earnings is not practicable because such liability, if any, is dependent on circumstances existing if and when remittance occurs.

Our income tax expense, deferred tax assets and liabilities, and liabilities for unrecognized tax benefits reflect management's best assessment of estimated current and future taxes to be paid. Deferred tax asset valuation allowances and our liabilities for unrecognized tax benefits require significant management judgment regarding applicable statutes and their related interpretation, the status of various income tax audits, and our particular facts and circumstances. Although we believe that the judgments and estimates discussed herein are reasonable, actual results could differ, and we may be exposed to losses or gains that could be material. To the extent we prevail in matters for which a liability has been established, or are required to pay amounts in excess of our established liability, our effective income tax rate in a given financial statement period could be materially affected.

RECENT ACCOUNTING PRONOUNCEMENTS

See Note 1, Summary of Significant Accounting Policies, to the consolidated financial statements included in Item 8 of Part II of this 10-K for a detailed description of recent accounting pronouncements. We do not expect any of these recently issued accounting pronouncements to have a material impact on our results of operations, financial condition, or liquidity in future periods.

Item 7A. *Quantitative and Qualitative Disclosures About Market Risk*

The information required by this item is incorporated by reference to the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations — Commodity Prices, Availability and General Risk Conditions" and "Management's Discussion and Analysis of Financial Condition and Results of Operations — Financial Risk Management" in Item 7 of this Report.

Item 8. ***Financial Statements and Supplementary Data***

STARBUCKS CORPORATION
CONSOLIDATED STATEMENTS OF EARNINGS
(in millions, except per share data)

Fiscal Year Ended		Sep 28, 2014		Sep 29, 2013		Sep 30, 2012
Net revenues:						
Company-operated stores	$	12,977.9	$	11,793.2	$	10,534.5
Licensed stores		1,588.6		1,360.5		1,210.3
CPG, foodservice and other		1,881.3		1,713.1		1,532.0
Total net revenues		16,447.8		14,866.8		13,276.8
Cost of sales including occupancy costs		6,858.8		6,382.3		5,813.3
Store operating expenses		4,638.2		4,286.1		3,918.1
Other operating expenses		457.3		431.8		407.2
Depreciation and amortization expenses		709.6		621.4		550.3
General and administrative expenses		991.3		937.9		801.2
Litigation charge/(credit)		(20.2)		2,784.1		—
Total operating expenses		13,635.0		15,443.6		11,490.1
Income from equity investees		268.3		251.4		210.7
Operating income/(loss)		3,081.1		(325.4)		1,997.4
Interest income and other, net		142.7		123.6		94.4
Interest expense		(64.1)		(28.1)		(32.7)
Earnings/(loss) before income taxes		3,159.7		(229.9)		2,059.1
Income tax expense/(benefit)		1,092.0		(238.7)		674.4
Net earnings including noncontrolling interests		2,067.7		8.8		1,384.7
Net earnings/(loss) attributable to noncontrolling interests		(0.4)		0.5		0.9
Net earnings attributable to Starbucks	$	2,068.1	$	8.3	$	1,383.8
Earnings per share — basic	$	2.75	$	0.01	$	1.83
Earnings per share — diluted	$	2.71	$	0.01	$	1.79
Weighted average shares outstanding:						
Basic		753.1		749.3		754.4
Diluted		763.1		762.3		773.0

See Notes to Consolidated Financial Statements.

STARBUCKS CORPORATION
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(in millions)

	Sep 28, 2014	Sep 29, 2013	Sep 30, 2012
Net earnings including noncontrolling interests	$ 2,067.7	$ 8.8	$ 1,384.7
Other comprehensive income/(loss), net of tax:			
Unrealized holding gains/(losses) on available-for-sale securities	1.6	(0.6)	0.7
Tax (expense)/benefit	(0.6)	0.2	(0.3)
Unrealized gains/(losses) on cash flow hedging instruments	24.1	47.1	(42.2)
Tax (expense)/benefit	(7.8)	(24.6)	4.3
Unrealized gains/(losses) on net investment hedging instruments	25.5	32.8	1.0
Tax (expense)/benefit	(9.4)	(12.1)	(0.4)
Reclassification adjustment for net (gains)/losses realized in net earnings for cash flow hedges and available-for-sale securities	(1.5)	46.3	14.8
Tax expense/(benefit)	3.8	(3.5)	(4.3)
Translation adjustment	(75.8)	(41.6)	6.1
Tax (expense)/benefit	(1.6)	0.3	(3.3)
Other comprehensive income/(loss)	(41.7)	44.3	(23.6)
Comprehensive income including noncontrolling interests	2,026.0	53.1	1,361.1
Comprehensive income/(loss) attributable to noncontrolling interests	(0.4)	0.5	0.9
Comprehensive income attributable to Starbucks	$ 2,026.4	$ 52.6	$ 1,360.2

See Notes to Consolidated Financial Statements.

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STARBUCKS CORPORATION
CONSOLIDATED BALANCE SHEETS
(in millions, except per share data)

	Sep 28, 2014	Sep 29, 2013
ASSETS		
Current assets:		
Cash and cash equivalents	$ 1,708.4	$ 2,575.7
Short-term investments	135.4	658.1
Accounts receivable, net	631.0	561.4
Inventories	1,090.9	1,111.2
Prepaid expenses and other current assets	285.6	287.7
Deferred income taxes, net	317.4	277.3
Total current assets	4,168.7	5,471.4
Long-term investments	318.4	58.3
Equity and cost investments	514.9	496.5
Property, plant and equipment, net	3,519.0	3,200.5
Deferred income taxes, net	903.3	967.0
Other assets	198.9	185.3
Other intangible assets	273.5	274.8
Goodwill	856.2	862.9
TOTAL ASSETS	$ 10,752.9	$ 11,516.7
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	$ 533.7	$ 491.7
Accrued litigation charge	—	2,784.1
Accrued liabilities	1,514.4	1,269.3
Insurance reserves	196.1	178.5
Deferred revenue	794.5	653.7
Total current liabilities	3,038.7	5,377.3
Long-term debt	2,048.3	1,299.4
Other long-term liabilities	392.2	357.7
Total liabilities	5,479.2	7,034.4
Shareholders' equity:		
Common stock ($0.001 par value) — authorized, 1,200.0 shares; issued and outstanding, 749.5 and 753.2 shares, respectively	0.7	0.8
Additional paid-in capital	39.4	282.1
Retained earnings	5,206.6	4,130.3
Accumulated other comprehensive income	25.3	67.0
Total shareholders' equity	5,272.0	4,480.2
Noncontrolling interest	1.7	2.1
Total equity	5,273.7	4,482.3
TOTAL LIABILITIES AND EQUITY	$ 10,752.9	$ 11,516.7

See Notes to Consolidated Financial Statements.

STARBUCKS CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in millions)

Fiscal Year Ended	Sep 28, 2014	Sep 29, 2013	Sep 30, 2012
OPERATING ACTIVITIES:			
Net earnings including noncontrolling interests	$ 2,067.7	$ 8.8	$ 1,384.7
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation and amortization	748.4	655.6	580.6
Litigation charge	—	2,784.1	—
Deferred income taxes, net	10.2	(1,045.9)	61.1
Income earned from equity method investees	(182.7)	(171.8)	(136.0)
Distributions received from equity method investees	139.2	115.6	86.7
Gain resulting from sale of equity in joint ventures and certain retail operations	(70.2)	(80.1)	—
Stock-based compensation	183.2	142.3	153.6
Excess tax benefit on share-based awards	(114.4)	(258.1)	(169.8)
Other	36.2	23.0	23.6
Cash (used)/provided by changes in operating assets and liabilities:			
Accounts receivable	(79.7)	(68.3)	(90.3)
Inventories	14.3	152.5	(273.3)
Accounts payable	60.4	88.7	(105.2)
Accrued litigation charge	(2,763.9)	—	—
Income taxes payable, net	309.8	298.4	201.6
Accrued liabilities and insurance reserves	103.9	47.3	(8.1)
Deferred revenue	140.8	139.9	60.8
Prepaid expenses, other current assets and other assets	4.6	76.3	(19.7)
Net cash provided by operating activities	607.8	2,908.3	1,750.3
INVESTING ACTIVITIES:			
Purchase of investments	(1,652.5)	(785.9)	(1,748.6)
Sales of investments	1,454.8	60.2	—
Maturities and calls of investments	456.1	980.0	1,796.4
Acquisitions, net of cash acquired	—	(610.4)	(129.1)
Additions to property, plant and equipment	(1,160.9)	(1,151.2)	(856.2)
Proceeds from sale of equity in joint ventures and certain retail operations	103.9	108.0	—
Other	(19.1)	(11.9)	(36.5)
Net cash used by investing activities	(817.7)	(1,411.2)	(974.0)
FINANCING ACTIVITIES:			
Proceeds from issuance of long-term debt	748.5	749.7	—
Principal payments on long-term debt	—	(35.2)	—
Payments on short-term borrowings	—	—	(30.8)
Proceeds from issuance of common stock	139.7	247.2	236.6
Excess tax benefit on share-based awards	114.4	258.1	169.8
Cash dividends paid	(783.1)	(628.9)	(513.0)
Repurchase of common stock	(758.6)	(588.1)	(549.1)
Minimum tax withholdings on share-based awards	(77.3)	(121.4)	(58.5)
Other	(6.9)	10.4	(0.5)
Net cash used by financing activities	(623.3)	(108.2)	(745.5)
Effect of exchange rate changes on cash and cash equivalents	(34.1)	(1.8)	9.7
Net (decrease)/increase in cash and cash equivalents	(867.3)	1,387.1	40.5
CASH AND CASH EQUIVALENTS:			
Beginning of period	2,575.7	1,188.6	1,148.1
End of period	$ 1,708.4	$ 2,575.7	$ 1,188.6
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Cash paid during the period for:			
Interest, net of capitalized interest	$ 56.2	$ 34.4	$ 34.4
Income taxes, net of refunds	$ 766.3	$ 539.1	$ 416.9

See Notes to Consolidated Financial Statements.

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STARBUCKS CORPORATION
CONSOLIDATED STATEMENTS OF EQUITY
(in millions)

	Common Stock Shares	Common Stock Amount	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income/(Loss)	Shareholders' Equity	Noncontrolling Interest	Total
Balance, October 2, 2011	744.8	$ 0.7	$ 40.5	$ 4,297.4	$ 46.3	$ 4,384.9	$ 2.4	$ 4,387.3
Net earnings	—	—	—	1,383.8	—	1,383.8	0.9	1,384.7
Other comprehensive income/(loss)					(23.6)	(23.6)	—	(23.6)
Stock-based compensation expense	—	—	155.2	—	—	155.2	—	155.2
Exercise of stock options/vesting of RSUs, including tax benefit of $167.3	16.5	—	326.1	—	—	326.1	—	326.1
Sale of common stock, including tax benefit of $0.2	0.3	—	19.5	—	—	19.5	—	19.5
Repurchase of common stock	(12.3)	—	(501.9)	(91.3)	—	(593.2)	—	(593.2)
Cash dividends declared, $0.72 per share	—	—	—	(543.7)	—	(543.7)	—	(543.7)
Noncontrolling interest resulting from acquisition	—	—	—	—	—	—	2.2	2.2
Balance, September 30, 2012	749.3	$ 0.7	$ 39.4	$ 5,046.2	$ 22.7	$ 5,109.0	$ 5.5	$ 5,114.5
Net earnings	—	—	—	8.3	—	8.3	0.5	8.8
Other comprehensive income/(loss)					44.3	44.3	—	44.3
Stock-based compensation expense	—	—	144.1	—	—	144.1	—	144.1
Exercise of stock options/vesting of RSUs, including tax benefit of $259.9	14.4	0.1	366.7	—	—	366.8	—	366.8
Sale of common stock, including tax benefit of $0.2	0.3	—	20.4	—	—	20.4	—	20.4
Repurchase of common stock	(10.8)	—	(288.5)	(255.6)	—	(544.1)	—	(544.1)
Cash dividends declared, $0.89 per share	—	—	—	(668.6)	—	(668.6)	—	(668.6)
Noncontrolling interest resulting from divestiture	—	—	—	—	—	—	(3.9)	(3.9)
Balance, September 29, 2013	753.2	$ 0.8	$ 282.1	$ 4,130.3	$ 67.0	$ 4,480.2	$ 2.1	$ 4,482.3
Net earnings	—	—	—	2,068.1	—	2,068.1	(0.4)	2,067.7
Other comprehensive income/(loss)					(41.7)	(41.7)	—	(41.7)
Stock-based compensation expense	—	—	185.1	—	—	185.1	—	185.1
Exercise of stock options/vesting of RSUs, including tax benefit of $114.8	6.5	—	154.8	—	—	154.8	—	154.8
Sale of common stock, including tax benefit of $0.2	0.3	—	22.3	—	—	22.3	—	22.3
Repurchase of common stock	(10.5)	(0.1)	(604.9)	(164.8)	—	(769.8)	—	(769.8)
Cash dividends declared, $1.10 per share	—	—	—	(827.0)	—	(827.0)	—	(827.0)
Balance, September 28, 2014	749.5	$ 0.7	$ 39.4	$ 5,206.6	$ 25.3	$ 5,272.0	$ 1.7	$ 5,273.7

See Notes to Consolidated Financial Statements.

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STARBUCKS CORPORATION
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STARBUCKS CORPORATION
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Fiscal Years ended September 28, 2014, September 29, 2013 and September 30, 2012

Note 1: Summary of Significant Accounting Policies

Description of Business

We purchase and roast high-quality coffees that we sell, along with handcrafted coffee and tea beverages and a variety of fresh food items, through our company-operated stores. We also sell a variety of coffee and tea products and license our trademarks through other channels such as licensed stores, grocery and national foodservice accounts.

In this 10-K, Starbucks Corporation (together with its subsidiaries) is referred to as "Starbucks," the "Company," "we," "us" or "our."

We have four reportable operating segments: 1) Americas, which is inclusive of the US, Canada, and Latin America; 2) Europe, Middle East, and Africa ("EMEA"); 3) China/Asia Pacific ("CAP") and 4) Channel Development. We also have several non-reportable operating segments, including Teavana, Seattle's Best Coffee, Evolution Fresh, and our Digital Ventures business, which are combined and referred to as All Other Segments. Unallocated corporate operating expenses, which pertain primarily to corporate administrative functions that support the operating segments but are not specifically attributable to or managed by any segment, are presented as a reconciling item between total segment operating results and consolidated financial results.

Additional details on the nature of our business and our reportable operating segments are included in Note 16, Segment Reporting, of these Consolidated Financial Statements.

Principles of Consolidation

The consolidated financial statements reflect the financial position and operating results of Starbucks, including wholly-owned subsidiaries and investees that we control. Investments in entities that we do not control, but have the ability to exercise significant influence over operating and financial policies, are accounted for under the equity method. Investments in entities in which we do not have the ability to exercise significant influence are accounted for under the cost method. Intercompany transactions and balances have been eliminated.

Fiscal Year End

Our fiscal year ends on the Sunday closest to September 30. Fiscal years 2014, 2013 and 2012 included 52 weeks.

Estimates and Assumptions

Preparing financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Examples include, but are not limited to, estimates for inventory reserves, asset and goodwill impairments, assumptions underlying self-insurance reserves, income from unredeemed stored value cards, stock-based compensation forfeiture rates, future asset retirement obligations, and the potential outcome of future tax consequences of events that have been recognized in the financial statements. Actual results and outcomes may differ from these estimates and assumptions.

Cash and Cash Equivalents

We consider all highly liquid instruments with maturities of three months or less at the time of purchase, as well as credit card receivables for sales to customers in our company-operated stores that generally settle within two to five days, to be cash equivalents. We maintain cash and cash equivalent balances with financial institutions that exceed federally-insured limits. We have not experienced any losses related to these balances and we believe credit risk to be minimal.

Our cash management system provides for the funding of all major bank disbursement accounts on a daily basis as checks are presented for payment. Under this system, outstanding checks are in excess of the cash balances at certain banks, which creates book overdrafts. Book overdrafts are presented as a current liability in accounts payable on the consolidated balance sheets.

Investments

Available-for-sale Securities

Our short-term and long-term investments consist primarily of investment-grade debt securities, all of which are classified as available-for-sale. Available-for-sale securities are recorded at fair value, and unrealized holding gains and losses are recorded, net of tax, as a component of accumulated other comprehensive income. Available-for-sale securities with remaining maturities of less than one year and those identified by management at the time of purchase to be used to fund operations within one year are classified as short-term. All other available-for-sale securities, including all of our auction rate securities, are classified as long-term. We evaluate our available-for-sale securities for other than temporary impairment on a quarterly basis. Unrealized losses are charged against net earnings when a decline in fair value is determined to be other than temporary. We review several factors to determine whether a loss is other than temporary, such as the length and extent of the fair value decline, the financial condition and near-term prospects of the issuer, and whether we have the intent to sell or will more likely than not be required to sell before the securities' anticipated recovery, which may be at maturity. Realized gains and losses are accounted for using the specific identification method. Purchases and sales are recorded on a trade date basis.

Trading Securities

We also have a trading securities portfolio, which is comprised of marketable equity mutual funds and equity exchange-traded funds. Trading securities are recorded at fair value with unrealized holding gains and losses recorded in net interest income and other in the consolidated statements of earnings. Our trading securities portfolio approximates a portion of our liability under our Management Deferred Compensation Plan ("MDCP"), which is included in accrued compensation and related costs, within accrued liabilities on the consolidated balance sheets. Changes in our MDCP liability are recorded in general and administrative expenses in the consolidated statements of earnings.

Equity and Cost Method Investments

We evaluate our equity and cost method investments for impairment annually, and when facts and circumstances indicate that the carrying value of such investments may not be recoverable. We review several factors to determine whether the loss is other than temporary, such as the length and extent of the fair value decline, the financial condition and near-term prospects of the investee, and whether we have the intent to sell or will more likely than not be required to sell before the investment's anticipated recovery. If a decline in fair value is determined to be other than temporary, an impairment charge is recorded in net earnings.

Fair Value

Fair value is the price we would receive to sell an asset or pay to transfer a liability (exit price) in an orderly transaction between market participants. For assets and liabilities recorded or disclosed at fair value on a recurring basis, we determine fair value based on the following:

Level 1: The carrying value of cash and cash equivalents approximates fair value because of the short-term nature of these instruments. For trading and US government treasury securities and commodity futures contracts, we use quoted prices in active markets for identical assets to determine fair value.

Level 2: When quoted prices in active markets for identical assets are not available, we determine the fair value of our available-for-sale securities and our over-the-counter forward contracts, collars, and swaps based upon factors such as the quoted market price of similar assets or a discounted cash flow model using readily observable market data, which may include interest rate curves and forward and spot prices for currencies and commodities, depending on the nature of the investment. The fair value of our long-term debt is estimated based on the quoted market prices for the same or similar issues or on the current rates offered to us for debt of the same remaining maturities.

Level 3: We determine the fair value of our auction rate securities using an internally-developed valuation model, using inputs that include interest rate curves, credit and liquidity spreads, and effective maturity.

Assets and liabilities recognized or disclosed at fair value on a nonrecurring basis include items such as property, plant and equipment, goodwill and other intangible assets, equity and cost method investments, and other assets. We determine the fair value of these items using Level 3 inputs, as described in the related sections below.

Derivative Instruments

We manage our exposure to various risks within the consolidated financial statements according to a market price risk management policy. Under this policy, we may engage in transactions involving various derivative instruments to hedge interest rates, commodity prices and foreign currency denominated revenue streams, inventory purchases, assets and liabilities, and investments in certain foreign operations. We record all derivatives on the consolidated balance sheets at fair value. We generally do not offset derivative assets and liabilities in our consolidated balance sheets or enter into derivative instruments with maturities longer than three years. We do not enter into derivative instruments for trading purposes.

We use various types of derivative instruments including forward contracts, commodity futures contracts, collars and swaps. Forward contracts and commodity futures contracts are agreements to buy or sell a quantity of a currency or commodity at a predetermined future date, and at a predetermined rate or price. A collar is a strategy that uses a combination of a purchased call option and a sold put option with equal premiums to hedge a portion of anticipated cash flows, or to limit the range of possible gains or losses on an underlying asset or liability to a specific range. A swap agreement is a contract between two parties to exchange cash flows based on specified underlying notional amounts, assets and/or indices.

Cash Flow Hedges

For derivative instruments that are designated and qualify as a cash flow hedge, the effective portion of the derivative's gain or loss is reported as a component of other comprehensive income ("OCI") and recorded in accumulated other comprehensive income ("AOCI") on the consolidated balance sheets. The gain or loss is subsequently reclassified into net earnings when the hedged exposure affects net earnings.

To the extent that the change in the fair value of the contract corresponds to the change in the value of the anticipated transaction using forward rates on a monthly basis, the hedge is considered effective and is recognized as described above. The remaining change in fair value of the contract represents the ineffective portion, which is immediately recorded in net interest income and other in the consolidated statements of earnings.

Cash flow hedges related to anticipated transactions are designated and documented at the inception of each hedge by matching the terms of the contract to the underlying transaction. Cash flows from hedging transactions are classified in the same categories as the cash flows from the respective hedged items, which is discussed further at Note 3, Derivative Financial Instruments. Once established, cash flow hedges are generally not removed until maturity unless an anticipated transaction is no longer likely to occur. For dedesignated cash flow hedges or for transactions that are no longer likely to occur, the related accumulated derivative gains or losses are recognized in net interest income and other in the consolidated statements of earnings.

Net Investment Hedges

For derivative instruments that are designated and qualify as a net investment hedge, the effective portion of the derivative's gain or loss is reported as a component of OCI and recorded in AOCI. The gain or loss will be subsequently reclassified into net earnings when the hedged net investment is either sold or substantially liquidated.

To the extent that the change in the fair value of the forward contract corresponds to the change in value of the anticipated transactions using spot rates on a monthly basis, the hedge is considered effective and is recognized as described above. The remaining change in fair value of the forward contract represents the ineffective portion, which is immediately recognized in net interest income and other in the consolidated statements of earnings.

Derivatives Not Designated As Hedging Instruments

We also enter into certain foreign currency forward contracts, commodity futures contracts, collars and swaps that are not designated as hedging instruments for accounting purposes. The change in the fair value of these contracts is immediately recognized in net interest income and other in the consolidated statements of earnings.

Normal Purchase Normal Sale

We enter into fixed-price and price-to-be-fixed green coffee purchase commitments, which are described further at Note 5, Inventories. For both fixed-price and price-to-be-fixed purchase commitments, we expect to take delivery of and to utilize the coffee in a reasonable period of time and in the conduct of normal business. Accordingly, these purchase commitments qualify as normal purchases and are not recorded at fair value on our balance sheets.

Receivables, net of Allowance for Doubtful Accounts

Our receivables are mainly comprised of receivables for product and equipment sales to and royalties from our licensees, as well as receivables from our CPG and foodservice business customers. Our allowance for doubtful accounts is calculated based on historical experience, customer credit risk and application of the specific identification method. As of September 28, 2014 and September 29, 2013, the allowance for doubtful accounts was $6.7 million and $5.7 million, respectively.

Inventories

Inventories are stated at the lower of cost (primarily moving average cost) or market. We record inventory reserves for obsolete and slow-moving inventory and for estimated shrinkage between physical inventory counts. Inventory reserves are based on inventory obsolescence trends, historical experience and application of the specific identification method. As of September 28, 2014 and September 29, 2013, inventory reserves were $31.2 million and $52.0 million, respectively.

Property, Plant and Equipment

Property, plant and equipment, which includes assets under capital leases, are carried at cost less accumulated depreciation. Cost includes all direct costs necessary to acquire and prepare assets for use, including internal labor and overhead in some cases. Depreciation is computed using the straight-line method over estimated useful lives of the assets, generally ranging from 2 to 15 years for equipment and 30 to 40 years for buildings. Leasehold improvements are amortized over the shorter of their estimated useful lives or the related lease life, generally 10 years. For leases with renewal periods at our option, we generally use the original lease term, excluding renewal option periods, to determine estimated useful lives. If failure to exercise a renewal option imposes an economic penalty to us, we may determine at the inception of the lease that renewal is reasonably assured and include the renewal option period in the determination of the appropriate estimated useful lives.

The portion of depreciation expense related to production and distribution facilities is included in cost of sales including occupancy costs in the consolidated statements of earnings. The costs of repairs and maintenance are expensed when incurred, while expenditures for refurbishments and improvements that significantly add to the productive capacity or extend the useful life of an asset are capitalized. When assets are disposed of, whether through retirement or sale, the net gain or loss is recognized in net earnings. Long-lived assets to be disposed of are reported at the lower of their carrying amount or fair value less estimated costs to sell.

We evaluate property, plant and equipment for impairment when facts and circumstances indicate that the carrying values of such assets may not be recoverable. When evaluating for impairment, we first compare the carrying value of the asset to the asset's estimated future undiscounted cash flows. If the estimated undiscounted future cash flows are less than the carrying value of the asset, we determine if we have an impairment loss by comparing the carrying value of the asset to the asset's estimated fair value and recognize an impairment charge when the asset's carrying value exceeds its estimated fair value. The fair value of the asset is estimated using a discounted cash flow model based on forecasted future revenues and operating costs, using internal projections. Property, plant and equipment assets are grouped at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. For company-operated store assets, the impairment test is performed at the individual store asset group level.

We recognized net disposition charges of $14.7 million, $17.4 million, and $16.5 million and net impairment charges of $19.0 million, $12.7 million, and $15.2 million in fiscal 2014, 2013, and 2012, respectively. The nature of the underlying asset that is impaired or disposed of will determine the operating expense line on which the related impact is recorded in the consolidated statements of earnings. For assets within our retail operations, net impairment and disposition charges are recorded in store operating expenses. For all other assets, these charges are recorded in cost of sales including occupancy costs, other operating expenses, or general and administrative expenses.

Goodwill

We evaluate goodwill for impairment annually during our third fiscal quarter, or more frequently if an event occurs or circumstances change, such as material deterioration in performance or a significant number of store closures, that would indicate that impairment may exist. When evaluating goodwill for impairment, we may first perform a qualitative assessment to determine whether it is more likely than not that a reporting unit is impaired. If we do not perform a qualitative assessment, or if we determine that it is not more likely than not that the fair value of the reporting unit exceeds its carrying amount, we calculate the estimated fair value of the reporting unit. Fair value is the price a willing buyer would pay for the reporting unit and is typically calculated using a discounted cash flow model. If the carrying amount of the reporting unit exceeds the estimated fair value, an impairment charge is recorded to reduce the carrying value to the estimated fair value.

As part of our ongoing operations, we may close certain stores within a reporting unit containing goodwill due to underperformance of the store or inability to renew our lease, among other reasons. We may abandon certain assets associated with a closed store, including leasehold improvements and other non-transferable assets. When a portion of a reporting unit that constitutes a business is to be disposed of, goodwill associated with the business is included in the carrying amount of the business in determining any loss on disposal. Our evaluation of whether the portion of a reporting unit being disposed of constitutes a business occurs on the date of abandonment. Although an operating store meets the accounting definition of a business prior to abandonment, it does not constitute a business on the closure date because the remaining assets on that date do not constitute an integrated set of assets that are capable of being managed for the purpose of providing a return to investors. As a result, when closing individual stores, we do not include goodwill in the calculation of any loss on disposal of the related assets. As noted above, if store closures are indicative of potential impairment of goodwill at the reporting unit level, we perform an evaluation of our reporting unit goodwill when such closures occur. There were no material goodwill impairment charges recorded during fiscal 2014, 2013, and 2012.

Other Intangible Assets

Other intangible assets consist primarily of trade names and trademarks with indefinite lives, which are tested for impairment annually during the third fiscal quarter, or more frequently if an event occurs or circumstances change that would indicate that impairment may exist. When evaluating other intangible assets for impairment, we may first perform a qualitative assessment to determine whether it is more likely than not that an intangible asset group is impaired. If we do not perform the qualitative assessment, or if we determine that it is not more likely than not that the fair value of the intangible asset group exceeds its carrying amount, we calculate the estimated fair value of the intangible asset group. Fair value is the price a willing buyer would pay for the reporting unit and is typically calculated using an income approach, such as a relief-from-royalty model. If the carrying amount of the intangible asset group exceeds the estimated fair value, an impairment charge is recorded to reduce the carrying value to the estimated fair value. In addition, we continuously monitor and may revise our intangible asset useful lives if and when facts and circumstances change.

Definite-lived intangible assets, which mainly consist of acquired rights, trade secrets, contract-based patents and copyrights, are amortized over their estimated useful lives, and are tested for impairment using a similar methodology to our property, plant and equipment, as described above.

There were no other intangible asset impairment charges recorded during fiscal 2014, 2013, and 2012.

Insurance Reserves

We use a combination of insurance and self-insurance mechanisms, including a wholly-owned captive insurance entity and participation in a reinsurance treaty, to provide for the potential liabilities for certain risks, including workers' compensation, healthcare benefits, general liability, property insurance, and director and officers' liability insurance. Liabilities associated with the risks that are retained by us are not discounted and are estimated, in part, by considering historical claims experience, demographics, exposure and severity factors, and other actuarial assumptions.

Revenue Recognition

Consolidated revenues are presented net of intercompany eliminations for wholly-owned subsidiaries and investees controlled by us and for product sales to and royalty and other fees from licensees accounted for under the equity method. Additionally, consolidated revenues are recognized net of any discounts, returns, allowances and sales incentives, including coupon redemptions and rebates.

Company-operated Store Revenues

Company-operated store revenues are recognized when payment is tendered at the point of sale. Company-operated store revenues are reported net of sales, use or other transaction taxes that are collected from customers and remitted to taxing authorities.

Licensed Store Revenues

Licensed store revenues consist of product and equipment sales to licensees, as well as royalties and other fees paid by licensees to use the Starbucks brand. Sales of coffee, tea and related products are generally recognized upon shipment to licensees, depending on contract terms. Shipping charges billed to licensees are also recognized as revenue, and the related shipping costs are included in cost of sales including occupancy costs in the consolidated statements of earnings.

Initial nonrefundable development fees for licensed stores are recognized upon substantial performance of services for new market business development activities, such as initial business, real estate and store development planning, as well as providing operational materials and functional training courses for opening new licensed retail markets. Additional store licensing fees are recognized when new licensed stores are opened. Royalty revenues based upon a percentage of reported sales, and other continuing fees, such as marketing and service fees, are recognized on a monthly basis when earned.

CPG, Foodservice and Other Revenues

CPG, foodservice and other revenues primarily include sales of packaged coffee and tea as well as a variety of ready-to-drink beverages and single-serve coffee and tea products to grocery, warehouse clubs and specialty retail stores, sales to our national foodservice accounts, and revenues from sales of products to and license fee revenues from manufacturers that produce and market Starbucks and Seattle's Best Coffee branded products through licensing agreements. Sales of coffee, tea, ready-to-drink beverages and related products to grocery and warehouse club stores are generally recognized when received by the customer or distributor, depending on contract terms. Revenues are recorded net of sales discounts given to customers for trade promotions and other incentives and for sales return allowances, which are determined based on historical patterns.

Revenues from sales of products to manufacturers that produce and market Starbucks and Seattle's Best Coffee branded products through licensing agreements are generally recognized when the product is received by the manufacturer or distributor. License fee revenues from manufacturers are based on a percentage of sales and are recognized on a monthly basis when earned. National foodservice account revenues are recognized, when the product is received by the customer or distributor.

Sales to customers through CPG channels and national foodservice accounts, including sales to national distributors, are recognized net of certain fees paid to the customer. We characterize these fees as a reduction of revenue unless we are able to identify a sufficiently separable benefit from the customer's purchase of our products such that we could have entered into an exchange transaction with a party other than the customer in order to receive such benefit, and we can reasonably estimate the fair value of such benefit.

Stored Value Cards

Revenues from our stored value cards, primarily Starbucks Cards, are recognized when redeemed or when we recognize breakage income, which occurs when the likelihood of redemption, based on historical experience, is deemed to be remote. Outstanding customer balances are included in deferred revenue on the consolidated balance sheets. There are no expiration dates on our stored value cards, and we do not charge any service fees that cause a decrement to customer balances. While we will continue to honor all stored value cards presented for payment, management may determine the likelihood of redemption to be remote for certain cards due to long periods of inactivity. In these circumstances, if management also determines there is no requirement for remitting balances to government agencies under unclaimed property laws, card balances may then be recognized as breakage income in net interest income and other in the consolidated statements of earnings. In fiscal 2014, 2013, and 2012, we recognized breakage income of $38.3 million, $33.0 million, and $65.8 million, respectively.

Customers in the US, Canada, and certain other countries who register their Starbucks Card are automatically enrolled in the My Starbucks Rewards® loyalty program and earn reward points ("Stars") with each purchase at participating Starbucks®, Teavana®, Evolution Fresh™ and La Boulange® stores, as well as on certain packaged coffee products purchased in select Starbucks® stores, at StarbucksStore.com, and through CPG channels. Reward program members receive various benefits depending on factors such as the number of Stars earned in a 12-month period. The value of Stars earned by our program members towards free product is included in deferred revenue and recorded as a reduction in revenue at the time the Stars are earned, based on the value of Stars that are projected to be redeemed.

Marketing & Advertising

Our annual marketing expenses include many components, one of which is advertising costs. We expense most advertising costs as they are incurred, except for certain production costs that are expensed the first time the advertising takes place.

Marketing expenses totaled $315.5 million, $306.8 million and $277.9 million in fiscal 2014, 2013, and 2012, respectively. Included in these costs were advertising expenses, which totaled $198.9 million, $205.8 million and $182.4 million in fiscal 2014, 2013, and 2012, respectively.

Store Preopening Expenses

Costs incurred in connection with the start-up and promotion of new store openings are expensed as incurred.

Operating Leases

We lease retail stores, roasting, distribution and warehouse facilities, and office space for corporate administrative purposes under operating leases. Most lease agreements contain tenant improvement allowances, rent holidays, lease premiums, rent escalation clauses and/or contingent rent provisions. We recognize amortization of lease incentives, premiums and minimum rent expenses on a straight-line basis beginning on the date of initial possession, which is generally when we enter the space and begin to make improvements in preparation for intended use.

For tenant improvement allowances and rent holidays, we record a deferred rent liability within accrued liabilities, or other long-term liabilities, on the consolidated balance sheets and amortize the deferred rent over the terms of the leases as reductions to rent expense in the consolidated statements of earnings.

For premiums paid upfront to enter a lease agreement, we record a prepaid rent asset in prepaid expenses and other current assets on the consolidated balance sheets and amortize the deferred rent over the terms of the leases as additional rent expense in the consolidated statements of earnings.

For scheduled rent escalation clauses during the lease terms or for rental payments commencing at a date other than the date of initial possession, we record minimum rent expense on a straight-line basis over the terms of the leases in the consolidated statements of earnings.

Certain leases provide for contingent rent, which is determined as a percentage of gross sales in excess of specified levels. We record a contingent rent liability on the consolidated balance sheets and the corresponding rent expense when specified levels have been achieved or when we determine that achieving the specified levels during the fiscal year is probable.

When ceasing operations of company-operated stores under operating leases, in cases where the lease contract specifies a termination fee due to the landlord, we record such expense at the time written notice is given to the landlord. In cases where terms, including termination fees, are yet to be negotiated with the landlord, we will record the expense upon signing of an agreement with the landlord. In cases where the landlord does not allow us to prematurely exit the lease, but allows for subleasing, we estimate the fair value of any sublease income that can be generated from the location and recognize an expense equal to the present value of the remaining lease payments to the landlord less any projected sublease income at the cease-use date.

Asset Retirement Obligations

We recognize a liability for the fair value of required asset retirement obligations ("ARO") when such obligations are incurred. Our AROs are primarily associated with leasehold improvements, which, at the end of a lease, we are contractually obligated to remove in order to comply with the lease agreement. At the inception of a lease with such conditions, we record an ARO liability and a corresponding capital asset in an amount equal to the estimated fair value of the obligation. We estimate the liability using a number of assumptions, including store closing costs, cost inflation rates and discount rates, and accrete it to its projected future value over time. The capitalized asset is depreciated using the same depreciation convention as leasehold improvement assets. Upon satisfaction of the ARO conditions, any difference between the recorded ARO liability and the actual retirement costs incurred is recognized as a gain or loss in cost of sales including occupancy costs in the consolidated statements of earnings. As of September 28, 2014 and September 29, 2013, our net ARO assets included in property, plant and equipment were $4.1 million and $3.8 million, respectively, and our net ARO liabilities included in other long-term liabilities were $28.4 million and $27.7 million, respectively.

Stock-based Compensation

We maintain several equity incentive plans under which we may grant non-qualified stock options, incentive stock options, restricted stock, restricted stock units ("RSUs") or stock appreciation rights to employees, non-employee directors and consultants. We also have an employee stock purchase plan ("ESPP"). RSUs issued by us are equivalent to nonvested shares under the applicable accounting guidance. We record stock-based compensation expense based on the fair value of stock awards at the grant date and recognize the expense over the related service period following a graded vesting expense schedule. Expense for performance-based RSUs is recognized when it is probable the performance goal will be achieved. Performance goals are determined by the Board of Directors and may include measures such as earnings per share, operating income and return on invested capital. The fair value of each stock option granted is estimated on the grant date using the Black-Scholes-Merton option valuation model. The assumptions used to calculate the fair value of options granted are evaluated and revised, as necessary, to reflect market conditions and our historical experience. Options granted are valued using the multiple option valuation approach, and the resulting expense is recognized over the requisite service period for each separately vesting portion of the award. Compensation expense is recognized only for those options expected to vest, with forfeitures estimated at the date of grant based on our historical experience and future expectations. The fair value of RSUs is based on the closing price of Starbucks common stock on the award date, less the present value of expected dividends not received during the vesting period.

Foreign Currency Translation

Our international operations generally use their local currency as their functional currency. Assets and liabilities are translated at exchange rates in effect at the balance sheet date. Income and expense accounts are translated at the average monthly exchange rates during the year. Resulting translation adjustments are reported as a component of OCI and recorded in AOCI on the consolidated balance sheets.

Income Taxes

We compute income taxes using the asset and liability method, under which deferred income taxes are recognized based on the differences between the financial statement carrying amounts and the respective tax basis of our assets and liabilities. Deferred tax assets and liabilities are measured using current enacted tax rates expected to apply to taxable income in the years in which we expect the temporary differences to reverse. The effect of a change in tax rates on deferred taxes is recognized in income in the period that includes the enactment date.

We routinely evaluate the likelihood of realizing the benefit of our deferred tax assets and may record a valuation allowance if, based on all available evidence, we determine that some portion of the tax benefit will not be realized. In evaluating our ability to recover our deferred tax assets within the jurisdiction from which they arise, we consider all available positive and negative evidence, including scheduled reversals of deferred tax liabilities, projected future taxable income, tax-planning strategies, and results of recent operations. If we determine that we would be able to realize our deferred tax assets in the future in excess of their net recorded amount, we would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes.

In addition, our income tax returns are periodically audited by domestic and foreign tax authorities. These audits include review of our tax filing positions, including the timing and amount of deductions taken and the allocation of income between tax jurisdictions. We evaluate our exposures associated with our various tax filing positions and recognize a tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained upon examination by the relevant taxing authorities, including resolutions of any related appeals or litigation processes, based on the technical merits of our position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. For uncertain tax positions that do not meet this threshold, we record a related liability. We adjust our unrecognized tax benefit liability and income tax expense in the period in which the uncertain tax position is effectively settled, the statute of limitations expires for the relevant taxing authority to examine the tax position, or when new information becomes available.

Starbucks recognizes interest and penalties related to income tax matters in income tax expense in the consolidated statements of earnings. Accrued interest and penalties are included within the related tax liability on the consolidated balance sheets.

Earnings per Share

Basic earnings per share is computed based on the weighted average number of shares of common stock outstanding during the period. Diluted earnings per share is computed based on the weighted average number of shares of common stock and the effect of dilutive potential common shares outstanding during the period, calculated using the treasury stock method. Dilutive potential common shares include outstanding stock options and RSUs. Performance-based RSUs are considered dilutive when the related performance criterion has been met.

Common Stock Share Repurchases

We may repurchase shares of Starbucks common stock under a program authorized by our Board of Directors, including pursuant to a contract, instruction or written plan meeting the requirements of Rule 10b5-1(c)(1) of the Securities Exchange Act of 1934. Under applicable Washington State law, shares repurchased are retired and not displayed separately as treasury stock on the financial statements. Instead, the par value of repurchased shares is deducted from common stock and the excess repurchase price over par value is deducted from additional paid-in capital and from retained earnings, once additional paid-in capital is depleted.

Recent Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board ("FASB") issued guidance outlining a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers that supersedes most current revenue recognition guidance. This guidance requires an entity to recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Additionally, this guidance expands related disclosure requirements. The guidance will become effective for us at the beginning of our first quarter of fiscal 2018 and will require full or modified retrospective application. We are currently evaluating the impact this guidance will have on our financial statements as well as the expected adoption method.

In April 2014, the FASB issued guidance that changes the criteria for reporting discontinued operations. To qualify as a discontinued operation under the amended guidance, a component or group of components of an entity that has been disposed of or is classified as held for sale must represent a strategic shift that has or will have a major effect on the entity's operations and financial results. This guidance also expands related disclosure requirements. The guidance will become effective for us at the beginning of our first quarter of fiscal 2016. We do not expect the adoption of this guidance will have a material impact on our financial statements.

In July 2013, the FASB issued guidance on the financial statement presentation of an unrecognized tax benefit when a net operating loss carryforward, a similar tax loss, or a tax credit carryforward exists. This guidance requires the unrecognized tax benefit to be presented in the financial statements as a reduction to a deferred tax asset. When a deferred tax asset is not available, or the asset is not intended to be used for this purpose, the unrecognized tax benefit should be presented in the financial statements as a liability and not netted with a deferred tax asset. The guidance will become effective for us at the beginning of our first quarter of fiscal 2015. We do not expect the adoption of this guidance will have a material impact on our financial statements.

In March 2013, the FASB issued guidance on a parent's accounting for the cumulative translation adjustment upon derecognition of certain subsidiaries or groups of assets within a foreign entity or of an investment in a foreign entity. This guidance requires a parent to release any related cumulative translation adjustment into net income only if the sale or transfer results in the complete or substantially complete liquidation of the foreign entity in which the subsidiary or group of assets had resided. The guidance will become effective for us at the beginning of our first quarter of fiscal 2015. We do not expect the adoption of this guidance will have a material impact on our financial statements.

In February 2013, the FASB issued guidance that adds additional disclosure requirements for items reclassified out of accumulated other comprehensive income. This guidance requires the disclosure of significant amounts reclassified from each component of accumulated other comprehensive income and the income statement line items affected by the reclassification. The guidance became effective for us at the beginning of our first quarter of fiscal 2014 and the additional disclosures are provided in Note 11, Equity, of these consolidated financial statements.

In January 2013, the FASB issued guidance clarifying the scope of disclosure requirements for offsetting assets and liabilities. The amended guidance limits the scope of balance sheet offsetting disclosures to derivatives, repurchase agreements, and securities lending transactions to the extent that they are offset in the financial statements or subject to an enforceable master netting arrangement or similar agreement. The guidance became effective for us at the beginning of our first quarter of fiscal 2014 and did not have a material impact on our financial statements.

Correction of an Immaterial Error

Effective at the beginning of fiscal 2014, we reclassified certain fees related to our US and Seattle's Best Coffee foodservice operations in our Channel Development segment and All Other Segments, respectively, from other operating expenses to foodservice revenues included in CPG, foodservice and other net revenues in our consolidated statements of earnings. This reclassification results from a correction of an error in our prior period financial statements which we have determined to be immaterial. In order to align prior period classifications with the current period presentation, the historical consolidated financial statements have been corrected, resulting in reclassifications of $25.4 million and $22.7 million for fiscal years 2013 and 2012, respectively. The consolidated statements of earnings as corrected are presented below *(in millions)*:

	Fiscal 2013					Fiscal 2012
	Q1	Q2	Q3	Q4	Full Year	Full Year
Net revenues:						
Company-operated stores	$ 2,989.6	$ 2,807.7	$ 2,986.3	$ 3,009.6	$ 11,793.2	$ 10,534.5
Licensed stores	350.2	322.1	342.0	346.3	1,360.5	1,210.3
CPG, foodservice and other	453.4	419.8	407.0	432.9	1,713.1	1,532.0
Total net revenues	3,793.2	3,549.6	3,735.3	3,788.8	14,866.8	13,276.8
Cost of sales including occupancy costs	1,620.7	1,530.4	1,597.6	1,633.7	6,382.3	5,813.3
Store operating expenses	1,089.5	1,038.4	1,084.1	1,073.9	4,286.1	3,918.1
Other operating expenses	126.1	105.8	98.9	101.1	431.8	407.2
Depreciation and amortization expenses	148.9	153.1	153.3	166.1	621.4	550.3
General and administrative expenses	231.9	230.3	249.6	226.1	937.9	801.2
Litigation charge	—	—	—	2,784.1	2,784.1	—
Total operating expenses	3,217.1	3,058.0	3,183.5	5,985.0	15,443.6	11,490.1
Income from equity investees	54.5	52.5	63.4	81.0	251.4	210.7
Operating income/(loss)	630.6	544.1	615.2	(2,115.2)	(325.4)	1,997.4
Interest income and other, net	(2.9)	50.8	3.5	72.1	123.6	94.4
Interest expense	(6.6)	(6.1)	(6.3)	(9.1)	(28.1)	(32.7)
Earnings/(loss) before income taxes	621.1	588.8	612.4	(2,052.2)	(229.9)	2,059.1
Income tax expense/(benefit)	188.7	198.1	194.6	(820.1)	(238.7)	674.4
Net earnings/(loss) including noncontrolling interests	432.4	390.7	417.8	(1,232.1)	8.8	1,384.7
Net earnings/(loss) attributable to noncontrolling interests	0.2	0.3	—	(0.1)	0.5	0.9
Net earnings/(loss) attributable to Starbucks	$ 432.2	$ 390.4	$ 417.8	$ (1,232.0)	$ 8.3	$ 1,383.8

There was no impact on operating income or net earnings as a result of the error correction, nor any impact on our consolidated statements of comprehensive income, consolidated balance sheets or consolidated statements of cash flows. Additional disclosure regarding this change as it relates to our segment results is included at Note 16, Segment Reporting.

Note 2: Acquisitions and Divestitures

Fiscal 2014

During the fourth quarter of fiscal 2014, we sold our Australian company-operated retail store assets and operations to the Withers Group, converting these operations to a fully licensed market, for a total of $15.9 million. This transaction resulted in a pre-tax gain of $2.4 million, which was included in net interest income and other in the consolidated statements of earnings. On an after-tax basis, this transaction resulted in a loss that was not material to our financial statements.

Fiscal 2013

During the fourth quarter of fiscal 2013, we sold our 82% interest in Starbucks Coffee Chile S.A. to our joint venture partner Alsea, S.A.B. de C.V., converting this market to a 100% licensed market, for a total purchase price of $68.6 million, which includes final working capital adjustments. This transaction resulted in a gain of $45.9 million, which was included in net interest income and other in the consolidated statements of earnings.

In the third quarter of fiscal 2013, we acquired 100% ownership of a coffee farm in Costa Rica for $8.1 million in cash. The fair value of the net assets acquired on the acquisition date primarily comprised property, plant and equipment.

On December 31, 2012, we acquired 100% of the outstanding shares of Teavana Holdings, Inc. ("Teavana"), a specialty retailer of premium loose-leaf teas, authentic artisanal teawares and other tea-related merchandise, to elevate our tea offerings as well as expand our domestic and global tea footprint. We acquired Teavana for $615.8 million in cash. Of the total cash paid, $12.2 million was excluded from the purchase price allocation below as it represented contingent consideration receivable, all of which has been settled. At closing, we also repaid $35.2 million for long term debt outstanding on Teavana's balance sheet, which was recognized separately from the business combination. The following table summarizes the allocation of the purchase price to the fair values of the assets acquired and liabilities assumed on the closing date *(in millions)*:

	Fair Value at Dec 31, 2012
Cash and cash equivalents	$ 47.0
Inventories	21.3
Property, plant and equipment	59.7
Intangible assets	120.8
Goodwill	467.5
Other current and noncurrent assets	19.8
Current liabilities	(36.0)
Long-term deferred tax liability	(54.3)
Long-term debt	(35.2)
Other long-term liabilities	(7.0)
Total purchase price	$ 603.6

The assets acquired and liabilities assumed are reported within All Other Segments. Other current and noncurrent assets acquired primarily include prepaid expenses, trade receivables, and deferred tax assets. In addition, we assumed various current liabilities primarily consisting of accounts payable, accrued payroll related liabilities and other accrued operating expenses. The intangible assets acquired as part of the transaction include the Teavana trade name, tea blends and non-compete agreements. The Teavana trade name was valued at $105.5 million and determined to have an indefinite life, based on our expectation that the brand will be used indefinitely and has no contractual limitations. The intangible asset related to the tea blends was valued at $13.0 million and will be amortized on a straight-line basis over a period of 10 years, and the intangible asset related to the non-compete agreements was valued at $2.3 million and will be amortized on a straight-line basis over a period of 3 years. The $467.5 million of goodwill represents the intangible assets that do not qualify for separate recognition, primarily including Teavana's established global store presence in high traffic mall locations and other high-sales-volume retail venues, Teavana's global customer base, and Teavana's "Heaven of tea" retail experience in which store employees engage and educate customers about the ritual and enjoyment of tea. The goodwill was allocated to All Other Segments and is not deductible for income tax purposes.

Fiscal 2012

On July 3, 2012, we acquired 100% ownership interest in Bay Bread, LLC and its La Boulange bakery brand (collectively "La Boulange") to elevate our core food offerings and build a premium, artisanal bakery brand. We acquired La Boulange for a purchase price of approximately $100 million in cash. The following table summarizes the allocation of the purchase price to the fair values of the assets acquired and liabilities assumed on the closing date *(in millions)*:

	Fair Value at July 3, 2012
Property, plant and equipment	$ 18.1
Intangible assets	24.3
Goodwill	58.7
Other current and noncurrent assets	5.1
Current liabilities	(6.4)
Total cash paid	$ 99.8

The assets acquired and liabilities assumed are included in our Americas operating segment. Other current assets acquired primarily include cash, trade receivables, and inventory. In addition, we assumed various current liabilities primarily consisting of accounts payable and accrued payroll related liabilities. The intangible assets acquired as part of the transaction include the La Boulange trade name and proprietary recipes and processes. The La Boulange trade name was valued at $9.7 million and determined to have an indefinite life while the intangible asset relating to the proprietary recipes and processes was valued at $14.6 million and will be amortized over a period of 10 years. The $58.7 million of goodwill is deductible for income tax purposes and was allocated to our Americas operating segment.

On November 10, 2011, we acquired the outstanding shares of Evolution Fresh, Inc., a super-premium juice company, to expand our portfolio of product offerings and enter into the super-premium juice market. We acquired Evolution Fresh for a purchase price of $30 million in cash. The fair value of the net assets acquired on the acquisition date included $18 million of goodwill. Evolution Fresh is reported within All Other Segments.

Note 3: Derivative Financial Instruments

Interest Rates

Depending on market conditions, we enter into interest rate swap agreements to hedge the variability in cash flows due to changes in the benchmark interest rate related to anticipated debt issuances. These agreements are cash settled at the time of the pricing of the related debt. The effective portion of the derivative's gain or loss is recorded in accumulated other comprehensive income ("AOCI") and is subsequently reclassified to interest expense over the life of the related debt.

Foreign Currency

To reduce cash flow volatility from foreign currency fluctuations, we enter into forward and swap contracts to hedge portions of cash flows of anticipated revenue streams and inventory purchases in currencies other than the entity's functional currency. The effective portion of the derivative's gain or loss is recorded in AOCI and is subsequently reclassified to revenue or cost of sales when the hedged exposure affects net earnings.

We also enter into forward contracts to hedge the foreign currency exposure of our net investment in certain foreign operations. The effective portion of the derivative's gain or loss is recorded in AOCI and will be subsequently reclassified to net earnings when the hedged net investment is either sold or substantially liquidated.

To mitigate the translation risk of certain balance sheet items, we enter into foreign currency swap contracts that are not designated as hedging instruments. Gains and losses from these derivatives are largely offset by the financial impact of translating foreign currency denominated payables and receivables; both are recorded in net interest income and other.

Commodities

Depending on market conditions, we enter into coffee futures contracts and collars (the combination of a purchased call option and a sold put option) to hedge a portion of anticipated cash flows under our price-to-be-fixed green coffee contracts, which are described further in Note 5, Inventories. The effective portion of the derivative's gain or loss is recorded in AOCI and is subsequently reclassified to cost of sales when the hedged exposure affects net earnings.

To mitigate the price uncertainty of a portion of our future purchases of dairy products and diesel fuel, we enter into dairy and diesel fuel swap contracts, as well as dairy futures and collars that are not designated as hedging instruments. Gains and losses from these derivatives are recorded in net interest income and other. Gains and losses from dairy swaps, futures and collars largely offset price fluctuations on our dairy purchases, which are included in cost of sales. Gains and losses from diesel fuel swaps largely offset the financial impact of diesel fuel fluctuations on our shipping costs, which are included in operating expenses.

Gains and losses on derivative contracts designated as hedging instruments included in AOCI and expected to be reclassified into earnings within 12 months, net of tax (*in millions*):

	Net Gains/(Losses) Included in AOCI		Net Gains/(Losses) Expected to be Reclassified from AOCI into Earnings within 12 Months	Contract Remaining Maturity (Months)
	Sep 28, 2014	Sep 29, 2013		
Cash Flow Hedges:				
Interest rates	$ 36.4	$ 41.4	$ 3.3	
Foreign currency	10.6	(0.3)	7.0	34
Coffee	(0.7)	(12.2)	(1.3)	14
Net Investment Hedges:				
Foreign currency	3.2	(12.9)	1.8	36

Pretax gains and losses on derivative contracts designated as hedging instruments recognized in other comprehensive income ("OCI") and reclassifications from AOCI to earnings (*in millions*):

	Year Ended			
	Gains/(Losses) Recognized in OCI Before Reclassifications		Gains/(Losses) Reclassified from AOCI to Earnings	
	Sep 28, 2014	Sep 29, 2013	Sep 28, 2014	Sep 29, 2013
Cash Flow Hedges:				
Interest rates	$ 0.5	$ 66.2	$ 5.0	$ 0.5
Foreign currency	24.0	7.4	8.0	3.5
Coffee	(0.4)	(26.5)	(13.1)	(49.4)
Net Investment Hedges:				
Foreign currency	25.5	32.8	—	—

Pretax gains and losses on derivative contracts not designated as hedging instruments recognized in earnings (*in millions*):

	Gains/(Losses) Recognized in Earnings	
	Sep 28, 2014	Sep 29, 2013
Foreign currency	$ 1.7	$ (1.8)
Coffee	—	(2.1)
Dairy	12.6	(4.7)
Diesel fuel	(1.0)	0.3

Notional amounts of outstanding derivative contracts *(in millions)*:

	Sep 28, 2014	Sep 29, 2013
Foreign currency	$ 542	$ 452
Coffee	45	—
Dairy	24	38
Diesel fuel	17	17

The fair values of our derivative assets and liabilities are included in Note 4, Fair Value Measurements, and additional disclosures related to cash flow hedge gains and losses included in accumulated other comprehensive income, as well as subsequent reclassifications to earnings, are included in Note 11, Equity.

Note 4: Fair Value Measurements

Assets and Liabilities Measured at Fair Value on a Recurring Basis (in millions):

		Fair Value Measurements at Reporting Date Using		
	Balance at Sep 28, 2014	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Cash and cash equivalents	$ 1,708.4	$ 1,708.4	$ —	$ —
Short-term investments:				
Available-for-sale securities				
Corporate debt securities	4.9	—	4.9	—
Foreign government obligations	33.7	—	33.7	—
US government treasury securities	10.9	10.9	—	—
State and local government obligations	12.7	—	12.7	—
Certificates of deposit	1.0	—	1.0	—
Total available-for-sale securities	63.2	10.9	52.3	—
Trading securities	72.2	72.2	—	—
Total short-term investments	135.4	83.1	52.3	—
Prepaid expenses and other current assets:				
Derivative assets	28.7	0.9	27.8	—
Long-term investments:				
Available-for-sale securities				
Agency obligations	8.9	—	8.9	—
Corporate debt securities	130.9	—	130.9	—
Auction rate securities	13.8	—	—	13.8
Foreign government obligations	17.4	—	17.4	—
US government treasury securities	94.8	94.8	—	—
State and local government obligations	6.7	—	6.7	—
Mortgage and asset-backed securities	45.9	—	45.9	—
Total long-term investments	318.4	94.8	209.8	13.8
Other assets:				
Derivative assets	18.0	—	18.0	—
Total	$ 2,208.9	$ 1,887.2	$ 307.9	$ 13.8
Liabilities:				
Accrued liabilities:				
Derivative liabilities	$ 2.4	$ 0.4	$ 2.0	$ —

	Balance at Sep 29, 2013	Fair Value Measurements at Reporting Date Using Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Cash and cash equivalents	$ 2,575.7	$ 2,575.7	$ —	$ —
Short-term investments:				
Available-for-sale securities				
Agency obligations	20.0	—	20.0	—
Commercial paper	127.0	—	127.0	—
Corporate debt securities	57.5	—	57.5	—
US government treasury securities	352.9	352.9	—	—
Certificates of deposit	34.1	—	34.1	—
Total available-for-sale securities	591.5	352.9	238.6	—
Trading securities	66.6	66.6	—	—
Total short-term investments	658.1	419.5	238.6	—
Prepaid expenses and other current assets:				
Derivative assets	12.5	—	12.5	—
Long-term investments:				
Available-for-sale securities				
Agency obligations	8.1	—	8.1	—
Corporate debt securities	36.8	—	36.8	—
Auction rate securities	13.4	—	—	13.4
Total long-term investments	58.3	—	44.9	13.4
Other assets:				
Derivative assets	11.4	—	11.4	—
Total	$ 3,316.0	$ 2,995.2	$ 307.4	$ 13.4
Liabilities:				
Accrued liabilities:				
Derivative liabilities	$ 3.5	$ —	$ 3.5	$ —
Other long-term liabilities:				
Derivative liabilities	0.5	—	0.5	—
Total	$ 4.0	$ —	$ 4.0	$ —

There were no material transfers between levels and there was no significant activity within Level 3 instruments during the periods presented. The fair values of any financial instruments presented above exclude the impact of netting assets and liabilities when a legally enforceable master netting agreement exists.

Available-for-sale Securities

Long-term investments (except for auction rate securities, "ARS") generally mature within 7 years. ARS have contractual maturities ranging from 16 to 29 years and are collateralized by portfolios of student loans, substantially all of which are guaranteed by the United States Department of Education.

Proceeds from sales of available-for-sale securities were $1.5 billion and $60.2 million for fiscal years 2014 and 2013, respectively. Proceeds from sales of available-for-sale securities were not material in fiscal 2012. The increase in fiscal 2014 was due to the liquidation of a significant portion of our offshore investment portfolio in the fourth quarter of fiscal 2014 in anticipation of funding the acquisition of Starbucks Japan. Realized gains and losses on sales and maturities of available-for-sale securities were not material for fiscal years 2014, 2013, and 2012. Gross unrealized holding gains and losses on available-for-sale securities were not material as of September 28, 2014 and September 29, 2013.

Trading Securities

Trading securities include equity mutual funds and exchange-traded funds. Our trading securities portfolio approximates a portion of our liability under our Management Deferred Compensation Plan ("MDCP"), a defined contribution plan. Our MDCP liability was $106.4 million and $101.6 million as of September 28, 2014 and September 29, 2013, respectively, which is included in accrued compensation and related costs within accrued liabilities on the consolidated balance sheets. The changes in net unrealized holding gains and losses in the trading securities portfolio included in earnings for fiscal years 2014, 2013 and 2012 were net gains of $1.2 million, $11.7 million, and $10.9 million, respectively. Gross unrealized holding gains and losses on trading securities were not material as of September 28, 2014 and September 29, 2013.

Derivative Assets and Liabilities

Derivative assets and liabilities include foreign currency forward contracts, commodity futures contracts, collars (the combination of a purchased call option and a sold put option) and swaps, which are described further in Note 3, Derivative Financial Instruments. During fiscal 2014, we revised the classification of coffee and dairy futures from Level 2 to Level 1, as we use quoted prices in active markets for identical assets to determine fair value.

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

Assets and liabilities recognized or disclosed at fair value on a nonrecurring basis include items such as property, plant and equipment, goodwill and other intangible assets, equity and cost method investments, and other assets. These assets are measured at fair value if determined to be impaired. Impairment of property, plant, and equipment is included at Note 1, Summary of Significant Accounting Policies. During fiscal 2014 and 2013, there were no other material fair value adjustments.

Fair Value of Other Financial Instruments

The estimated fair value of our long-term debt based on the quoted market price (Level 2) is included at Note 9, Debt.

Note 5: Inventories *(in millions)*

	Sep 28, 2014	Sep 29, 2013
Coffee:		
Unroasted	$ 432.3	$ 493.0
Roasted	238.9	235.4
Other merchandise held for sale	265.7	243.3
Packaging and other supplies	154.0	139.5
Total	$ 1,090.9	$ 1,111.2

Other merchandise held for sale includes, among other items, tea and serveware. Inventory levels vary due to seasonality, commodity market supply and price fluctuations.

As of September 28, 2014, we had committed to purchasing green coffee totaling $417 million under fixed-price contracts and an estimated $718 million under price-to-be-fixed contracts. As of September 28, 2014, approximately $29 million of our price-to-be-fixed contracts were effectively fixed through the use of futures contracts and approximately $16 million were price-protected through the use of collar instruments. Price-to-be-fixed contracts are purchase commitments whereby the quality, quantity, delivery period, and other negotiated terms are agreed upon, but the date, and therefore the price, at which the base "C" coffee commodity price component will be fixed has not yet been established. For these types of contracts, either Starbucks or the seller has the option to "fix" the base "C" coffee commodity price prior to the delivery date. Until prices are fixed, we estimate the total cost of these purchase commitments. We believe, based on relationships established with our suppliers in the past, the risk of non-delivery on such purchase commitments is remote.

Note 6: Equity and Cost Investments *(in millions)*

	Sep 28, 2014	Sep 29, 2013
Equity method investments	$ 469.3	$ 450.9
Cost method investments	45.6	45.6
Total	$ 514.9	$ 496.5

Equity Method Investments

As of September 28, 2014, we had a 50% ownership interest in each of the following international equity method investees: Starbucks Coffee Korea Co., Ltd.; President Starbucks Coffee Corporation (Taiwan); President Starbucks Coffee (Shanghai) Company Limited; and Tata Starbucks Limited (India). In addition, we had a 49% ownership interest in Starbucks Coffee España, S.L. ("Starbucks Spain") and a 39.5% ownership interest in Starbucks Coffee Japan, Ltd. ("Starbucks Japan"). These international entities operate licensed Starbucks® retail stores.

We also license the rights to produce and distribute Starbucks-branded products to our 50% owned joint venture, The North American Coffee Partnership with the Pepsi-Cola Company, which develops and distributes bottled Starbucks® beverages, including Frappuccino® coffee drinks, Starbucks Doubleshot® espresso drinks, Starbucks Refreshers® beverages, and Starbucks Discoveries Iced Café Favorites®.

As of September 28, 2014, the aggregate market value of our investment in Starbucks Japan was approximately $762 million, determined based on its available quoted market price, which exceeds its carrying value of $181 million. On October 31, 2014, we acquired an additional 39.5% ownership interest in Starbucks Japan, converting it to a consolidated company-operated market. See further discussion at Note 18, Subsequent Event.

In the fourth quarter of fiscal 2014, we sold our 50% equity method ownership interest in our Malaysian joint venture, Berjaya Starbucks Coffee Company Sdn. Bhd., to our joint venture partner, Berjaya Food Berhad, for a total purchase price of $88.0 million. This transaction resulted in a gain of $67.8 million, which was included in net interest income and other in the consolidated statements of earnings.

In the fourth quarter of fiscal 2013, we acquired a 49% equity method ownership interest in Starbucks Spain from our licensee partner Sigla S.A. (Grupo Vips) for approximately $33 million in cash.

Our share of income and losses from our equity method investments is included in income from equity investees in the consolidated statements of earnings. Also included in this line item is our proportionate share of gross profit resulting from coffee and other product sales to, and royalty and license fee revenues generated from, equity investees. Revenues generated from these related parties were $219.2 million, $205.1 million, and $190.3 million in fiscal years 2014, 2013, and 2012, respectively. Related costs of sales were $121.2 million, $115.4 million, and $111.0 million in fiscal years 2014, 2013, and 2012, respectively. As of September 28, 2014 and September 29, 2013, there were $54.9 million and $48.3 million of accounts receivable from equity investees, respectively, on our consolidated balance sheets, primarily related to product sales and royalty revenues.

Summarized combined financial information of our equity method investees, which represent 100% of the investees' financial information (*in millions*):

Financial Position as of	Sep 28, 2014	Sep 29, 2013
Current assets	$ 701.3	$ 675.8
Noncurrent assets	873.9	783.3
Current liabilities	615.6	466.6
Noncurrent liabilities	79.1	148.9

Results of Operations for Fiscal Year Ended	Sep 28, 2014	Sep 29, 2013	Sep 30, 2012
Net revenues	$ 3,461.3	$ 3,018.7	$ 2,796.7
Operating income	467.7	434.8	353.5
Net earnings	382.6	358.0	286.7

Cost Method Investments

As of September 28, 2014, we had $19 million invested in equity interests of entities that develop and operate Starbucks® licensed stores in several global markets. We have the ability to acquire additional interests in some of these cost method investees at certain intervals. Depending on our total percentage ownership interest and our ability to exercise significant influence over financial and operating policies, additional investments may require a retroactive application of the equity method of accounting. We also have a $25 million investment in the preferred stock of Square, Inc.

During the fourth quarter of fiscal 2013, we sold our 18% interest in Starbucks Coffee Argentina S.R.L. to our joint venture partner Alsea, S.A.B. de C.V., for a total purchase price of $4.4 million. This transaction resulted in a loss of $1.0 million, which was included in net interest income and other in the consolidated statements of earnings.

During the second quarter of fiscal 2013, we sold our 18% interest in Cafe Sirena S. de R.L. de CV (a Mexican limited liability company), to our controlling joint venture partner, SC de Mexico, S.A. de CV, owned by Alsea, S.A.B. de C.V., for a total purchase price of $50.3 million, which included final working capital adjustments. This transaction resulted in a gain of $35.2 million, which was included in net interest income and other in the consolidated statements of earnings.

Note 7: Supplemental Balance Sheet Information *(in millions)*

Property, Plant and Equipment, net

	Sep 28, 2014	Sep 29, 2013
Land	$ 46.7	$ 47.0
Buildings	278.1	259.6
Leasehold improvements	4,858.4	4,431.6
Store equipment	1,493.3	1,353.9
Roasting equipment	410.9	397.9
Furniture, fixtures and other	1,078.1	949.7
Work in progress	415.6	342.4
Property, plant and equipment, gross	8,581.1	7,782.1
Accumulated depreciation	(5,062.1)	(4,581.6)
Property, plant and equipment, net	$ 3,519.0	$ 3,200.5

Accrued Liabilities

	Sep 28, 2014	Sep 29, 2013
Accrued compensation and related costs	$ 437.9	$ 420.2
Accrued occupancy costs	119.8	120.7
Accrued taxes	272.0	125.0
Accrued dividend payable	239.8	195.8
Other	444.9	407.6
Total accrued liabilities	$ 1,514.4	$ 1,269.3

Note 8: Other Intangible Assets and Goodwill

Indefinite-Lived Intangible Assets

(in millions)	Sep 28, 2014	Sep 29, 2013
Trade names, trademarks and patents	$ 197.5	$ 190.5
Other indefinite-lived intangible assets	15.1	15.1
Total indefinite-lived intangible assets	$ 212.6	$ 205.6

Additional disclosure regarding changes in our intangible assets due to acquisitions is included at Note 2, Acquisitions and Divestitures.

Goodwill

Changes in the carrying amount of goodwill by reportable operating segment *(in millions)*:

	Americas	EMEA	China / Asia Pacific	Channel Development	All Other Segments	Total
Balance at September 30, 2012						
Goodwill prior to impairment	$ 235.9	$ 60.0	$ 75.3	$ 23.8	$ 12.7	$ 407.7
Accumulated impairment charges	(8.6)	—	—	—	—	(8.6)
Goodwill	$ 227.3	$ 60.0	$ 75.3	$ 23.8	$ 12.7	$ 399.1
Acquisitions/(divestitures)	(3.7)	—	—	—	467.5	463.8
Other[1]	(2.0)	2.2	(0.2)	—	—	—
Balance at September 29, 2013						
Goodwill prior to impairment	$ 230.2	$ 62.2	$ 75.1	$ 23.8	$ 480.2	$ 871.5
Accumulated impairment charges	(8.6)	—	—	—	—	(8.6)
Goodwill	$ 221.6	$ 62.2	$ 75.1	$ 23.8	$ 480.2	$ 862.9
Impairment	—	—	—	—	(0.8)	(0.8)
Other[1]	(2.6)	(3.1)	(0.2)	—	—	(5.9)
Balance at September 28, 2014						
Goodwill prior to impairment	$ 227.6	$ 59.1	$ 74.9	$ 23.8	$ 480.2	$ 865.6
Accumulated impairment charges	(8.6)	—	—	—	(0.8)	(9.4)
Goodwill	$ 219.0	$ 59.1	$ 74.9	$ 23.8	$ 479.4	$ 856.2

(1) Other is primarily comprised of changes in the goodwill balance as a result of foreign exchange fluctuations.

Definite-Lived Intangible Assets

	Sep 28, 2014			Sep 29, 2013		
(in millions)	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Acquired rights	$ 36.8	$ (10.1)	$ 26.7	$ 38.8	$ (7.1)	$ 31.7
Acquired trade secrets and processes	27.6	(5.4)	22.2	27.6	(2.7)	24.9
Trade names, trademarks and patents	21.6	(11.6)	10.0	19.5	(9.8)	9.7
Other definite-lived intangible assets	3.8	(1.8)	2.0	3.8	(0.9)	2.9
Total definite-lived intangible assets	$ 89.8	$ (28.9)	$ 60.9	$ 89.7	$ (20.5)	$ 69.2

Amortization expense for definite-lived intangible assets was $8.7 million, $7.7 million, and $4.5 million during fiscal 2014, 2013, and 2012, respectively.

Estimated future amortization expense as of September 28, 2014 (*in millions*):

Fiscal Year Ending	
2015	$ 9.3
2016	8.7
2017	8.4
2018	6.8
2019	6.5
Thereafter	21.2
Total estimated future amortization expense	$ 60.9

Note 9: Debt

Revolving Credit Facility and Commercial Paper Program

Our $750 million unsecured, revolving credit facility with various banks, of which $150 million may be used for issuances of letters of credit, is available for working capital, capital expenditures and other corporate purposes, including acquisitions and share repurchases, and is currently set to mature in February 2018. We may request, and the banks may grant, at their discretion, increases to the credit facility by a total additional amount of up to $750 million. Borrowings under the credit facility will bear interest at a variable rate based on LIBOR, and, for US dollar-denominated loans under certain circumstances, a Base Rate (as defined in the credit facility), in each case plus an applicable margin. The applicable margin is based on the better of (i) the Company's long-term credit ratings assigned by Moody's and Standard & Poor's rating agencies, and (ii) the Company's fixed charge coverage ratio, pursuant to a pricing grid set forth in the credit facility. The current applicable margin is 0.795% for Eurocurrency Rate Loans and 0.00% for Base Rate Loans. The credit facility contains provisions requiring us to maintain compliance with certain covenants, including a minimum fixed charge coverage ratio, which measures our ability to cover financing expenses. As a result of the arbitrator's ruling on the Kraft litigation, the credit facility was amended on November 15, 2013 to exclude the impact of the litigation charge, including the impact on our fixed charge coverage ratio. As of September 28, 2014, we were in compliance with all applicable covenants. No amounts were outstanding under our credit facility as of September 28, 2014.

Under our commercial paper program, as approved by our Board of Directors, we may issue unsecured commercial paper notes up to a maximum aggregate amount outstanding at any time of $1 billion, with individual maturities that may vary, but not exceed 397 days from the date of issue. Amounts outstanding under the commercial paper program are to be backstopped by available commitments under our credit facility. Currently, we may issue up to $727 million under our commercial paper program (the $750 million committed credit facility amount, less $23 million in outstanding letters of credit). The proceeds from borrowings under our commercial paper program may be used for working capital needs, capital expenditures and other corporate purposes, including acquisitions and share repurchases. In the first quarter of fiscal 2014, we issued and subsequently repaid commercial paper borrowings of $225 million to fund a portion of the $2.8 billion payment for the Kraft arbitration matter. In the fourth quarter of fiscal 2014, we issued and subsequently repaid commercial paper borrowings of $25 million to fund other corporate purposes. There were no other commercial paper borrowings during fiscal 2014 or fiscal 2013.

Long-term Debt

In December 2013, we issued $400 million of 3-year 0.875% Senior Notes ("the 2016 notes") due December 2016, and $350 million of 5-year 2.000% Senior Notes ("the 2018 notes") due December 2018, in an underwritten registered public offering. Interest on both of these notes is payable semi-annually on June 5 and December 5 of each year, commencing on June 5, 2014.

In September 2013, we issued $750 million of 10-year 3.85% Senior Notes ("the 2023 notes") due October 2023, in an underwritten registered public offering. Interest on the 2023 notes is payable semi-annually on April 1 and October 1 of each year, commencing April 1, 2014.

In August 2007, we issued $550 million of 6.25% Senior Notes ("the 2017 notes") due in August 2017, in an underwritten registered public offering. Interest on the 2017 notes is payable semi-annually on February 15 and August 15 of each year.

Components of long-term debt including the associated interest rates and related fair values *(in millions, except interest rates)*:

	Sep 28, 2014		Sep 29, 2013			
Issuance	**Face Value**	**Estimated Fair Value**	**Face Value**	**Estimated Fair Value**	**Stated Interest Rate**	**Effective Interest Rate (1)**
2016 notes	$ 400.0	$ 400	$ —	$ —	0.875%	0.941%
2017 notes	550.0	625	550.0	644	6.250%	6.292%
2018 notes	350.0	353	—	—	2.000%	2.012%
2023 notes	750.0	786	750.0	762	3.850%	2.860%
Total	2,050.0	2,164	1,300.0	1,406		
Aggregate unamortized discount	1.7		0.6			
Total	$ 2,048.3		$ 1,299.4			

(1) Includes the effects of the amortization of any premium or discount and any gain or loss upon settlement of related treasury locks or forward-starting interest rate swaps utilized to hedge the interest rate risk prior to the debt issuance.

The indentures under which the above notes were issued also require us to maintain compliance with certain covenants, including limits on future liens and sale and leaseback transactions on certain material properties. As of September 28, 2014, we were in compliance with each of these covenants.

Interest Expense

Interest expense, net of interest capitalized, was $64.1 million, $28.1 million, and $32.7 million in fiscal 2014, 2013 and 2012, respectively. In fiscal 2014, 2013, and 2012, $6.2 million, $10.4 million, and $3.2 million, respectively, of interest was capitalized for asset construction projects.

Note 10: Leases

Rent expense under operating lease agreements *(in millions)*:

Fiscal Year Ended	Sep 28, 2014	Sep 29, 2013	Sep 30, 2012
Minimum rent	$ 907.4	$ 838.3	$ 759.0
Contingent rent	66.8	56.4	44.7
Total	$ 974.2	$ 894.7	$ 803.7

Minimum future rental payments under non-cancelable operating leases as of September 28, 2014 *(in millions)*:

Fiscal Year Ending	
2015	$ 925.6
2016	826.6
2017	696.3
2018	556.3
2019	450.8
Thereafter	1,502.3
Total minimum lease payments	$ 4,957.9

We have subleases related to certain of our operating leases. During fiscal 2014, 2013, and 2012, we recognized sublease income of $13.3 million, $9.3 million, and $10.0 million, respectively.

Note 11: Equity

In addition to 1.2 billion shares of authorized common stock with $0.001 par value per share, we have authorized 7.5 million shares of preferred stock, none of which was outstanding at September 28, 2014.

Included in additional paid-in capital in our consolidated statements of equity as of September 28, 2014 and September 29, 2013 is $39.4 million related to the increase in value of our share of the net assets of Starbucks Japan at the time of its initial public stock offering in fiscal 2002.

We repurchased 10.5 million shares of common stock at a total cost of $769.8 million, and 10.8 million shares at a total cost of $544.1 million for the the years ended September 28, 2014 and September 29, 2013, respectively. As of September 28, 2014, 15.9 million shares remained available for repurchase under current authorizations.

During fiscal years 2014 and 2013, our Board of Directors declared the following dividends (*in millions, except per share amounts)*:

	Dividend Per Share	Record date	Total Amount	Payment Date
Fiscal Year 2014:				
First quarter	$0.26	February 6, 2014	$196.4	February 21, 2014
Second quarter	$0.26	May 8, 2014	$195.5	May 23, 2014
Third quarter	$0.26	August 7, 2014	$195.3	August 22, 2014
Fourth quarter	$0.32	November 13, 2014	$239.8	November 28, 2014
Fiscal Year 2013:				
First quarter	$0.21	February 7, 2013	$157.5	February 22, 2013
Second quarter	$0.21	May 9, 2013	$157.3	May 24, 2013
Third quarter	$0.21	August 8, 2013	$158.0	August 23, 2013
Fourth quarter	$0.26	November 14, 2013	$195.8	November 29, 2013

Comprehensive Income

Comprehensive income includes all changes in equity during the period, except those resulting from transactions with our shareholders. Comprehensive income is comprised of net earnings and other comprehensive income. Accumulated other comprehensive income reported on our consolidated balance sheets consists of foreign currency translation adjustments and the unrealized gains and losses, net of applicable taxes, on available-for-sale securities and on derivative instruments designated and qualifying as cash flow and net investment hedges.

Changes in accumulated other comprehensive income ("AOCI") by component, for the year ended September 28, 2014, net of tax:

(in millions)	Available-for-Sale Securities	Cash Flow Hedges	Net Investment Hedges	Translation Adjustment	Total
Net gains/(losses) in AOCI at September 29, 2013	$ (0.5)	$ 26.8	$ (12.9)	$ 53.6	$ 67.0
Net gains/(losses) recognized in OCI before reclassifications	1.0	16.3	16.1	(77.4)	(44.0)
Net (gains)/losses reclassified from AOCI to earnings	(0.9)	3.2	—	—	2.3
Other comprehensive income/(loss)	0.1	19.5	16.1	(77.4)	(41.7)
Net gains/(losses) in AOCI at September 28, 2014	$ (0.4)	$ 46.3	$ 3.2	$ (23.8)	$ 25.3

Impact of reclassifications from AOCI on the consolidated statements of earnings related to cash flow hedges for the year ended September 28, 2014:

AOCI Components	Amounts Reclassified from AOCI *(in millions)*	Affected Line Item in the Statements of Earnings
Gains/(losses) on cash flow hedges		
Interest rate hedges	$ 5.0	Interest expense
Foreign currency hedges	5.1	Revenue
Foreign currency/coffee hedges	(10.0)	Cost of sales including occupancy costs
	0.1	Total before tax
	(3.3)	Tax (expense)/benefit
	$ (3.2)	Net of tax

Note 12: Employee Stock and Benefit Plans

We maintain several equity incentive plans under which we may grant non-qualified stock options, incentive stock options, restricted stock, restricted stock units ("RSUs"), or stock appreciation rights to employees, non-employee directors and consultants. We issue new shares of common stock upon exercise of stock options and the vesting of RSUs. We also have an employee stock purchase plan ("ESPP").

As of September 28, 2014, there were 56.0 million shares of common stock available for issuance pursuant to future equity-based compensation awards and 7.4 million shares available for issuance under our ESPP.

Stock-based compensation expense recognized in the consolidated financial statements *(in millions)*:

Fiscal Year Ended	Sep 28, 2014	Sep 29, 2013	Sep 30, 2012
Options	$ 41.8	$ 37.1	$ 46.2
RSUs	141.4	105.2	107.4
Total stock-based compensation expense recognized in the consolidated statements of earnings	$ 183.2	$ 142.3	$ 153.6
Total related tax benefit	$ 63.4	$ 49.8	$ 54.2
Total capitalized stock-based compensation included in net property, plant and equipment and inventories on the consolidated balance sheets	$ 1.9	$ 1.8	$ 2.0

Stock Option Plans

Stock options to purchase our common stock are granted at the fair value of the stock on the grant date. The majority of options become exercisable in four equal installments beginning a year from the grant date and generally expire 10 years from the grant date. Options granted to non-employee directors generally vest over one to three years. Nearly all outstanding stock options are non-qualified stock options.

The fair value of stock option awards was estimated at the grant date with the following weighted average assumptions for fiscal years 2014, 2013, and 2012:

	Employee Stock Options Granted During the Period		
Fiscal Year Ended	2014	2013	2012
Expected term (in years)	4.5	4.8	4.8
Expected stock price volatility	26.8%	34.0%	38.2%
Risk-free interest rate	1.1%	0.7%	1.0%
Expected dividend yield	1.3%	1.6%	1.5%
Weighted average grant price	$ 80.23	$ 51.23	$ 44.26
Estimated fair value per option granted	$ 16.72	$ 12.88	$ 12.79

The expected term of the options represents the estimated period of time until exercise, and is based on historical experience of similar awards, giving consideration to the contractual terms, vesting schedules and expectations of future employee behavior. Expected stock price volatility is based on a combination of historical volatility of our stock and the one-year implied volatility of Starbucks traded options, for the related vesting periods. The risk-free interest rate is based on the implied yield available on US Treasury zero-coupon issues with an equivalent remaining term. The dividend yield assumption is based on our anticipated cash dividend payouts. The amounts shown above for the estimated fair value per option granted are before the estimated effect of forfeitures, which reduce the amount of expense recorded in the consolidated statements of earnings.

Stock option transactions for the year ended September 28, 2014 *(in millions, except per share and contractual life amounts)*:

	Shares Subject to Options	Weighted Average Exercise Price per Share	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
Outstanding, September 29, 2013	22.0	$ 29.11	6.0	$ 1,060
Granted	3.1	80.23		
Exercised	(4.8)	24.27		
Expired/forfeited	(0.5)	51.80		
Outstanding, September 28, 2014	19.8	37.86	5.8	754
Exercisable, September 28, 2014	12.7	25.32	4.4	631
Vested and expected to vest, September 28, 2014	19.2	36.89	5.7	747

The aggregate intrinsic value in the table above, which is the amount by which the market value of the underlying stock exceeded the exercise price of outstanding options, is before applicable income taxes and represents the amount optionees would have realized if all in-the-money options had been exercised on the last business day of the period indicated.

As of September 28, 2014, total unrecognized stock-based compensation expense, net of estimated forfeitures, related to nonvested stock options was approximately $35 million, before income taxes, and is expected to be recognized over a weighted average period of approximately 2.6 years. The total intrinsic value of stock options exercised was $258 million, $539 million, and $440 million during fiscal years 2014, 2013, and 2012, respectively. The total fair value of options vested was $44 million, $56 million, and $59 million during fiscal years 2014, 2013, and 2012, respectively.

RSUs

We have both time-vested and performance-based RSUs. Time-vested RSUs are awarded to eligible employees and non-employee directors and entitle the grantee to receive shares of common stock at the end of a vesting period, subject solely to the employee's continuing employment or the non-employee director's continuing service. The majority of RSUs vest in two equal annual installments beginning a year from the grant date. Our performance-based RSUs are awarded to eligible employees and entitle the grantee to receive shares of common stock if we achieve specified performance goals during the performance period and the grantee remains employed during the subsequent vesting period.

RSU transactions for the year ended September 28, 2014 *(in millions, except per share and contractual life amounts)*:

	Number of Shares	Weighted Average Grant Date Fair Value per Share	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
Nonvested, September 29, 2013	5.8	$ 44.08	0.9	$ 452
Granted	2.9	80.13		
Vested	(2.6)	40.08		
Forfeited/canceled	(0.7)	65.59		
Nonvested, September 28, 2014	5.4	62.34	1.0	407

For fiscal 2013 and 2012, the weighted average fair value per RSU granted was $50.23 and $44.05, respectively. As of September 28, 2014, total unrecognized stock-based compensation expense related to nonvested RSUs, net of estimated forfeitures, was approximately $113 million, before income taxes, and is expected to be recognized over a weighted average period of approximately 2.0 years. The total fair value of RSUs vested was $103 million, $104 million and $80 million during fiscal years 2014, 2013, and 2012, respectively.

ESPP

Our ESPP allows eligible employees to contribute up to 10% of their base earnings toward the quarterly purchase of our common stock, subject to an annual maximum dollar amount. The purchase price is 95% of the fair market value of the stock on the last business day of the quarterly offering period. The number of shares issued under our ESPP was 0.4 million in fiscal 2014.

Deferred Stock Plans

Our 1997 Deferred Stock Plan for certain key-employees enabled participants in the plan to defer receipt of ownership of common shares from the exercise of nonqualified stock options. Pursuant to this plan, our chairman, president and ceo elected to defer receipt of approximately 3.4 million shares of common stock (as adjusted for stock splits since 1997). In November 2006, he re-deferred receipt of the shares until December 21, 2012 (or earlier if his employment with Starbucks terminated before such date). On December 21, 2012, the deferral period ended and pursuant to the terms of the plan, we issued approximately 2.2 million shares of common stock to him and withheld approximately 1.2 million shares to satisfy tax withholdings. As of September 28, 2014 there were no remaining deferrals under the terms of this plan and no new deferrals are permitted.

We have a Deferred Compensation Plan for Non-Employee Directors under which non-employee directors may, for any fiscal year, irrevocably elect to defer receipt of shares of common stock the director would have received upon vesting of restricted stock units. The number of deferred shares outstanding related to deferrals made under this plan is not material.

Defined Contribution Plans

We maintain voluntary defined contribution plans, both qualified and non-qualified, covering eligible employees as defined in the plan documents. Participating employees may elect to defer and contribute a portion of their eligible compensation to the plans up to limits stated in the plan documents, not to exceed the dollar amounts set by applicable laws.

Our matching contributions to all US and non-US plans were $73.0 million, $54.7 million, and $59.8 million in fiscal years 2014, 2013, and 2012, respectively.

Note 13: Income Taxes

Components of earnings/(loss) before income taxes *(in millions)*:

Fiscal Year Ended	Sep 28, 2014	Sep 29, 2013			Sep 30, 2012
		Total	Litigation charge	All Other	
United States	$ 2,572.4	$ (674.0)	$ (2,784.1)	$ 2,110.1	$ 1,679.6
Foreign	587.3	444.1	—	444.1	379.5
Total earnings/(loss) before income taxes	$ 3,159.7	$ (229.9)	$ (2,784.1)	$ 2,554.2	$ 2,059.1

Provision/(benefit) for income taxes *(in millions)*:

Fiscal Year Ended	Sep 28, 2014	Sep 29, 2013			Sep 30, 2012
		Total	Litigation charge	All Other	
Current taxes:					
US federal	$ 822.7	$ 616.6	$ —	$ 616.6	$ 466.0
US state and local	132.9	93.8	—	93.8	79.9
Foreign	128.8	95.9	—	95.9	76.8
Total current taxes	1,084.4	806.3	—	806.3	622.7
Deferred taxes:					
US federal	12.0	(898.8)	(922.3)	23.5	49.2
US state and local	(4.9)	(144.0)	(148.7)	4.7	(0.7)
Foreign	0.5	(2.2)	—	(2.2)	3.2
Total deferred taxes	7.6	(1,045.0)	(1,071.0)	26.0	51.7
Total income tax expense/(benefit)	$ 1,092.0	$ (238.7)	$ (1,071.0)	$ 832.3	$ 674.4

Reconciliation of the statutory US federal income tax rate with our effective income tax rate:

Fiscal Year Ended	Sep 28, 2014	Sep 29, 2013			Sep 30, 2012
		Total	Litigation charge	All Other	
Statutory rate	35.0 %	35.0%	35.0%	35.0 %	35.0 %
State income taxes, net of federal tax benefit	2.6	15.8	3.5	2.4	2.5
Benefits and taxes related to foreign operations	(1.9)	37.5	—	(3.4)	(3.3)
Domestic production activity deduction	(0.7)	8.1	—	(0.7)	(0.7)
Domestic tax credits	(0.2)	2.8	—	(0.3)	(0.3)
Charitable contributions	(0.4)	3.9	—	(0.3)	(0.5)
Other, net	0.2	0.7	—	(0.1)	0.1
Effective tax rate	34.6 %	103.8%	38.5%	32.6 %	32.8 %

Our effective tax rate in fiscal 2013 was significantly affected by the litigation charge we recorded as a result of the conclusion of our arbitration with Kraft. In order to provide a more meaningful analysis of tax expense and the effective tax rate, the tables above present separate reconciliations of the effect of the litigation charge. The deferred tax asset related to the litigation charge is estimated to be recovered over a period of 15 years; the deferred tax asset has been classified between current and non-current consistent with the expected recovery period for income tax reporting purposes.

US income and foreign withholding taxes have not been provided on approximately $2.2 billion of cumulative undistributed earnings of foreign subsidiaries and equity investees. We intend to reinvest these earnings for the foreseeable future. If these amounts were distributed to the US, in the form of dividends or otherwise, we would be subject to additional US income taxes, which could be material. Determination of the amount of unrecognized deferred income tax liabilities on these earnings is not practicable because of the complexities with its hypothetical calculation, and the amount of liability, if any, is dependent on circumstances existing if and when remittance occurs.

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Tax effect of temporary differences and carryforwards that comprise significant portions of deferred tax assets and liabilities *(in millions)*:

	Sep 28, 2014	Sep 29, 2013
Deferred tax assets:		
Property, plant and equipment	$ 78.5	$ 64.9
Accrued occupancy costs	58.8	69.0
Accrued compensation and related costs	75.3	77.6
Other accrued liabilities	27.6	22.0
Asset retirement obligation asset	18.6	21.0
Deferred revenue	63.4	49.9
Asset impairments	49.5	33.3
Tax credits	20.3	19.1
Stock-based compensation	131.5	120.9
Net operating losses	104.4	99.0
Litigation charge	1,002.0	1,071.9
Other	77.0	62.7
Total	$ 1,706.9	$ 1,711.3
Valuation allowance	(166.8)	(160.5)
Total deferred tax asset, net of valuation allowance	$ 1,540.1	$ 1,550.8
Deferred tax liabilities:		
Property, plant and equipment	(148.2)	(182.9)
Intangible assets and goodwill	(92.9)	(81.6)
Other	(89.4)	(53.1)
Total	(330.5)	(317.6)
Net deferred tax asset	$ 1,209.6	$ 1,233.2
Reported as:		
Current deferred income tax assets	$ 317.4	$ 277.3
Long-term deferred income tax assets	903.3	967.0
Current deferred income tax liabilities (included in Accrued liabilities)	(4.2)	(1.0)
Long-term deferred income tax liabilities (included in Other long-term liabilities)	(6.9)	(10.1)
Net deferred tax asset	$ 1,209.6	$ 1,233.2

The valuation allowance as of September 28, 2014 and September 29, 2013 is primarily related to net operating losses and other deferred tax assets of consolidated foreign subsidiaries. The net change in the total valuation allowance was an increase of $6.3 million for both fiscal 2014 and 2013.

As of September 28, 2014, Starbucks has state tax credit carryforwards of $31.2 million with an expiration date of fiscal 2024. Starbucks has foreign net operating loss carryforwards of $342.4 million, with the predominant amount having no expiration date.

Uncertain Tax Positions

As of September 28, 2014, we had $112.7 million of gross unrecognized tax benefits of which $85.3 million, if recognized, would affect our effective tax rate. We recognized expense of $5.9 million, a benefit of $0.8 million, and a benefit of $0.7 million of interest and penalties in income tax expense, prior to the benefit of the federal tax deduction, for fiscal 2014, 2013 and 2012, respectively. As of September 28, 2014 and September 29, 2013, we had accrued interest and penalties of $10.6 million and $4.7 million, respectively, before the benefit of the federal tax deduction, included within the related tax liability on the consolidated balance sheets.

The following table summarizes the activity related to our unrecognized tax benefits *(in millions)*:

	Sep 28, 2014	Sep 29, 2013	Sep 30, 2012
Beginning balance	$ 88.8	$ 75.3	$ 52.9
Increase related to prior year tax positions	1.4	8.9	8.8
Decrease related to prior year tax positions	(2.2)	(9.3)	—
Increase related to current year tax positions	26.7	19.3	20.0
Decrease related to current year tax positions	(1.9)	(0.4)	(1.1)
Decreases related to settlements with taxing authorities	(0.1)	—	(0.5)
Decreases related to lapsing of statute of limitations	—	(5.0)	(4.8)
Ending balance	$ 112.7	$ 88.8	$ 75.3

We are currently under routine audit by various jurisdictions inside and outside the US as well as US state taxing jurisdictions for fiscal years 2006 through 2013. We are no longer subject to US federal or state examination for years prior to fiscal year 2011, with the exception of eleven states. We are no longer subject to examination in any material international markets prior to 2006.

There is a reasonable possibility that our unrecognized tax benefit liability will change within 12 months; however, we do not expect this change to be material to the consolidated financial statements.

Note 14: Earnings per Share

Calculation of net earnings per common share ("EPS") — basic and diluted *(in millions, except EPS)*:

Fiscal Year Ended	Sep 28, 2014	Sep 29, 2013	Sep 30, 2012
Net earnings attributable to Starbucks	$ 2,068.1	$ 8.3	$ 1,383.8
Weighted average common shares and common stock units outstanding (for basic calculation)	753.1	749.3	754.4
Dilutive effect of outstanding common stock options and RSUs	10.0	13.0	18.6
Weighted average common and common equivalent shares outstanding (for diluted calculation)	763.1	762.3	773.0
EPS — basic	$ 2.75	$ 0.01	$ 1.83
EPS — diluted	$ 2.71	$ 0.01	$ 1.79

Potential dilutive shares consist of the incremental common shares issuable upon the exercise of outstanding stock options (both vested and non-vested) and unvested RSUs, calculated using the treasury stock method. The calculation of dilutive shares outstanding excludes out-of-the-money stock options (i.e., such options' exercise prices were greater than the average market price of our common shares for the period) because their inclusion would have been antidilutive. We had 2.7 million and 0.2 million out-of-the-money stock options as of September 28, 2014 and September 30, 2012, respectively. There were no out-of-the-money stock options as of September 29, 2013.

Note 15: Commitments and Contingencies

Legal Proceedings

On November 12, 2013, the arbitrator in our arbitration with Kraft Foods Global, Inc. (now known as Kraft Foods Group, Inc.) ("Kraft") ordered Starbucks to pay Kraft $2,227.5 million in damages plus prejudgment interest and attorneys' fees. We estimated prejudgment interest, which included an accrual through the estimated payment date, and attorneys' fees to be approximately $556.6 million. As a result, we recorded a litigation charge of $2,784.1 million in our fiscal 2013 operating results.

In the first quarter of fiscal 2014, Starbucks paid all amounts due to Kraft under the arbitration, including prejudgment interest and attorneys' fees, and fully extinguished the litigation charge liability. Of the $2,784.1 million litigation charge accrued in the fourth quarter of fiscal 2013, $2,763.9 million was paid and the remainder was released as a litigation credit to reflect a reduction to our estimated prejudgment interest payable as a result of paying our obligation earlier than anticipated.

Starbucks is party to various other legal proceedings arising in the ordinary course of business, including, at times, certain employment litigation cases that have been certified as class or collective actions, but is not currently a party to any legal proceeding that management believes could have a material adverse effect on our consolidated financial position, results of operations or cash flows.

Note 16: Segment Reporting

Segment information is prepared on the same basis that our ceo, who is our chief operating decision maker, manages the segments, evaluates financial results, and makes key operating decisions. Beginning with the first quarter of fiscal 2012, we redefined our reportable operating segments to align with the three-region leadership and organizational structure of our retail business that took effect at the beginning of fiscal 2012. The three-region structure includes: 1) Americas, inclusive of the US, Canada, and Latin America; 2) Europe, Middle East, and Africa ("EMEA"); and 3) China/Asia Pacific ("CAP").

Accordingly, beginning with the first quarter of fiscal 2012, we revised our reportable operating segments from 1) US, 2) International, and 3) Global Consumer Products Group to the following four reportable segments: 1) Americas, 2) EMEA, 3) CAP, and 4) Global Consumer Products Group. In the second quarter of fiscal 2012, we renamed our Global Consumer Products Group segment "Channel Development."

Effective at the beginning of fiscal 2013, we decentralized certain leadership functions in the areas of retail marketing and category management, global store development and partner resources to support and align with the respective operating segment presidents. In conjunction with these moves, certain general and administrative and depreciation and amortization expenses associated with these functions, which were previously reported as unallocated corporate expenses within "Other," are now reported within the respective reportable operating segments to align with the regions which they support.

Concurrent with the change in reportable operating segments and realignment of certain operating expenses noted above, we revised our prior period financial information to reflect comparable financial information for the new segment structure and reporting changes. Historical financial information presented herein reflects these changes. There was no impact on consolidated net revenues, total operating expenses, operating income, or net earnings as a result of these changes.

Beginning in the second quarter of fiscal 2013, we removed unallocated corporate expenses from Other. Other is now referred to as All Other Segments and includes Teavana, Seattle's Best Coffee and Evolution Fresh, as well as our Digital Ventures business. Unallocated corporate operating expenses, which pertain primarily to corporate administrative functions that support the operating segments, but are not specifically attributable to or managed by any segment, are presented as a reconciling item between total segment operating results and consolidated financial results. While our consolidated results are not impacted, our historical segment financial information has been revised to be consistent with the current presentation.

Americas, EMEA and CAP operations sell coffee and other beverages, complementary food, packaged coffees, single-serve coffee products and a focused selection of merchandise through company-operated stores and licensed stores. Our Americas segment is our most mature business and has achieved significant scale. Certain markets within our EMEA and CAP operations are still in the early stages of development and require a more extensive support organization, relative to their current levels of revenue and operating income, than our Americas operations. The Americas and EMEA segments also include certain foodservice accounts, primarily in Canada and the UK. Our Americas segment also includes our La Boulange® retail stores.

Channel Development operations sell a selection of packaged coffees as well as a selection of premium Tazo® teas globally. Channel Development operations also produce and sell a variety of ready-to-drink beverages, such as Frappuccino® coffee drinks, Starbucks Doubleshot® espresso drinks and Starbucks Refreshers® beverages, as well as Starbucks- and Tazo-branded single-serve products. The US foodservice business, which is included in the Channel Development segment, sells coffee and other related products to institutional foodservice companies.

Consolidated revenue mix by product type *(in millions)*:

Fiscal Year Ended	Sep 28, 2014		Sep 29, 2013		Sep 30, 2012	
Beverage	$ 9,458.4	58%	$ 8,674.7	58%	$ 7,883.8	59%
Food	2,505.2	15%	2,189.8	15%	1,875.1	14%
Packaged and single-serve coffees and teas	2,370.0	14%	2,206.5	15%	1,965.8	15%
Other[1]	2,114.2	13%	1,795.8	12%	1,552.1	12%
Total	$ 16,447.8	100%	$ 14,866.8	100%	$ 13,276.8	100%

[1] "Other" primarily includes royalty and licensing revenues, beverage-related ingredients, ready-to-drink beverages and serveware, among other items.

In fiscal 2014, we moved ready-to-drink beverage revenues from the "Food" category to the "Other" category and combined packaged and single-serve teas, which were previously included in the "Other" category, with packaged and single serve coffees, which are now categorized as "Packaged and single-serve coffees and teas." Additionally, we revised our discount allocation methodology to more precisely allocate sales discounts to the various revenue product categories. None of these changes had a material impact on the composition of our revenue mix by product type. Prior period amounts have been revised to be consistent with the current period presentation.

Information by geographic area (*in millions*):

Fiscal Year Ended	Sep 28, 2014	Sep 29, 2013	Sep 30, 2012
Net revenues from external customers:			
United States	$ 12,590.6	$ 11,389.6	$ 10,154.8
Other countries	3,857.2	3,477.2	3,122.0
Total	$ 16,447.8	$ 14,866.8	$ 13,276.8

No customer accounts for 10% or more of our revenues. Revenues are shown based on the geographic location of our customers. Revenues from countries other than the US consist primarily of revenues from Canada, the UK, and China, which together account for approximately 65% of net revenues from other countries for fiscal 2014.

Fiscal Year Ended	Sep 28, 2014	Sep 29, 2013	Sep 30, 2012
Long-lived assets:			
United States	$ 5,135.8	$ 4,641.3	$ 2,767.1
Other countries	1,448.4	1,404.0	1,252.5
Total	$ 6,584.2	$ 6,045.3	$ 4,019.6

Management evaluates the performance of its operating segments based on net revenues and operating income. The accounting policies of the operating segments are the same as those described in Note 1, Summary of Significant Accounting Policies. Operating income represents earnings before net interest income and other, interest expense and income taxes. Management does not evaluate the performance of its operating segments using asset measures. The identifiable assets by segment disclosed in this note are those assets specifically identifiable within each segment and include cash and cash equivalents, net property, plant and equipment, equity and cost investments, goodwill, and other intangible assets. Assets not identified by reportable operating segment below are corporate assets and are primarily comprised of cash and cash equivalents available for general corporate purposes, investments, assets of the corporate headquarters and roasting facilities, and inventory.

The table below presents financial information for our reportable operating segments and All Other Segments for the years ended September 28, 2014, September 29, 2013, and September 30, 2012, including reclassifications resulting from the correction of the immaterial error discussed in Note 1, Summary of Significant Accounting Policies. The reclassifications for fiscal years 2013 and 2012 were $21.8 million and $19.2 million for the Channel Development segment, respectively, and $3.6 million and $3.5 million for All Other Segments, respectively.

(*in millions*)	Americas	EMEA	China / Asia Pacific	Channel Development	All Other Segments	Segment Total
Fiscal 2014						
Total net revenues	$ 11,980.5	$ 1,294.8	$ 1,129.6	$ 1,546.0	$ 496.9	$ 16,447.8
Depreciation and amortization expenses	469.5	59.4	46.1	1.8	15.2	592.0
Income from equity investees	—	3.7	164.0	100.6	—	268.3
Operating income/(loss)	2,809.0	119.2	372.5	557.2	(26.8)	3,831.1
Total assets	2,521.4	663.0	939.8	84.6	825.2	5,034.0
Fiscal 2013						
Total net revenues	$ 11,000.8	$ 1,160.0	$ 917.0	$ 1,398.9	$ 390.1	$ 14,866.8
Depreciation and amortization expenses	429.3	55.5	33.8	1.1	11.7	531.4
Income from equity investees	2.4	0.4	152.0	96.6	—	251.4
Operating income/(loss)	2,365.2	64.2	321.2	415.5	(34.5)	3,131.6
Total assets	2,323.4	510.6	805.0	89.2	821.1	4,549.3
Fiscal 2012						
Total net revenues	$ 9,936.0	$ 1,141.3	$ 721.4	$ 1,273.0	$ 205.1	$ 13,276.8
Depreciation and amortization expenses	392.4	57.1	23.2	1.3	2.5	476.5
Income from equity investees	2.1	0.3	122.4	85.2	0.7	210.7
Operating income/(loss)	2,020.4	6.8	252.6	340.4	(27.4)	2,592.8
Total assets	2,199.0	467.4	656.6	88.8	80.8	3,492.6

The following table reconciles total segment operating income in the table above to consolidated earnings/(loss) before income taxes *(in millions)*:

Fiscal Year Ended	Sep 28, 2014	Sep 29, 2013	Sep 30, 2012
Total segment operating income	$ 3,831.1	$ 3,131.6	$ 2,592.8
Unallocated corporate operating expenses[(1)]	(750.0)	(3,457.0)	(595.4)
Consolidated operating income/(loss)	3,081.1	(325.4)	1,997.4
Interest income and other, net	142.7	123.6	94.4
Interest expense	(64.1)	(28.1)	(32.7)
Earnings/(loss) before income taxes	$ 3,159.7	$ (229.9)	$ 2,059.1

[(1)] Fiscal 2013 includes a pretax charge of $2,784.1 million resulting from the litigation charge we recorded associated with the conclusion of our arbitration with Kraft.

Note 17: Selected Quarterly Financial Information *(unaudited; in millions, except EPS)*

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Full Year
Fiscal 2014:					
Net revenues	$ 4,239.6	$ 3,873.8	$ 4,153.7	$ 4,180.8	$ 16,447.8
Operating income	813.5	644.1	768.5	854.9	3,081.1
Net earnings attributable to Starbucks	540.7	427.0	512.6	587.9	2,068.1
EPS — diluted	0.71	0.56	0.67	0.77	2.71
Fiscal 2013:					
Net revenues(1)	$ 3,793.2	$ 3,549.6	$ 3,735.3	$ 3,788.8	$ 14,866.8
Operating income/(loss)(2)	630.6	544.1	615.2	(2,115.2)	(325.4)
Net earnings/(loss) attributable to Starbucks(2)	432.2	390.4	417.8	(1,232.0)	8.3
EPS — diluted(2)	0.57	0.51	0.55	(1.64)	0.01

(1) Includes the reclassifications resulting from the correction of the immaterial error discussed in Note 1, Summary of Significant Accounting Policies. We reclassified $6.4 million, $6.3 million, $6.4 million and $6.2 million for the first, second, third, and fourth quarters of fiscal year 2013, respectively, and $25.4 million for the full year of fiscal 2013.

(2) The fourth quarter of fiscal 2013 includes a pretax charge of $2,784.1 million resulting from the conclusion of the arbitration with Kraft.

Note 18: Subsequent Event

On September 23, 2014, we entered into a tender offer bid agreement with Starbucks Coffee Japan, Ltd. ("Starbucks Japan"), a 39.5% owned equity method investment (as discussed in Note 6, Equity and Cost Investments), and our joint venture partner, Sazaby League, Ltd. ("Sazaby"), to acquire the remaining 60.5% ownership interest in Starbucks Japan. We are acquiring Starbucks Japan to further leverage our existing infrastructure to continue disciplined retail store growth and expand our presence into other channels in the Japan market, such as CPG, licensing and foodservice. Structured as a two-step tender offer, the full acquisition of Starbucks Japan is expected to be completed during fiscal 2015.

On October 31, 2014, we acquired Sazaby's 39.5% ownership interest through the first tender offer step for ¥55 billion ($511 million) in cash, bringing our total ownership in Starbucks Japan to a controlling 79% interest. Due to the limited time since the closing of the first tender offer step, the initial accounting for this acquisition is still in process but will be reflected in our first quarter of fiscal 2015 results. We will record the fair value of the assets acquired and liabilities assumed as of October 31, 2014, as well as adjust the carrying value of our existing 39.5% equity method investment to fair value. From the acquisition date forward, we will consolidate Starbucks Japan's results of operations and cash flows in our consolidated financial statements. Until the remaining 21% of minority shareholders' interests are acquired, we will present them as net earnings attributable to noncontrolling interests in our consolidated statements of earnings.

We initiated the second tender offer step on November 10, 2014 to acquire the remaining 21% ownership interest held by the public shareholders and option holders of Starbucks Japan's common stock, with the objective of acquiring all of the remaining outstanding shares including outstanding stock options, which we expect to complete on December 29, 2014. Upon successful completion of the second tender offer step, we intend to commence a cash-out procedure under Japanese law (the "Cash-out") that will allow us to acquire all remaining shares. At the conclusion of the Cash-out, which we expect to complete during the first half of calendar 2015, Starbucks will own 100% of Starbucks Japan. The expected purchase price for the second tender offer step and the Cash-out is ¥44.5 billion (approximately $382 million with Japanese yen converted into US dollars at a reference conversion rate of 116.52 JPY to USD).

We funded the first tender offer step with $511 million in offshore cash. We also expect to fund a majority of the second tender offer step with offshore cash. Through the date of this filing, we have incurred approximately $5 million in acquisition-related costs, such as regulatory, legal, and advisory fees, which we have recorded within unallocated corporate general and administrative expenses during the respective fiscal periods in which they were incurred.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of Starbucks Corporation
Seattle, Washington

We have audited the accompanying consolidated balance sheets of Starbucks Corporation and subsidiaries (the "Company") as of September 28, 2014 and September 29, 2013, and the related consolidated statements of earnings, comprehensive income, equity, and cash flows for each of the three years in the period ended September 28, 2014. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Starbucks Corporation and subsidiaries as of September 28, 2014 and September 29, 2013, and the results of their operations and their cash flows for each of the three years in the period ended September 28, 2014, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company's internal control over financial reporting as of September 28, 2014, based on criteria established in *Internal Control — Integrated Framework (1992)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated November 14, 2014 expressed an unqualified opinion on the Company's internal control over financial reporting.

/s/ Deloitte & Touche LLP

Seattle, Washington
November 14, 2014

Item 9. *Changes in and Disagreements with Accountants on Accounting and Financial Disclosure*

Not applicable.

Item 9A. *Controls and Procedures*

Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that material information required to be disclosed in our periodic reports filed or submitted under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms. Our disclosure controls and procedures are also designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and principal financial officer as appropriate, to allow timely decisions regarding required disclosure.

During the fourth quarter of fiscal 2014, we carried out an evaluation, under the supervision and with the participation of our management, including our chief executive officer and our chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Based upon that evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were effective, as of the end of the period covered by this report (September 28, 2014).

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) during our most recently completed fiscal quarter that materially affected or are reasonably likely to materially affect internal control over financial reporting.

The certifications required by Section 302 of the Sarbanes-Oxley Act of 2002 are filed as exhibits 31.1 and 31.2, respectively, to this 10-K.

Report of Management on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of our financial reporting for external purposes in accordance with accounting principles generally accepted in the United States of America. Internal control over financial reporting includes maintaining records that in reasonable detail accurately and fairly reflect our transactions; providing reasonable assurance that transactions are recorded as necessary for preparation of our financial statements; providing reasonable assurance that receipts and expenditures are made in accordance with management authorization; and providing reasonable assurance that unauthorized acquisition, use or disposition of company assets that could have a material effect on our financial statements would be prevented or detected on a timely basis. Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of our financial statements would be prevented or detected.

Management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework and criteria established in *Internal Control — Integrated Framework* (the "1992 Framework"), issued by the Committee of Sponsoring Organizations of the Treadway Commission. This evaluation included review of the documentation of controls, evaluation of the design effectiveness of controls, testing of the operating effectiveness of controls and a conclusion on this evaluation. Based on this evaluation, management concluded that our internal control over financial reporting was effective as of September 28, 2014.

Our internal control over financial reporting as of September 28, 2014, has been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report which is included herein.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of Starbucks Corporation
Seattle, Washington

We have audited the internal control over financial reporting of Starbucks Corporation and subsidiaries (the "Company") as of September 28, 2014, based on criteria established in *Internal Control — Integrated Framework (1992)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Report of Management on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed by, or under the supervision of, the company's principal executive and principal financial officers, or persons performing similar functions, and effected by the company's board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of September 28, 2014, based on the criteria established in *Internal Control — Integrated Framework (1992)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements as of and for the fiscal year ended September 28, 2014, of the Company and our report dated November 14, 2014 expressed an unqualified opinion on those financial statements.

/s/ Deloitte & Touche LLP

Seattle, Washington
November 14, 2014

Item 9B. ***Other Information***

None.

PART III

Item 10. *Directors, Executive Officers and Corporate Governance*

Information regarding our executive officers is set forth in Item 1 of Part 1 of this Report under the caption "Executive Officers of the Registrant."

We adopted a code of ethics that applies to our chief executive officer, chief operating officer, chief financial officer, controller and other finance leaders, which is a "code of ethics" as defined by applicable rules of the SEC. This code is publicly available on our website at www.starbucks.com/about-us/company-information/corporate-governance. If we make any amendments to this code other than technical, administrative or other non-substantive amendments, or grant any waivers, including implicit waivers, from a provision of this code to our chief executive officer, chief operating officer, chief financial officer or controller, we will disclose the nature of the amendment or waiver, its effective date and to whom it applies on our website at www.starbucks.com/about-us/company-information/corporate-governance or in a report on Form 8-K filed with the SEC.

The remaining information required by this item is incorporated herein by reference to the sections entitled "Proposal 1 — Election of Directors" and "Beneficial Ownership of Common Stock — Section 16(a) Beneficial Ownership Reporting Compliance," "Corporate Governance — Board Committees and Related Matters" and "Corporate Governance — Audit and Compliance Committee" in our definitive Proxy Statement for the Annual Meeting of Shareholders to be held on March 18, 2015 (the "Proxy Statement").

Item 11. *Executive Compensation*

The information required by this item is incorporated by reference to the sections entitled "Executive Compensation," "Compensation of Directors," "Corporate Governance — Compensation and Management Development Committee" and "Compensation Committee Report" in the Proxy Statement.

Item 12. *Security Ownership of Certain Beneficial Owners and Management and Related Shareholder Matters*

The information required by this item is incorporated by reference to the sections entitled "Equity Compensation Plan Information" and "Beneficial Ownership of Common Stock" in the Proxy Statement.

Item 13. *Certain Relationships and Related Transactions, and Director Independence*

The information required by this item is incorporated by reference to the section entitled "Certain Relationships and Related Transactions" and "Corporate Governance — Affirmative Determinations Regarding Director Independence and Other Matters" in the Proxy Statement.

Item 14. *Principal Accounting Fees and Services*

The information required by this item is incorporated by reference to the sections entitled "Independent Registered Public Accounting Firm Fees" and "Policy on Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of the Independent Registered Public Accounting Firm" in the Proxy Statement.

PART IV

Item 15. *Exhibits, Financial Statement Schedules*

(a) The following documents are filed as a part of this 10-K:

1. Financial Statements

The following financial statements are included in Part II, Item 8 of this 10-K:

- Consolidated Statements of Earnings for the fiscal years ended September 28, 2014, September 29, 2013, and September 30, 2012;
- Consolidated Statements of Comprehensive Income for the fiscal years ended September 28, 2014, September 29, 2013, and September 30, 2012;
- Consolidated Balance Sheets as of September 28, 2014 and September 29, 2013;
- Consolidated Statements of Cash Flows for the fiscal years ended September 28, 2014, September 29, 2013, and September 30, 2012;
- Consolidated Statements of Equity for the fiscal years ended September 28, 2014, September 29, 2013, and September 30, 2012;
- Notes to Consolidated Financial Statements; and
- Reports of Independent Registered Public Accounting Firm

2. Financial Statement Schedules

Financial statement schedules are omitted because they are not required or are not applicable, or the required information is provided in the consolidated financial statements or notes described in Item 15(a)(1) above.

3. Exhibits

The Exhibits listed in the Index to Exhibits, which appears immediately following the signature page and is incorporated herein by reference, are filed as part of this 10-K.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

STARBUCKS CORPORATION

By: /s/ Howard Schultz

Howard Schultz
chairman, president and chief executive officer

November 14, 2014

POWER OF ATTORNEY

Know all persons by these presents, that each person whose signature appears below constitutes and appoints Howard Schultz and Scott Maw, and each of them, as such person's true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for such person and in such person's name, place and stead, in any and all capacities, to sign any and all amendments to this report, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as such person might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them or their or such person's substitute or substitutes, may lawfully do or cause to be done by virtue thereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated as of November 14, 2014.

Signature	Title
By: /s/ Howard Schultz Howard Schultz	chairman, president and chief executive officer
By: /s/ Scott Maw Scott Maw	executive vice president, chief financial officer (principal financial officer and principal accounting officer)
By: /s/ William W. Bradley William W. Bradley	director
By: /s/ Robert M. Gates Robert M. Gates	director
By: /s/ Mellody Hobson Mellody Hobson	director
By: /s/ Kevin R. Johnson Kevin R. Johnson	director
By: /s/ Olden Lee Olden Lee	director

Signature	Title
By: /s/ Joshua Cooper Ramo Joshua Cooper Ramo	director
By: /s/ James G. Shennan, Jr. James G. Shennan, Jr.	director
By: /s/ Clara Shih Clara Shih	director
By: /s/ Javier G. Teruel Javier G. Teruel	director
By: /s/ Myron E. Ullman, III Myron E. Ullman, III	director
By: /s/ Craig E. Weatherup Craig E. Weatherup	director

INDEX TO EXHIBITS

		Incorporated by Reference				
Exhibit Number	Exhibit Description	Form	File No.	Date of Filing	Exhibit Number	Filed Herewith
2.1	Agreement and Plan of Merger, dated as of November 14, 2012, among Starbucks Corporation, Taj Acquisition Corp. and Teavana Holdings, Inc.	8-K	0-20322	11/15/2012	2.1	
3.1	Restated Articles of Incorporation of Starbucks Corporation	10-Q	0-20322	5/12/2006	3.1	
3.2	Amended and Restated Bylaws of Starbucks Corporation (As amended and restated through November 13, 2012)	10-K	0-20322	11/16/2012	3.2	
4.1	Indenture, dated as of August 23, 2007, by and between Starbucks Corporation and Deutsche Bank Trust Company Americas, as trustee	S-3ASR	333-190955	9/3/2013	4.1	
4.2	Form of Note for 6.25% Senior Notes due 2017	8-K	0-20322	8/23/2007	4.2	
4.3	Form of Supplemental Indenture for 6.25% Senior Notes due 2017	8-K	0-20322	8/23/2007	4.3	
4.4	Second Supplemental Indenture, dated as of September 6, 2013, by and between Starbucks Corporation and Deutsche Bank Trust Company Americas, as trustee (3.850% Senior Notes due October 1, 2023)	8-K	0-20322	9/6/2013	4.2	
4.5	Form of 3.850% Senior Notes due October 1, 2023	8-K	0-20322	9/6/2013	4.3	
4.6	Third Supplemental Indenture, dated as of December 5, 2013, by and between Starbucks Corporation and Deutsche Bank Trust Company Americas, as trustee (0.875% Senior Notes due 2016 and 2.000% Senior Notes due 2018)	8-K	0-20322	12/5/2013	4.2	
4.7	Form of 0.875% Senior Notes due December 5, 2016	8-K	0-20322	12/5/2013	4.3	
4.8	Form of 2.000% Senior Notes due December 5, 2018	8-K	0-20322	12/5/2013	4.4	
10.1*	Starbucks Corporation Amended and Restated Key Employee Stock Option Plan — 1994, as amended and restated through March 18, 2009	8-K	0-20322	3/20/2009	10.2	
10.2*	Starbucks Corporation Amended and Restated 1989 Stock Option Plan for Non-Employee Directors	10-K	0-20322	12/23/2003	10.2	
10.3*	Starbucks Corporation 1991 Company-Wide Stock Option Plan, as amended and restated through March 18, 2009	8-K	0-20322	3/20/2009	10.3	
10.3.1*	Starbucks Corporation 1991 Company-Wide Stock Option Plan — Rules of the UK Sub-Plan, as amended and restated through November 20, 2003	10-K	0-20322	12/23/2003	10.3.1	
10.4*	Starbucks Corporation Employee Stock Purchase Plan — 1995 as amended and restated through April 1, 2009	10-Q	0-20322	2/4/2009	10.6	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Date of Filing	Exhibit Number	
10.5	Amended and Restated Lease, dated as of January 1, 2001, between First and Utah Street Associates, L.P. and Starbucks Corporation	10-K	0-20322	12/20/2001	10.5	
10.6*	Starbucks Corporation Executive Management Bonus Plan, as amended and restated effective November 8, 2011	10-Q	0-20322	5/2/2012	10.2	
10.7*	Starbucks Corporation Management Deferred Compensation Plan, as amended and restated effective January 1, 2011	10-Q	0-20322	2/4/2011	10.2	
10.8*	Starbucks Corporation 1997 Deferred Stock Plan	10-K	0-20322	12/23/1999	10.17	
10.9*	Starbucks Corporation UK Share Save Plan	10-K	0-20322	12/23/2003	10.9	
10.10*	Starbucks Corporation Directors Deferred Compensation Plan, as amended and restated effective September 29, 2003	10-K	0-20322	12/23/2003	10.10	
10.11*	Starbucks Corporation Deferred Compensation Plan for Non-Employee Directors, effective October 3, 2011	10-K	0-20322	11/18/2011	10.11	
10.12*	Starbucks Corporation UK Share Incentive Plan, as amended and restated effective November 14, 2006	10-K	0-20322	12/14/2006	10.12	
10.13*	Starbucks Corporation 2005 Long-Term Equity Incentive Plan, as amended and restated effective March 20, 2013	S-8	333-191512	10/1/2013	99.1	
10.14*	2005 Key Employee Sub-Plan to the Starbucks Corporation 2005 Long-Term Equity Incentive Plan, as amended and restated effective November 15, 2005	10-Q	0-20322	2/10/2006	10.2	
10.15*	2005 Non-Employee Director Sub-Plan to the Starbucks Corporation 2005 Long-Term Equity Incentive Plan, as amended and restated effective September 13, 2011	10-K	0-20322	11/18/2011	10.17	
10.16*	Form of Stock Option Grant Agreement for Purchase of Stock under the Key Employee Sub-Plan to the 2005 Long-Term Equity Incentive Plan	10-Q	0-20322	5/2/2012	10.1	
10.17*	Form of Global Stock Option Grant Agreement for Purchase of Stock under the Key Employee Sub-Plan to the 2005 Long Term Equity Incentive Plan	10-K	0-20322	11/18/2013	10.17	
10.18*	Form of Stock Option Grant Agreement for Purchase of Stock under the 2005 Non-Employee Director Sub-Plan to the Starbucks Corporation 2005 Long-Term Equity Incentive Plan	8-K	0-20322	2/10/2005	10.5	
10.19*	Form of Restricted Stock Unit Grant Agreement under the 2005 Non-Employee Director Sub-Plan to the Starbucks Corporation 2005 Long-Term Equity Incentive Plan	10-K	0-20322	11/18/2011	10.20	

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Date of Filing	Exhibit Number	
10.20*	2005 Company-Wide Sub-Plan to the Starbucks Corporation 2005 Long-Term Equity Incentive Plan, as amended and restated on September 14, 2010	10-K	0-20322	11/22/2010	10.20	
10.21*	Form of Stock Option Grant Agreement for Purchase of Stock under the 2005 Company-Wide Sub-Plan to the Starbucks Corporation 2005 Long-Term Equity Incentive Plan	10-Q	0-20322	8/10/2005	10.2	
10.22	Credit Agreement dated February 5, 2013 among Starbucks Corporation, Bank of America, N.A., in its capacity as Administrative Agent, Swing Line Lender and L/C Issuer, and the other Lenders from time to time a party thereto.	8-K	0-20322	2/8/2013	10.1	
10.23	Amendment No.1 dated November 15, 2013 to Credit Agreement dated February 5, 2013 among Starbucks Corporation, Bank of America, N.A., in its capacity as Administrative Agent, Swing Line Lender and L/C Issuer, and the other Lenders from time to time a party thereto.	10-K	0-20322	11/18/2013	10.23	
10.24	Commercial Paper Dealer Agreement between Starbucks Corporation and Banc of America Securities LLC, dated as of March 27, 2007	8-K	0-20322	3/27/2007	10.1.1	
10.25	Commercial Paper Dealer Agreement between Starbucks Corporation and Goldman, Sachs & Co., dated as of March 27, 2007	8-K	0-20322	3/27/2007	10.1.2	
10.26*	Letter Agreement dated February 21, 2008 between Starbucks Corporation and Clifford Burrows	10-Q	0-20322	5/8/2008	10.3	
10.27*	Letter Agreement dated November 6, 2008 between Starbucks Corporation and Troy Alstead	8-K	0-20322	11/12/2008	10.1	
10.28*	Form of Time Vested Restricted Stock Unit Grant Agreement (US) under the Key Employee Sub-Plan to the 2005 Long-Term Equity Incentive Plan	10-K	0-20322	11/18/2011	10.30	
10.29*	Form of Time Vested Global Restricted Stock Unit Grant Agreement under the Key Employee Sub-Plan to the 2005 Long-Term Equity Incentive Plan	10-K	0-20322	11/18/2013	10.29	
10.30*	Form of Performance Based Global Restricted Stock Unit Grant Agreement under the Key Employee Sub-Plan to the 2005 Long-Term Equity Incentive Plan	10-K	0-20322	11/18/2013	10.30	
10.31*	Letter Agreement dated November 30, 2009 between Starbucks Corporation and John Culver	10-Q	0-20322	2/2/2010	10.3	
10.32*	Letter of Understanding dated May 22, 2013, between Starbucks Corporation and Jeff Hansberry	10-K	0-20322	11/18/2013	10.32	
10.33*	Letter Agreement dated May 16, 2012 between Starbucks Corporation and Lucy Lee Helm	—	—	—	—	X

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith
		Form	File No.	Date of Filing	Exhibit Number	
10.34*	Letter Agreement dated January 29, 2014 between Starbucks Corporation and Troy Alstead	8-K	0-20322	1/29/2014	10.1	
10.35*	Letter Agreement dated January 29, 2014 between Starbucks Corporation and Scott Maw	8-K	0-20322	1/29/2014	10.2	
10.36*	Exclusive Aircraft Sublease (S/N 6003) dated as of September 27, 2013 by and between Cloverdale Services, LLC and Starbucks Corporation	10-Q	0-20322	4/29/2014	10.3	
12	Computation of Ratio of Earnings to Fixed Charges	—	—	—	—	X
21	Subsidiaries of Starbucks Corporation	—	—	—	—	X
23	Consent of Independent Registered Public Accounting Firm	—	—	—	—	X
24	Power of Attorney (included on the Signatures page of this Annual Report on Form 10-K)	—	—	—	—	X
31.1	Certification of Principal Executive Officer Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	—	—	—	—	X
31.2	Certification of Principal Financial Officer Pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	—	—	—	—	X
32**	Certifications of Principal Executive Officer and Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	—	—	—	—	
101	The following financial statements from the Company's 10-K for the fiscal year ended September 28, 2014, formatted in XBRL: (i) Consolidated Statements of Earnings, (ii) Consolidated Statements of Comprehensive Income, (iii)Consolidated Balance Sheets, (iv) Consolidated Statements of Cash Flows, (v) Consolidated Statements of Equity, and (vi) Notes to Consolidated Financial Statements	—	—	—	—	X

* Denotes a management contract or compensatory plan or arrangement.

**Furnished herewith.

EXHIBIT 10.33

May 16, 2012

Lucy Lee Helm

Dear Lucy,

Thank you for your contributions to the Company's success and congratulations on your promotion to executive vice president, general counsel and secretary. I value your passion for the organization and look forward to you continuing in your new position effective May 14, 2012.

Here Are The Specifics Of Your Offer:

You will be paid bi-weekly at a base salary that annualizes to **$450,000**.

Executive Management Bonus Plan

You will be eligible to participate in the Executive Management Bonus Plan (EMBP) effective with your promotion. Your new bonus target will be **65%** of your eligible base salary. For fiscal 2012 your bonus will be prorated based on your promotion date. From the beginning of fiscal 2012 up to your promotion date, your potential bonus will be under the General Management Incentive Plan (GMIP) at the 40% bonus target and from your promotion date through fiscal year end under the EMBP at 65%. Your potential bonus payout will be based on your salary at fiscal year end. For more information about the EMBP, please talk with your Partner Resources contact. Starbucks reserves the right to review, change, amend, or cancel incentive plans at any time.

Promotional Equity Award

You will be eligible to receive an equity award with an economic value of **$700,000** (USD) under the 2005 Key Employee Sub-Plan to Starbucks Corporation Amended and Restated 2005 Long-Term Equity Incentive Plan (the "Key Employee Plan") with 50% in the form of restricted stock units and 50% in the form of stock options to purchase shares of Starbucks common stock. Your eligibility for the restricted stock units and stock options is subject to approval by the Compensation and Management Development Committee of the Board of Directors ("Committee") or its designee. The exercise price of the options will be the regular trading session closing price of a share of Starbucks stock on the date of grant. The grant date for your equity awards will be after you assume your new position and otherwise effective in accordance with the Company's equity grant timing guidelines. The restricted stock units will vest 50% after the second anniversary date of the grant and 50% after the fourth anniversary date of the grant, subject to your continued employment. The stock options will vest in equal installments over a period of four (4) years, beginning on the first anniversary date of the grant, subject to your continued employment.

Long-Term Incentive

Starbucks Total Pay philosophy includes long-term incentives. Each year, as determined by the Committee, you may be eligible to receive an equity award under the Key Employee Plan with 50% of the economic value in the form of performance restricted stock units and 50% of the economic value in the form of stock options to purchase shares of Starbucks common stock. Annual awards are typically granted in November and are contingent upon Committee approval after considering a number of factors, such as Company performance, share dilution, and competitive market data. Starbucks reserves the right to review, change, amend, or cancel long-term incentive plans at any time.

Stock Ownership

As a senior executive, the Company's executive stock ownership guidelines will apply to you. The guidelines require covered executives to achieve a minimum investment in Starbucks stock within five (5) years. Your minimum investment as executive vice president and general counsel is two (2) times your annual base salary. A copy of the guidelines will be provided to you.

Executive Life Insurance

You will continue to receive partner life coverage equal to three (3) times your annualized base salary, paid for by Starbucks. You may purchase up to an additional two (2) times your annualized base salary (for a total of five (5) times salary) to a maximum life insurance benefit of $2,000,000.

Executive Physical Exam

You will continue to be eligible to participate in Starbucks executive physical program. For more information, please contact Partner Resources.

Section 16 Obligations

As executive vice president and general counsel, you will be subject to the reporting requirements of Section 16 of the Securities Exchange Act of 1934, as amended, and responsible for filings with the Securities Exchange Commission. Starbucks legal counsel will assist you with your filings.

Recovery of Incentive Compensation Policy

As a Section 16 officer of the Company, you are also subject to the Starbucks Recovery of Incentive Compensation Policy (the "Clawback Policy"). The Clawback Policy is included in the attached consent which you are required to sign indicating that you have read and agree to the terms and conditions of the policy.

Insider Trading Policy

As an executive of the Company, you will continue to be prohibited from trading Starbucks securities (or, in some circumstances, the securities of companies doing business with Starbucks) from time to time in accordance with the Company's Insider Trading Policy and Blackout Procedures.

Coffee Hedging

As an officer of the Company, you are prohibited from trading in coffee commodity futures for your own account. If you have further questions, please talk with your Partner Resources contact.

Your employment with Starbucks Coffee Company will be "at will," meaning that either you or the Company will be entitled to terminate your employment at any time and for any reason, not prohibited by law.

On behalf of the entire team, I wish you the best in your new role and look forward to your continued success and partnership.

Warm regards,

/s/ Howard Schultz

Howard Schultz
chairman, president and chief executive officer

cc: Kalen Holmes
Partner File

Enc. Confidentiality, Non-Solicitation, Non-Competition and Inventions Agreement
Starbucks Recovery of Incentive Compensation Policy Consent

I accept employment with Starbucks Coffee Company, or its wholly-owned subsidiaries, according to the terms set forth above.

___/s/ Lucy Lee Helm____________________ __5-16-12____________
Lucy Lee Helm Date of Acceptance

Please return this signed letter, your confidentiality/non-compete agreement and recovery of incentive compensation policy consent to Kalen Holmes.

EXHIBIT 12

Starbucks Corporation
COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES
(in millions, except ratios)

	Sep 28, 2014	Sep 29, 2013	Sep 30, 2012	Oct 2, 2011	Oct 3, 2010
Fiscal year ended					
Earnings/(loss)[1]	$ 3,159.7	$ (229.9)	$ 2,059.1	$ 1,811.1	$ 1,437.0
Income from equity investees	(268.3)	(251.4)	(210.7)	(173.7)	(148.1)
Distributed income from equity investees	139.2	115.6	86.7	85.6	91.4
Amortization of capitalized interest	3.6	2.6	2.2	1.8	1.2
Fixed charges, excluding capitalized interest	310.1	237.7	224.5	252.0	266.3
Total earnings/(loss) available for fixed charges	$ 3,344.3	$ (125.4)	$ 2,161.8	$ 1,976.8	$ 1,647.8
Fixed charges:					
Interest and debt expense[2]	$ 70.2	$ 38.5	$ 35.9	$ 37.7	$ 37.7
Interest portion of rental expense	246.0	209.6	191.8	218.7	233.5
Total fixed charges	$ 316.2	$ 248.1	$ 227.7	$ 256.4	$ 271.2
Ratio of earnings to fixed charges[3]	10.6	—	9.5	7.7	6.1

[1] Earnings/(loss) represents income/(loss) from continuing operations before income taxes.

[2] Includes amortization of debt-related expenses and interest capitalized during the period. Excludes interest on uncertain tax positions, which is recorded in income tax expense/(benefit) in the consolidated statements of earnings.

[3] For the fiscal year ended September 29, 2013, our earnings were insufficient to cover fixed charges by $373.5 million.

Exhibit 21

SUBSIDIARIES OF STARBUCKS CORPORATION

The list below excludes certain subsidiaries which, considered in the aggregate as a single subsidiary, would not constitute a significant subsidiary under SEC rules as of September 28, 2014.

Entity Name	Organized Under the Laws of:
Alki Limited Partnership	United Kingdom
AmRest Coffee s.r.o.	Czech Republic
AmRest Coffee Sp. z o. o.	Poland
AmRest Kavezo Kft.	Hungary
Bay Bread LLC (dba La Boulange)	Delaware
Beijing Starbucks Coffee Co., Ltd.	China
Chengdu Starbucks Coffee Company Limited	China
Coffee Concepts (Southern China) Limited	Hong Kong
Coffee House Holdings, Inc.	Washington
Corporacion Starbucks Farmer Support Center Columbia	Columbia
Emerald City C.V.	Netherlands
Evolution Fresh, Inc.	Delaware
Guangdong Starbucks Coffee Company Limited	China
High Grown Investment Group (Hong Kong) Ltd.	Hong Kong
Hubei Starbucks Coffee Company Limited	China
Koffee Sirena LLC	Russia
North American Coffee Partnership	New York
Olympic Casualty Insurance Company	Vermont
President Coffee (Cayman) Holdings Ltd.	Cayman Islands
President Starbucks Coffee (Shanghai) Company Limited	China
President Starbucks Coffee Corporation	Taiwan (Republic of China)
Qingdao American Starbucks Coffee Company Limited	China
Rain City C.V.	Netherlands
SBI Nevada, Inc.	Nevada
SCI Europe I, LLC	Washington
SCI Europe II, LLC	Washington
SCI Investment, Inc.	Washington
SCI UK I, LLC	Washington
SCI Ventures, S.L.	Spain
Seastar Columbia Company S.A.S	Columbia
Seattle Coffee Company	Georgia
Seattle's Best Coffee LLC	Washington
Shaya Coffee Limited	Cyprus
Solar Japan Holdings G.K.	Japan
Starbucks (China) Company Limited	China
Starbucks (Shanghai) Supply Chain Co., Ltd.	China
Starbucks (Shanghai) Trade Company Limited	China
Starbucks AINI Coffee (Yunnan) Company Limited	China
Starbucks Asia Pacific Investment Holding II Limited	Hong Kong
Starbucks Asia Pacific Investment Holding III Limited	Hong Kong
Starbucks Asia Pacific Investment Holding Limited	Hong Kong
Starbucks Brasil Comércio de Cafés Ltda.	Brazil
Starbucks Capital Asset Leasing Company, LLC	Delaware
Starbucks Card Europe Limited	United Kingdom

Starbucks Coffee (Dalian) Company Limited	China
Starbucks Coffee (Liaoning) Company Limited	China
Starbucks Coffee (Shenzhen) Ltd.	China
Starbucks Coffee (Thailand) Ltd.	Thailand
Starbucks Coffee Agronomy Company S.R.L.	Costa Rica
Starbucks Coffee Asia Pacific Limited	Hong Kong
Starbucks Coffee Austria GmbH	Austria
Starbucks Coffee Canada, Inc.	Canada
Starbucks Coffee Company (Australia) Pty Ltd	Australia
Starbucks Coffee Company (UK) Limited	United Kingdom
Starbucks Coffee Deutschland GmbH	Germany
Starbucks Coffee Development (Yunan) Company Limited	China
Starbucks Coffee EMEA B.V.	Netherlands
Starbucks Coffee España S.L.	Spain
Starbucks Coffee France S.A.S.	France
Starbucks Coffee Holdings (UK) Limited	United Kingdom
Starbucks Coffee International, Inc.	Washington
Starbucks Coffee Japan, Ltd.	Japan
Starbucks Coffee Korea Co., Ltd.	South Korea
Starbucks Coffee Netherlands B.V.	Netherlands
Starbucks Coffee Puerto Rico, LLC	Delaware
Starbucks Coffee Singapore Pte Ltd	Singapore
Starbucks Coffee Switzerland A.G.	Switzerland
Starbucks Coffee Trading Company Sarl	Switzerland
Starbucks EMEA Holdings Ltd	United Kingdom
Starbucks EMEA Ltd	United Kingdom
Starbucks Farmer Support Center Ethiopia Plc.	Ethiopia
Starbucks Farmer Support Center Rwanda Ltd.	Rwanda
Starbucks Farmer Support Center Tanzania Limited	Tanzania
Starbucks Holding Company	Washington
Starbucks International (Holdings) Ltd	United Kingdom
Starbucks Manufacturing Corporation	Washington
Starbucks Manufacturing EMEA B.V.	Netherlands
Starbucks New Venture Company	Washington
Starbucks Singapore Investment Pte.	Singapore
Starbucks Switzerland Austria Holdings B.V.	Netherlands
Starbucks Trading, G.K.	Japan
Tata Starbucks Limited	India
Teavana Canada, ULC	British Columbia
Teavana Corporation	Georgia
Teavana Gift Company	Colorado
Teavana Luxco, Sarl	Luxembourg
The New French Bakery, Inc.	California
Torrefazione Italia LLC	Washington
Torz and Macatonia Limited	United Kingdom
Xi'an Starbucks Coffee Company Limited	China

EXHIBIT 23

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 33–52526, 33–52528, 33–92208, 33–92184, 333-65181, 333-94987, 333-37442, 333-70648, 333-101806, 333-114090, 333-123688, 333-142878, 333-167572, 333-174995 and 333-191512 on Form S-8 and Registration Statement Nos. 333-190955, 333-167568 and 333-145572 on Form S-3 of our reports dated November 14, 2014, relating to the consolidated financial statements of Starbucks Corporation and subsidiaries (the "Company"), and the effectiveness of the Company's internal control over financial reporting, appearing in this Annual Report on Form 10-K of Starbucks Corporation for the year ended September 28, 2014.

/s/ Deloitte & Touche LLP

Seattle, Washington
November 14, 2014

Exhibit 31.1

CERTIFICATION PURSUANT TO RULE 13a-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Howard Schultz, certify that:

1. I have reviewed this Annual Report on Form 10-K for the fiscal year ended September 28, 2014 of Starbucks Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2014

/s/ Howard Schultz

Howard Schultz
chairman, president and chief executive officer

Exhibit 31.2

CERTIFICATION PURSUANT TO RULE 13a-14(a) OF THE SECURITIES EXCHANGE ACT OF 1934
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Scott Maw, certify that:

1. I have reviewed this Annual Report on Form 10-K for the fiscal year ended September 28, 2014 of Starbucks Corporation;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2014

/s/ Scott Maw

Scott Maw
executive vice president, chief financial officer

Exhibit 32

CERTIFICATIONS PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Starbucks Corporation ("Starbucks") on Form 10-K for the fiscal year ended September 28, 2014, as filed with the Securities and Exchange Commission on November 14, 2014 (the "Report"), Howard Schultz, chairman, president and chief executive officer, and Scott Maw, executive vice president, chief financial officer of Starbucks, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to his knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Starbucks.

November 14, 2014

/s/ Howard Schultz

Howard Schultz
chairman, president and chief executive officer

November 14, 2014

/s/ Scott Maw

Scott Maw
executive vice president, chief financial officer

GROUNDS FOR ACTION\ LOCALS HOPE TO KEEP THE COFFEE FLOWING AT STARBUCKS STORES SLATED TO CLOSE

THE SEATTLE POST-INTELLIGENCER

July 28, 2008 Monday

Section: NEWS; Pg. A1

Length: 898 words

Byline: ANDREA JAMES P-I REPORTER

Body

Never before an activist, Loretta Donnelly has found her cause.\ "Sign the petition to keep this Starbucks open," the Capitol Hill retiree called out Friday morning to two men walking by.

"Are they going to close it?" one asked, not stopping.

"Not if I can help it!" she said as they disappeared around the corner.

For about 13 hours a day last week, she collected signatures outside the Starbucks on 15th Avenue East. She has about 1,000 names so far.

On Wednesday, she said, a local TV station's cameramen will escort her, 40-plus-page petition in hand, to Starbucks' headquarters in Sodo.

Said Donnelly, 51: "I'm a concerned citizen. Call me nuts, but I am."

She's not the only one trying to influence the coffee giant. After Starbucks published the locations of 616 stores slated for closure, customers around the nation created petitions, phoned the Seattle coffee chain and sent letters to Chief Executive Howard Schultz.

Bill Woertendyke, 59, asked Schultz to keep the Capitol Hill location open. He attached to the letter a Quicken printout of his last year's coffee purchases totaling more than $6,800. (An occasional purchase was from Tully's, a competitor.)

A national Web site dedicated to the effort, SaveOurStarbucks.com, is run by customers and tells people how to voice their displeasure. It also links to various petitions.

Comedy Central personality Stephen Colbert mocked the effort on his show last week.

"This is the kind of grassroots activism I like, the kind that helps sprawling corporate behemoths," Colbert said. "And to think, I was about to sign this petition to end the violence in Darfur. What was I thinking? They don't make Frappucinos."

To others, the closings are serious. Before Starbucks released its hit list, bloggers and reporters across the country anticipated the closings as if they were U.S. military base closures, speculating and collecting information tidbits from baristas.

While local television affiliates broadcast the question, "Will we lose our Starbucks?" others mourned the loss of clean public restrooms.

In many neighborhoods and towns, Starbucks means status, a green-logo stamp of validity. Thus, losing a Starbucks can be symbolic, a sign that a neighborhood is on the way down.

"People are taking the Starbucks closings hard for the same reason they're taking the Anheuser-Busch sale to the Miserable Fat Belgian Bastards: because Starbucks is an iconic brand that means something more than just a company," wrote Rod Dreher, an opinion columnist for The Dallas Morning News.

"It's become a sign of middle-class American modishness. To get a Starbucks in your neighborhood meant that you were validated. ... It's a status thing."

The Dallas area is losing 28 stores. Dreher told the P-I that people in the Dallas mayor's office were upset to learn that many of the closings were in the southern area of the city.

"It sends a bad business signal," Dreher said. "When Starbucks goes, it's more than just a coffee shop closing. It's a sign that the yuppies are in retreat."

Similar stories are told across the nation. On July 11, a New Milford (Conn.) Times headline inquired, "Would they close our Starbucks?"

After learning that a Starbucks in downtown Jackson, Tenn., would close, the Jackson Sun reported: "The arrival of the Seattle-based coffee company to Downtown Jackson was heralded by many Jacksonians. The hope was that a brand-name store with a nationally recognized seal might help downtown growth."

The Memphis Commercial Appeal reported that having a Starbucks in town helped draw other big-name businesses to Covington, a town losing a store. That article also quoted an official in Marion, Ark., who said that losing a Starbucks makes it more difficult to recruit other retailers.

Another paper, the Schenectady (N.Y.) Daily Gazette, reported, "The city's first Starbucks apparently will also be its last."

Summarizing the view of many localities, a New York Times report carried the headline, "To Starbucks, a closing; To Newark, a trauma."

After 25 years of rapid growth, Starbucks is used to battling with those who don't want a cafe around. But this outpouring is new territory.

Starbucks' official line is that it is humbled and working on how to respond. But the company has cautioned that the closures, which affect 12,000 employees, are an economic necessity.

One loyal Seattle customer unknowingly touched on the irony of the situation last Friday. A patient at nearby Group Health, Joe Petrosky stopped to sign Donnelly's petition.

"I grew up in a small town, and I've been around a lot," said Petrosky, 53. "When you start closing things and removing the small-town feel because of money, it hurts the local people."

Irony is when the presence of a multinational corporation preserves the small-town feel. Or it's good branding - if anything can be concluded, it's that Starbucks has successfully marketed itself to a lot of people.

"It's more like a home away from home," said Jeremiah Moore, 21, a Seattle customer.

Another customer said Starbucks rescued him from being a loner.

"I met a lot of great people here," Thomas Harwood, 58, said. "We can't just sit in our apartments looking at the walls. The coffee's good, and the employees are great. I'd love to meet Howard Schultz."

He lingered near the petition table, conceding, "We're all nuts."

P-I reporter Andrea James can be reached at 206-448-8124 or andreajames@seattlepi.com

Graphic

Photo, ANDY ROGERS/P-I: Loretta Donnelly urges passers-by on Capitol Hill to sign a petition against closing the Starbucks on 15th Avenue East. Fellow supporters Jeremiah Moore, center, and Thomas Harwood, in sunglasses, pitch in, while Megan Kavanagh, who works nearby, adds her name to the list. Donnelly has so far collected about 1,000 signatures.

Classification

Language: ENGLISH

Publication-Type: Newspaper

Subject: PETITIONS (90%); EDITORIALS & OPINIONS (89%); CLOSINGS (89%); COMMUNITY ACTIVISM (78%); WRITERS (73%); LETTERS & COMMENTS (72%); MILITARY BASES (69%); EXECUTIVES (67%); BRAND EQUITY (60%); BEVERAGE; BUSINESS; RETAIL; CLOSING

Company: STARBUCKS CORP (93%); ANHEUSER-BUSCH COS INC (51%)

Ticker: SBUX (NASDAQ) (93%)

Industry: COFFEE & TEA STORES (90%); LOCAL TELEVISION STATIONS (75%); TELEVISION INDUSTRY (75%); COFFEE & TEA (73%); WRITERS (73%); BLOGS & MESSAGE BOARDS (65%); BRAND EQUITY (60%)

Person: HOWARD SCHULTZ (79%); STEPHEN COLBERT (50%)

Geographic: SEATTLE, WA, USA (79%); DALLAS, TX, USA (79%); UNITED STATES (92%); SUDAN (79%)

Load-Date: August 6, 2008

UNDER THE UMBRELLA

Hartford Courant (Connecticut)

June 17, 2007 Sunday, STATEWIDE EDITION

Section: SPECIAL; Pg. L6

Length: 565 words

Byline: PAUL DOYLE; Courant Staff Writer

Body

McDonald's golden arches make us long for a burger and fries.

The **green circle** around the twin-tailed mermaid sparks a craving for a **Starbucks**' espresso. The Nike swoosh and Adidas' three-stripe mountain send us to the treadmill.

How does the red umbrella makes us feel?

Travelers' iconic image is a brilliant visualization of what an insurance company offers its customer -- coverage for that unforeseen rainy day. But for anyone who grew up in Greater Hartford, the image represents more than simply a corporate resident.

The umbrella, first used in advertising by Travelers in 1870, has been something of a symbol for a city defined by the insurance industry. The umbrella has been almost as closely associated with the Insurance City as it was with Travelers.

And with the arrival of the Travelers Championship, the umbrella will be the symbol of Hartford's professional golf event.

To branding and marketing experts, it's a perfect match.

"Just because of the history of insurance in this region,'' Yale marketing professor Ravi Dhar said. "[The logo] clearly has even more recognition and more positive emotion to people in the area. So in a sense, it's a good fit.''

The red umbrella returned to Travelers in February, after the logo was lost to Citigroup in a corporate breakup in 2002. The logo was revered by Citigroup's former chairman Sandy Weill, who wore the symbol on his lapel after his company took over Travelers in the early 1990s.

Citigroup continued to use the umbrella for its Travelers Life & Annuity subsidiary after the 2002 spinoff, but the logo faded when MetLife bought that branch two years ago.

Travelers, headquartered in St. Paul, Minn., regained its symbol after a merger with St. Paul Cos. in 2004, just as it was regaining visibility in Hartford with the PGA event.

"It really is associated with Travelers,'' said Margery Steinberg, associate professor of marketing at the University of Hartford. "It never really caught on [at Citigroup] because it's so recognizable with Travelers.''

Steinberg recalls taking a graduate class at UConn with Herbert Kramer, a longtime advertising executive who was an executive at Travelers when the logo was adopted in the late 1950s. While the umbrella was used in advertisement for years, Kramer was behind the decision to use it as the company's symbol.

And what a perfect logo it was.

DEBBIE MAGLIONE

"Logos are a shortcut to communicate what the brand promises,'' Dhar said. "Having a logo that is visual, it's easy to see from a distance and it helps people get a quick sense of the company. When a logo is sort of iconic, people sort of transfer the good feeling they have for the logo. It becomes interchangeable, in a sense.''

Said Steinberg, "When [consumers] see the logo, they know exactly what it stands for and what your business is all about. When you see Heinz 57, you know exactly what it is. That's what every company strives for -- the visual that so strongly represents your corporate identity.''

And the umbrella achieves that for Travelers, marketing experts say. But where does it rate in the continuum of corporate logos?

It can't compete with the golden arches or the swoosh, symbols that transcend popular culture. But among financial and insurance companies, the umbrella is near the top of the list.

"Clearly, it's one of the most recognizable,'' Dhar said. "People know the logo.''

Contact Paul Doyle at

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Graphic

GRAPHIC: (B&W)

GRAPHIC: Recognition Factor Nike: The iconic swoosh was designed by student Caroline Davidson in 1971. NBA: Red white and blue, with the silhouette of Jerry West dribbling a ball. **Starbucks**: The **green circle** around a twin-tailed mermaid is the latest in a line of evolving logos used by the coffee giant. Adidas: The three-stripe mountain atop the company name has been used since 1967. Apple Inc.: The apple with the bite mark was multicolored but is now one color. Harley-Davidson: The bar-and-shield logo was first used in 1910. Coca-Cola: The scripted lettering was written by bookkeeper Frank Robinson in 1886. McDonald's: The golden arches were created in 1962. Pepsi: It has used many logo variations since 1898, but the red, white and blue circle is among the most recognizable. SOURCES: Logoblog.org, company websites

Classification

Language: ENGLISH

Document-Type: SPECIAL SECTION

Publication-Type: Newspaper

Subject: BUSINESS EDUCATION (89%); SPORTS & RECREATION EVENTS (88%); GOLF (78%); EXECUTIVES (75%); DEMERGERS & SPINOFFS (75%); BRANDING (75%); GOLF TOURNAMENTS (73%); COLLEGE & UNIVERSITY PROFESSORS (67%); TRAVELERS CHAMPIONSHIP; GOLF; PROFESSIONAL; PGA

Company: TRAVELERS COS INC (94%); CITIGROUP INC (92%); MCDONALD'S CORP (92%); TRAVELERS LIFE & ANNUITY CO (54%)

Ticker: TRV (NYSE) (94%); C (NYSE) (92%); C (BMV) (92%); 8710 (TSE) (92%); MCD (NYSE) (92%)

Industry: FAST FOOD (79%); INSURANCE (76%); MARKETING & ADVERTISING SERVICES (75%); BRANDING (75%); COLLEGE & UNIVERSITY PROFESSORS (67%)

Person: SANDY WEILL (56%)

Geographic: HARTFORD, CT, USA (92%); SAINT PAUL, MN, USA (70%); MINNESOTA, USA (53%)

Load-Date: June 17, 2007

Incubators for Poets

Forbes

August 17, 2015

Forbes

Section: FEATURE; Pg. 88; Vol. 196; No. 2

Length: 2511 words

Byline: Liyan Chen

Highlight: Small liberal arts colleges are reinventing themselves as entrepreneur hatcheries--both for billion-dollar startups and social change makers.

Body

Before her last semester of college Emily Núñez Cavness never imagined starting her own business. On a frigid Vermont evening in late January 2012 the French literature and international studies major attended Middlebury College's inaugural social -entrepreneurship symposium purely out of curiosity. Sitting in the campus' storied 99-year-old chapel, Cavness listened to keynote speaker Jacqueline Novogratz, founder of nonprofit VC fund Acumen, share examples of social enterprises, including one that recycled coffee waste into fertilizers.

Cavness, an Army ROTC cadet who grew up in a military family, immediately thought of the huge piles of military surplus she saw at the various bases she visited. What if that discarded material could be turned into something beautiful, even salable? What if such a recycling project could bridge the divide between the military and civilians--a handbag or backpack as a constant, functional reminder?

As a liberal arts student, Cavness had little real-world experience, but her elder sister, Betsy, encouraged her to enter MiddChallenge, Middlebury's business-plan competition. "I didn't really know what a business plan was. It was daunting," Cavness recalls. But her team won first place--and was rewarded with a $3,000 grant.

Since that initial boost, Cavness has taken her e-commerce startup, Sword & Plough, from an idea to a real social enterprise that has sold more than 7,000 stylish bags and accessories, while recycling over 25,000 pounds of military surplus products, supporting 38 new jobs for veterans and donating 10% of profits to charitable causes. "Without Middlebury and the Center for Social Entrepreneurship, Sword & Plough would have remained just another interesting idea rather than an exciting reality," says Cavness, 25, now a first lieutenant who joined the FORBES 30 Under 30 roster this year.

With annual symposiums, mentorship programs and funding competitions, Middlebury is one of many small liberal arts colleges reinventing themselves as modern-day startup incubators--geared toward for-profit enterprises and nonprofits alike. Driven by market demand and the idea of teaching practical skills that would create larger impacts outside of traditional liberal arts classrooms, these colleges are encouraging students to pursue entrepreneurship--in particular, social entrepreneurship. Success stories like Sword & Plough are proving that business is no longer the exclusive territory of research universities and specialty colleges.

As many liberal arts colleges have faced a falloff in enrollment over the years as well as criticism about failing to better prepare students for gainful employment and careers (see p. 70) , teaching and encouraging entrepreneurship has emerged as a smart strategy and powerful tool.

"How do you translate the values of liberal arts education, which is about creating innovative ideas, into something actionable after you graduate in this startup economy?" asks Patrick Bultema, executive director at Colorado College's Innovation Institute. "What we create here is to help with that translation exercise." Colorado College, which this year ranks third on FORBES' Most Entrepreneurial Colleges list, gives out $50,000 in seed money at its annual The Big Idea pitch competition. The school is not alone: Other colleges shell out small fortunes to encourage student venture ideas. Hampshire College, known for its open curriculum and lack of distribution requirements or grades, for instance, created a $1 million seed fund in 2013 that aims to allocate $200,000 a year for five years.

Middlebury ranks second on this year's list, boasting more founders and owners among alumni and students on LinkedIn than even UC, Berkeley or Cornell University (adjusted for student body size). How does a tiny school in rural Vermont do that? As an umbrella for the college's entrepreneurial initiatives, in 2007 Middlebury founded the Programs on Creativity & Innovation, including MiddEntrepreneurs--a one-month intensive, full-time course that focuses on starting a company. Along the way the college converted the Old Stone Mill, a five-story building in downtown Middlebury, into a co-working space. "It was almost like we were taking these ideas from business schools and figuring out what a Middlebury version would be," says Associate Dean Elizabeth Robinson, the program's founder.

For Cavness, Novogratz's speech was only the inspiration. On top of the $3,000 grant, the Sword & Plough team raised funding from MiddStart, Middlebury's internal Kickstarter-like fundraising site, and a seed investment from Alan Hassenfeld, former CEO of Hasbro who endowed the college's -Center for Social Entrepreneurship. Before her seven-month deployment to Afghanistan as second lieutenant in the 4th Engineer Battalion, Cavness introduced her startup to the outside world, raising an additional $312,000 on Kickstarter for a campaign that targeted just $20,000. "Middlebury was there every step of the way, challenging me in every aspect of the business model to incorporate social impact," she says. It helped that the Center for Social Entrepreneurship was situated just two floors below her dorm room.

Startup infrastructure can be a powerful recruitment tool for bright students who appreciate the traditional liberal arts model but also are attracted to the Silicon Valley ethos. Megan Grassell, who at age 17 founded Yellowberry, a company that makes and sells age-appropriate bras for girls, said Middlebury's support for entrepreneurship helped make her college decision. "For Middlebury to have all the resources at my fingertips and an environment so supportive of young entrepreneurs, it's inspiring as an incoming freshman," says the 19-year-old, who doesn't want to specialize in business as an undergraduate, despite her experience. "With the incredible resources at the entrepreneurship program, it's the best of both worlds."

Colleges do best when they build such resources on top of core strengths. Eric Lima, a mechanical engineering professor who helps run Cooper Union's popular Invention Factory summer program, intentionally emphasizes making products rather than becoming an entrepreneur. "When students make something exciting, they often want to develop it commercially," says Lima. Focusing on problem solving and product creation, New York City's Cooper Union, whose curricula are based on engineering, fine arts and architecture, tops the Most Entrepreneurial Colleges list this year.

At many schools that entrepreneurial atmosphere is initially -driven by alumni. Colgate alum and serial entrepreneur Andy Greenfield started a one-man mentorship program at his alma mater that same year. Today his Thought Into Action Entrepreneurship Institute, backed by Colgate's president, hosts entrepreneur weekends to bring back alumni--along with big-name entrepreneurs such as Richard Branson and Airbnb's Brian Chesky--to connect with current students. Oberlin College & Conservatory has taken a sim ilar path. The seven-alumni executive committee that leads its LaunchU accelerator, which supports about 20 students' business ideas each year, will soon defer to a new employee hired to be the college's "Director of Entrepreneurship."

As historically antibusiness colleges begin to look more like Y Combinator, internal debates about academic priorities are inevitable. "There were some understandable concerns from certain segments of the university about if and how entrepreneurship fits into a liberal arts college," Greenfield says.

That's why social entrepreneurship--a marriage of nonprofit idealism and business techniques--fits liberal arts so perfectly. "The term 'social entrepreneurship' gives students the license to put their -energy and passion into something they wouldn't have thought of previously," says Makaela Kingsley, director of Patricelli Center for Social Entrepreneurship at Wesleyan University. Without such a pitch, many students tell her, they would never have visited the center because "entrepreneurship" sounds too corporate. For Kings-ley, her first task is to help students adapt a broader definition of business. "Our top priority is social good, and that always has to trump profits, but it doesn't have to preclude profits," she says. "Learning some practical skills is no doubt going to lead the students to working toward the greater good."

Social entrepreneurship is quickly becoming a higher-ed staple. Three years ago Middlebury started the first forum to discuss social entrepreneurship in the context of a liberal arts education, attracting fewer than 60 educators from 16 colleges and universities. The number of attendees doubled to 115 at the fourth annual forum this June, with professors and school administrators coming from colleges such as Pomona College in California, Connecticut College, Swarthmore and Rollins College in Winter Park, Fla. Existing programs at schools are also becoming a larger part of campus life. Over 25% of students at both Middlebury and Colgate are actively involved with their schools' entrepreneurial initiatives.

As Sword & Plough continues to grow, Cavness found herself back at Middlebury's campus to mentor students during the past January term. Says Cavness, "To give back two and a half years later in the teaching and mentorship role was truly amazing."

Most Entrepreneurial Colleges
Top research universities aren't the only startup launchpads.

1 Cooper Union
Mechanical engineering students must take Principles of Design, a hands-on course modeled after Stanford's popular Lean LaunchPad.

2 Middlebury College
The four-week immersion program MiddCore has brought in over 40 entrepreneur mentors such as Peet's Coffee and Tea CEO Dave Burwick.

3 Colorado College
The school's Innovation Institute hosts Innovation Thursdays, weekly workshops on nitty-gritty startup skills.

4 Bennington College
Students often start ventures during Field Work Terms--four seven-week winter terms required for graduation.

5 Morehouse College
MLK Jr.'s alma mater hosts an annual Innovation Expo for undergrads from historically black colleges and institutions that serve minorities.

6 Hampshire College
Thanks to $1 million from alum and VC Michael Vlock, Hampshire is shelling out $200,000 a year to student ventures.

7 Skidmore College
Nearly a third of every graduating class takes MB107, in which students give presentations in teams to executives in a boardroom setting.

8 Trinity University
Incoming first-years can sign up to live on a floor together in Beze Residence Hall, nicknamed the "Entrepreneur Floor."

9 Wesleyan University
The Patricelli Center of Social Entrepreneurship, endowed by a $2 million alumni gift, has built a network of more than 100 alumni volunteers.

10 Westmont College
Its entrepreneurship center sends students to Haiti to help launch locally owned small businesses, like food stands and moped taxi services.

11 Rollins College

The college introduced a social entrepreneurship major in 2014, and over 200 students have enrolled since.

12 Pomona College
The student-run Pomona Ventures organizes an annual Sage Tank, a pitch competition modeled after Shark Tank.

13 Emerson College
The Emerson Experience in Entrepreneurship--a.k.a. E3--is a yearlong business boot-camp course.

14 Claremont McKenna College
Billionaire benefactor Henry Kravis ('67) gives $15,000 annually to CMC's Innovative Start-Up Award.

15 Vassar College
Alum Caterina Fake, cofounder of Flickr with ex-hubby Stewart Butterfield (see p. 70), is on her third startup, Findery, a travel guide.

16 Connecticut College
The Holleran Social Entrepreneurship Initiative has backed projects ranging from a campus bike cooperative to a service trip to Uganda.

17 Ohio Wesleyan University
An entrepreneurial scholars program combines classwork with internships and competitions.

18 Colby College
The Kennebec Valley Entrepreneurial Network links students at Colby and surrounding Maine colleges with local business owners.

19 Smith College
Dozens of teams--each led by a woman--pitch startup ideas at Smith's annual Draper Undergraduate Women Entrepreneurs' Competition.

20 University of Puget Sound
Nine promising juniors and seniors are selected to live in the Entrepreneurship Flat, also known as the E-House.

Most Entrepreneurial Research Universities
The usual suspects still rule. Newcomers: BYU, Northeastern and USF.

1 Stanford University
Design for Extreme Affordability challenges grad students to design lifesaving technologies and apply them to impoverished communities.

2 Massachusetts Institute of Technology
A venture accelerator is a launchpad for student entrepreneurs, including up to $20,000 equity-free funding.

3 University of California, Berkeley
Cal Berkeley's Startup Competition has awarded nearly $1 million in prizes to budding companies.

4 Cornell University
This fall Cornell's Entrepreneurship Summit NYC will feature Philip Krim and Neil Parikh, founders of sleep startup Casper.

5 University of California, Los Angeles
Students chosen to manage UCLA's Student Investment Fund control a $2 million portfolio.

6 California Institute of Technology
The Entrepreneurship Club hosts boot camps and takes students on field trips to Silicon Valley.

7 Brown University
VC-backed custom T-shirt platform Teespring was started by two seniors.

8 Princeton University
Princeton hosts an annual startup competition and has a network of more than 10,000 entrepreneurial graduates.

9 Dartmouth College
Spawned numerous iconic franchises, from Dr. Seuss and Mother Jones to BLACKprint, an Afrocentric media platform.

10 Pepperdine University
Offers a master of arts in social entrepreneurship and change with emphasis on Christian values.

11 Yale University
At Tuna Tank a student audience votes on business pitches using a mobile app.

12 Rensselaer Polytechnic Institute
The School of Management has eight Entrepreneurs in Residence, all successful business leaders.

13 Northeastern University
It has partnered with more than 100 startup employers to connect students with six-month, full-time co-op experiences.

14 Southern Methodist University
An arts-entrepreneurship program is geared toward increasing the chances of making a living in the arts.

15 New York University
It has a 6,000-square-foot lab for student entrepreneurs that features co-working spaces, an event space and a fabrication lab.

16 Clark University
An entrepreneurship class recently inspired Rebecca Liebman to create LearnLux, a leading interactive website that teaches financial literacy.

17 Brigham Young University
Its Mobile App Competition, which recently awarded student developers nearly $16,000, is just one of many annual startup contests.

18 University of Colorado, Boulder
Its Center for Law, Technology & Entrepreneurship teaches crash courses on pitching to angel investors.

19 University of San Francisco
The cofounders of Starbucks met at this school, and the coffee giant's green logo is a nod to the university.

20 Howard University
It has 10,000-square-foot of space on campus set up for a Technology & Innovation Hub.

Classification

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Publication-Type: Magazine

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(78%); SELF EMPLOYMENT (78%); CHARITIES (76%); GRANTS & GIFTS (76%); EMPLOYMENT GROWTH (75%); LITERATURE (73%); ARMIES (72%)

Industry: COLLEGES & UNIVERSITIES (89%); MILITARY SCHOOLS & ACADEMIES (78%); VENTURE CAPITAL (76%); FERTILIZERS (56%); ELECTRONIC COMMERCE (51%)

Geographic: VERMONT, USA (79%)

Load-Date: July 31, 2015

8 tips for a stress-free semester end

The Sandspur: Rollins College

November 12, 2014 Wednesday

University Wire

Section: OPINION; Pg. 1

Length: 645 words

Body

It's the most wonderful time of the year.
Of course I'm talking about Christmas, duh. No, just kidding. This is the month where we incessantly stuff ourselves with turkey and be thankful for all our wonderful blessings. Of course, when I mentioned the most wonderful time of the year, I was obviously directing my intention towards final exams early next month. As we rapidly approach December and the end of fall semester, here are some helpful tips on how to make your last few weeks stress-free.

We're hitting the last few weeks of the semester. I know you're obviously dragging every 10-page paper you have to turn in for each and every one of your classes and quite frankly - you're over it. You're over writing papers. You're mentally drained and you just want to karate-chop the table that contains the stack of piled-up homework, into pieces. Although, believe me, It'll be so rewarding when you receive those stellar grades and you know you made the effort to turn all your work in on time. So put your priorities into perspective, and at least try to get all your assignments out of the way first. Don't be that one person who's up until 4 A.M. writing a paper that's due the next morning.

I get it. You have to get your morning cup of coffee or you won't be able to function properly. You'll have some type of mental breakdown if you don't get to class with that white cylinder-shaped cup with the clearly displayed **green logo** on the front. Yeah, I'm talking to you - **Starbucks** aficionados. Be on time. Make good use of all the great opportunities not only Rollins, but your professors provide for you as well. Use your tools wisely; that's why they are there.

And when I say a 'good amount of hours' - no, I don't mean 4 after you've been completely hung-over and wasted from the party that happened the night before. I mean roughly 7-8. And no, my intent isn't to transform myself into your mother - but it wouldn't kill all of us to be well rested for class. I'm all for naps but the last thing you want to do is become nocturnal. Instead of your energy diminishing, make an attempt boost it up as these weeks go by. Don't only do this for one day. Keep it consistent.

Schedule a conference, talk to them after class, and ask what you can do to bring up your grade. You still have time to recover your grade even if it's as sinkable as the Titanic itself. Unlike the ship, you can revive the letter grade. Use these last few weeks to your advantage and step it up.

It only causes you a pack-load of anxiety and no one wants to be that one person whose dramatically freaking out about every assignment left that's due. Although one way to avoid stress to the maximum is if you plan beforehand, finish assignments as soon as you can, and use your time management skills to the best of your ability. This doesn't mean you won't entirely experience a mental breakdown during the week of finals, but it'll help tone it down a notch.

Party all you want, buy yourself a nice Rollins hoodie at the Bookstore, go out to dinner with girlfriends or bros. It's perfectly okay to take breaks in between study sessions or jog right afterwards, but always remember to not lose focus. A-grades on your college transcript aren't given - they're earned.

Who's with me? No one? No? Okay. On to the next.

Sometimes it can become incredibly easy to get sidetracked. Friends, parties, weekends. Yeah, college is supposed to be a huge ball of fun and excitement but don't forget why you came to Rollins in the first place. Perhaps the beautiful campus had some influence on that decision, but know you came here because you felt the college fit your educational aspirations. So, don't accept mediocrity. Don't strive for a C in your class and be fully content. If you're going to go all way, do it. In my utmost attempt to be extraordinarily corny - it's like they say: go big or go home.

Classification

Language: ENGLISH

Publication-Type: Newspaper

Subject: CHRISTMAS (78%); EDITORIALS & OPINIONS (50%)

Geographic: Winter Park; FL

Load-Date: November 13, 2014

The Logo Redesign - Can Your Brand Survive?

Business 2 Community.com

June 2, 2013 Sunday 7:50 PM EST

Length: 1173 words

Body

Jun 02, 2013 (Business 2 Community.com:*http://www.business2community.com* Delivered by Newstex)
In 2012 logo redesign was very popular with some of the biggest brands. From Arby's to Wendy's - with eBay, Corvette and Dominoes in between - some of America's biggest hitters were bent on having a facelift. In fact, the only thing that outnumbered logo upgrades was the slew of responses to those upgrades. It seems when it comes to redesigning images seen as global institutions everyone has an opinion.

For businesses thinking of a logo redesign, the experiences of recent years tell you two things. First - if logo change is good enough for Microsoft, it's good enough for you. And second - if a corporate giant like Gap can get it wrong, then any company undergoing an upgrade is taking a risk. In other words, when it comes to logo redesign - can your brand survive?
Asses if Change is Necessary
But before you ask if your brand can survive, you need to ask if change is necessary. Your answer might be 'yes' is if your logo appears dated. Some designs are timeless (think Coca-Cola - arguably the world's most recognized brand[1]). On the other hand, if yours has the appearance of something that should have been left in a bygone millennium, then an update is vital. But a redesign isn't just about how your logo looks, it's about what it represents.
Let Your Brand Guide Your Logo
If your brand is your company's personality, then the logo is its face. But if your business has changed over time then your logo might not fit your brand. So when potential customers use your logo to identify who you are, they could be getting it wrong.
It's what you do as a company that makes your logo work - a logo gets its meaning from its brand. And brands are created by the way we perceive them. A new logo won't make us see a brand in a completely new or different way, but it can certainly help influence how we respond to a company.
You Don't Have to be Literal
A common mistake is to feel the need to use an image that details what your business does - like a steaming cup for a coffee company. Just think how many other coffee sellers will settle on the same idea. Logos don't need to be literal - often the best ones are symbolic instead of functional. The newest Starbucks coffee icon has no name and no cup - it represents the personality of the company, not the product.

Notice how even an established market leader like Starbucks had to advertise their new 2011 logo to their customer base
Consider Color
Color is key, but it's complex. You can look at leading brands to get an idea that blue is corporate, red is fashion or food and green is any company wanting to project an ecologically progressive or health-conscious image. What you also need to think about is the global potential of your brand - a color can mean one thing in the US and something completely different abroad.
Keeping to the Starbucks example, we can see how a logo's color helps make the right impact. Most companies selling coffee opt for brown. **Starbucks** not only stands out from the crowd with the choice of a **green logo**, it also sends messages of a brand that is fresh as well as environmentally aware.
Whatever color you settle on, always make sure your logo looks great in black and white - it'll be seen this way more than you'd think.
Strive for Simplicity
There's nothing simple about redesigning a logo. But that doesn't mean a logo shouldn't be simple. One way to achieve this is to have an uncluttered design. If we return to Starbucks again you'll see that over the years the logo has become simpler and more pared down. This is the way most companies are heading. Amidst the noise of the consumer market it's

a welcome respite to come across something simple.

Use Vectors

And a sure way to achieve simplicity is to design in vectors. Vectors are great options over bitmap (jpeg) images because they don't use pixels. This provides the ability to create a clear, clean logo, whether it's reproduced on a stamp or a billboard. If you're a graphic artist, you'll know exactly what vectors are and what they do. But if, like most of us, you're not a trained designer then you can find an easy guide to vector icons[2] here.

Use Responsive Images

Vectors help a logo to work across multiple media types. The ability to upsize and downsize means the logo will fit anywhere. But when it comes to dimensions and orientation, use responsive images. This means that you can design a logo that adapts to suit any screen size - from a portrait cell to a landscape laptop. If your company design department is you, read through a guide to creating responsive images[3].

Keep Cost in Mind

As a business everything comes down to cost. And the price of changing a logo is not just the cost of the image. Even if you get your icon for a steal, you have to consider the cost of rolling that icon out across your company.

From business cards to packaging, your logo will be on everything. Which means a redesign is a huge financial investment. And changes to the logo will mean changes to your company identity - your icon must fit seamlessly into everything visual associated with your business, from store fronts to uniforms.

So at this stage your logo may have been approved by the partners and signed off by the CEO, but any successful business understands who really holds the power - your customers. Can your brand survive an expensive misjudgement[4]? This is where the three Rs come into play:

Research. Research. Research.

Any company is asking for trouble if you redesign a logo without first soft launching to at least one focus group - even if you're a business of one and your test audience is your mom. That said, if your mom isn't the demographic you're pitching your product to, then it's time to work out who is. Because researching your customer base is as important as getting their opinions once you've found them.

Gap's logo fail of 2010[5] meant that after a single week of online backlash, the clothes company retreated to their original icon. The lesson here is always do your homework. And recognize you don't need to completely redesign your logo. Like Starbucks, you can just give it a gentle retouch. This way - with the right marketing of you company's new face - you can keep the trust of your loyal customer base and still reach out to new demographics.

As you make your choices about your logo redesign keep this in mind: the best logos are simple, memorable and timeless.

Stock Images[6] provided by BigStock Photo

[1]: http://www.interbrand.com/en/best-global-brands/2012/Best-Global-Brands-2012-Brand-View.aspx [2]: http://www.bigstockphoto.com/blog/an-intro-to-working-with-vectors/ [3]: http://www.shutterstock.com/blog/2013/05/how-to-use-responsive-images-to-make-your-site-shine-on-any-platform/ [4]: http://www.time.com/time/specials/packages/article/0,28804,1914815_1914808_1914804,00.html/ [5]: http://www.vanityfair.com/online/daily/2010/10/new-gap-logo-despised-symbol-of-corporate-banality-dead-at-one-week [6]: http://www.bigstockphoto.com/

Classification

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Company: MICROSOFT CORP (56%); COCA-COLA CO (55%)

Organization: Corvette; Microsoft; Starbucks; The Coca-Cola Company; eBay

Ticker: MSFT (NASDAQ) (56%); KO (NYSE) (55%)

Industry: COFFEE & TEA STORES (83%); COFFEE (83%); COFFEE & TEA (78%); BRAND EQUITY (78%); BRANDING (78%)

Geographic: UNITED STATES (78%)

United States

Load-Date: June 6, 2013

Starbucks almost complete at Harris Teeter

The Watauga Democrat (Boone, North Carolina)

April 9, 2012

Section: NEWS

Length: 269 words

Byline: Kellen Moore

Body

Just three months after Boone welcomed its first **Starbucks**, local residents will soon be seeing more of the iconic **green logo**.

A second hub for the addictive coffee shop is set to open April 30 inside the Harris Teeter, store manager Bill Lander said.

The Starbucks-licensed operation will offer everything a typical Starbucks offers except for reheated breakfast and lunch sandwiches, said Catherine Reuhl, communication manager for the Harris Teeter chain. The new setup also includes a seating area with wifi.

Bringing this coffee hub to fruition hasn't been simple.

Harris Teeter announced plans last year to include a Starbucks in its widescale store renovation.

That nine-month renovation, which recently concluded, also added 9,600 square feet, a salad bar, an expanded floral department, a new beer and wine section and several other features.

Reuhl said the grocery store decided to instead move forward with a Harris Teeter coffee station and seating area rather than a Starbucks to remain compliant with lease agreements.

"In December, we were informed the situation changed; Harris Teeter could and decided to move forward with a Starbucks," Reuhl said.

As the planning continued at Harris Teeter, the Courtyard by Marriott opened in January with a 24-hour Starbucks refreshment station - and earned the distinction of being "Boone's first Starbucks."

Lander said that the Harris Teeter location will offer a greater variety of Starbucks selections than the Marriott site.

Harris Teeter is looking to hire about 15 new employees, and more information is available at *http://HarrisTeeter.com* , Lander said.

Graphic

This will be the sign that will greet coffee lovers at Harris Teeter when Starbucks opens there. Kellen Moore | Watauga Democrat

Classification

Language: ENGLISH

Publication-Type: Newspaper

DEBBIE MAGLIONE

Subject: MANAGERS & SUPERVISORS (77%); AGREEMENTS (77%)

Company: STARBUCKS CORP (93%); HARRIS TEETER INC (90%); MARRIOTT INTERNATIONAL INC (55%)

Industry: COFFEE & TEA STORES (90%); GROCERY STORES & SUPERMARKETS (72%); BEER & ALE (69%); BUILDING RENOVATION (69%); ALCOHOLIC BEVERAGES (54%)

Load-Date: November 1, 2012

Funeral home adds little sip of heaven: Starbucks coffee

THE DALLAS MORNING NEWS

March 17, 2011 Thursday, EDITION1

Forbes

Section: WEST METRO; Pg. B01; STEVE BLOW

Length: 558 words

Byline: STEVE BLOW, Sblow@dallasnews.com dallasnews.com/metroblog

Body

People have joked for years that you can't turn around without seeing a Starbucks.

But let's be fair. Funeral homes never had Starbucks. Until now.

Talk about coffee to go.

At McKinney's Turrentine Jackson Morrow Funeral Home, it's now possible to pay your respects to the dead or plan your own funeral with a venti Caramel Macchiato in hand.

"I think we could be the first in the nation," said funeral home co-owner Terry Turrentine Irby. "We're a little progressive as funeral homes go."

I couldn't get confirmation of that first-ever status from Starbucks headquarters. But neither could I find any news stories about another one in the country.

Terry and I visited in the new mortuary Starbucks coffee shop. I was having a tall Caffe Mocha and thoughts of death.

Terry sees the Starbucks as a natural, not-so-unusual fit. "We're a full-service funeral home," she explained.

Indeed, the small coffee shop sits just across the entryway from a display of grave markers. And the aroma of brewing coffee competes with sweet smells from the adjacent florist and gift shop.

With a room full of caskets just down the hall, I could have easily done my complete pre-need funeral planning before my coffee got cold.

There is no **Starbucks** sign outside the funeral home. But the familiar **green logo** at the coffee shop inside has definitely caused some double takes.

"I had somebody the other night take a picture of it. They just couldn't believe it," Terry said.

If anyone has been bothered by the unusual confluence of coffee beans and bereavement, they haven't complained to Terry.

On the contrary, visitors to the funeral home and adjoining cemetery have told her they find the Starbucks both convenient and somehow soothing.

"How did Starbucks get so big? People find comfort in their coffee," she said.

The shop has only been open a few weeks, but Terry said she already knows of people meeting at the funeral home for coffee just because it's the most convenient Starbucks location for them.

DEBBIE MAGLIONE

And did I mention the free Wi-Fi?

Can caffeinated teens and laptops be far behind? (In a funeral home? Yes, probably far, far behind.)

To be clear, this is not a Starbucks-owned store. It's owned and operated by the funeral home but licensed by Starbucks to sell its products, use its brewing equipment and so forth.

It sure feels like any other Starbucks. And what a twist for a business that began as a livery stable.

Who could have predicted Iced Tazo Chai tea was in the future when S.J. Massie opened his horse-and-buggy business in McKinney in 1888?

He began selling coffins and renting out horse-drawn funeral wagons on the side. Then the livery stable evolved into the S.J. Massie Undertaking Co. in 1913. It was just off the square on Louisiana Street, in the same spot where Doug & Lynda's Ski Shop now does big business.

Audie Turrentine and Grady Jackson bought the funeral home in 1945. Later, Jackson's son-in-law, Doyle Morrow, saw his name added to the family business.

And it's still a family affair, with nine descendants of Turrentine and Jackson on the staff. Terry, 51, is Turrentine's granddaughter.

She spent the first 10 years of her life living in the funeral home when it was on Tennessee Street.

In 1973, the funeral home moved to its current McKinney/Allen location on U.S. 75 at Ridgeview Drive.

And that does make a convenient stop for coffee.

Or a burial.

Graphic

PHOTO(S): (Louis DeLuca/Staff Photographer) A co-owner of McKinney's Turrentine Jackson Morrow Funeral Home says visitors find the Starbucks convenient and soothing.

Classification

Language: ENGLISH

Publication-Type: Newspaper

Subject: HORSES (61%)

Company: STARBUCKS CORP (93%)

Ticker: SBUX (NASDAQ) (93%)

Industry: FUNERAL HOMES & SERVICES (90%); COFFEE & TEA STORES (90%); COFFEE (77%); CEMETERIES (71%); FREE INTERNET ACCESS (68%); LAPTOP COMPUTERS (60%)

Load-Date: March 17, 2011

We cheer the march of the Peet's

The San Francisco Chronicle (California)

December 15, 2009 Tuesday, FINAL Edition

Section: Datebook; Pg. E8; JON CARROLL

Length: 747 words

Byline: Jon Carroll

Body

I can't remember when I had my first cup of Peet's coffee. It may have been at the original location at Vine and Walnut, in the heart of what is now called the Gourmet Ghetto but was then called North Berkeley. The store was cheerful and friendly, and the coffee was good, and 1966 - that's the year Peet's opened - was not exactly a good year for premium coffee.

Most of the coffee I drank that year was instant. I believe I even had a preference in brand, although I can't remember what that preference was. I do remember thinking that Yuban was a pretty high-class version of ground coffee. Peet's was a little pricey and far away from where I lived; I made do with lesser brews.

As I led my life in the East Bay, coffee gradually became more important and Peet's became more central. As a loyal Bay Area person, I had a disdain for Starbucks, although it later turned out that Starbucks was inspired by Peet's and its owners and had even bought coffee beans from the sainted Alfred Peet, the Dutch immigrant who established the rules of good coffee retailing when he opened the first store.

Peet's is no longer a mom-and-pop operation; it has 196 stores in six states but mostly California and will do $300 million in business this year, according to the New York Times. Starbucks has, according to its own fact sheet, about 11,000 stores in 49 countries, and has been a flash point of controversy and fistfight-provoking boycotts. So, in terms of big coffee retailers, Peet's is still a minnow in the globalization ocean.

Starbucks also serves pretty good coffee. I can remember a flash of pleasure when I drove into a small town along the Hudson River about an hour north of New York City and saw that familiar **green circle**. Ah, liquid energy! What does venti mean, exactly? I still get confused at **Starbucks**, I regret to say.

In Oakland, I am surrounded by Peet's locations. Domingo, Montclair, Lakeshore - they're all in my shopping ambit. And now that the new one has opened up within walking distance down on Fruitvale, I'm pretty much in heaven.

Each store feels local, which is nice. It has touches, like benches outside for casual sippers many of whom ride bicycles - apparently cycling and caffeine go well together, and friendly people behind the counter who look a lot like the people who might live within a block or two of the store. That means that the people behind the counter at the Fruitvale location look different than Montclair employees, which is in itself comforting.

The Fruitvale store is on a block with the Farmer Joe's and La Farine and good new Japanese and Indian restaurants, which I suppose means that it's being gentrified, but I suppose I is the gentry now and I'm happy about the changing neighborhood. Life is full of compromises.

Well, it turns out that Peet's is trying to open up a store in Sausalito, and many of the residents are opposing it. It is a "formula retail" shop, and the laws in Sausalito prohibit the establishment of chain stores within the city limits. Now some voters have nothing against Peet's per se, but they do have something against Wal-Mart, and they fear the slippery slope.

Let me share with Marin friends our experience here: Neither Olive Gardens nor Targets have followed Peet's into our neighborhoods. The Vine Street location is surrounded by locally owned establishments of great culinary or textile merit. Indeed, one might think that the stores that have clustered around the various East Bay Peet's serve their neighborhoods better than 37 art galleries and purveyors of fine scrimshaw, but one would not wish to make such a judgment. The need for seascapes might be greater in some places than in others.

Besides, in my experience, all Peet's become mini-agoras, gathering places for neighbors who want to shoot a little fat and chew a little breeze. Sometimes dogs are involved too, so there is sniffing going on, and the comical tangling of leashes, and the general social chaos that reminds me of a street fair or farmers' market.

I hope the city fathers and mothers take advantage of the opportunity and allow Peet's into their picturesque community. Really, we should stick together, us West Bayians and East, because out there the coffee is not always good and the counterpeople are not always pleasant and we live here for a reason. Really, try it. You'll like it. No Walmarts.

Plus, if you buy beans and don't want a cup of free coffee right that minute, you get a free gift card. I have about 17.

Classification

Language: ENGLISH

Publication-Type: Newspaper

Subject: SMALL BUSINESS (77%); BOYCOTTS (63%); CYCLING (60%); DATEBOOK

Company: Peet's

Industry: COFFEE & TEA STORES (90%); COFFEE (90%); RETAILERS (77%)

Geographic: SAN FRANCISCO BAY AREA, CA, USA (90%); OAKLAND, CA, USA (73%); NEW YORK, NY, USA (67%); NEW YORK, USA (78%); CALIFORNIA, USA (78%); USA; CALIFORNIA; ALAMEDA; BERKELEY

Load-Date: December 14, 2009

Coffeehouses flood Redlands

San Bernardino Sun (California)

July 28, 2007 Saturday

Section: NEWS

Length: 808 words

Byline: Andrew Edwards, Staff Writer

Body

REDLANDS - Inside the "doughnut hole," Starbucks appears to hold the (caffeine) high ground.

There are three Starbucks at Citrus Plaza.

The Seattle-based chain has a free-standing store in the shopping center, as well as a store inside the Target and one in the Barnes & Noble.

"Doughnut hole" is the nickname for the rapidly developing area of a San Bernardino County pocket in northwest Redlands.

With so many Starbucks in the area, it's easy to remember a joke from the movie "Best in Show," when a married couple talk about how they met at Starbucks.

But it wasn't at the same cafe. He went to one Starbucks. She was at the one across the street.

Nearby, inside Redlands proper, another Starbucks is in business around the intersection of Alabama Street and Orange Tree Lane.

A short distance away, near Alabama Street and Redlands Boulevard, there's yet one more Starbucks.

It's not really new to notice that Starbucks are just about everywhere. Remember the episode of "The Simpsons" that featured a shopping mall with nothing but rows of Starbucks stores?

In the real world, the chain has so many stores in so many cities that an army of baristas could probably use their outlets to mount a takeover of the free world, if they were into that sort of thing.

But the company that insists upon calling a small drink "tall" doesn't yet have total control over the Inland Empire's coffee drinkers. The several Starbucks inside and around Citrus Plaza are going to have some competition.

"It's a coffee war," joked Kelley Connor, assistant manager at the free-standing Starbucks at Citrus Plaza.

Which coffee chain winds up challenging Starbucks is not yet known. Signs outside the doughnut hole's Palm Grove shopping center advertise the place as the future site of a store in The Coffee Bean & Tea Leaf chain.

Like Starbucks, The Coffee Bean & Tea Leaf sells hot coffee, tea and cold blended drinks. The two chains already compete against each other in downtown Redlands with shops across from each other on Orange Street.

Both chains are decorated to feel like a hip, arty cafe but are sufficiently branded so customers can expect a similar menu whether they're in Redlands, Rancho Cucamonga or West Los Angeles. Both also sell CDs.

But they're not the same. Starbucks has green straws. The Coffee Bean's straws are purple.

DEBBIE MAGLIONE

To date, Starbucks has penetrated the Inland Empire caffeine market to a greater extent than the Los Angeles-based The Coffee Bean & Tea Leaf. Coffee cups from about 110 San Bernardino County cafes are emblazoned with **Starbucks' green logo**.

The Coffee Bean & Tea Leaf has seven stores in the county.

And it's not even a certainty that their purple straws will see the light of day in the doughnut hole.

Charles House, the developer behind Palm Grove, said Friday there's a chance that his deal with the Coffee Bean may fall through. His backup plan is to bring in a different Starbucks competitor, Peet's Coffee & Tea.

"We will definitely have a coffee store there," House said.

And there's room for more coffee proliferation inside the doughnut hole, House said. He's observed that the existing Starbucks in the area are often busy and since the City of Industry-based Majestic Realty Co. is planning another large shopping center for the area, there's a strong chance of more coffee shops coming in.

To House, the doughnut hole's coffee market is far from being saturated. Heck, Palm Grove could have been the site of yet another Starbucks, but the developer said he wanted to go with something different from what was available across Alabama Street.

But the plethora of Starbucks around the doughnut hole isn't exactly a rare situation. The Victoria Gardens shopping center in Rancho Cucamonga is home to multiple Starbucks. The place is common enough around Southern California to be like the McDonald's or Carl's Jr. of coffee.

"I live in Monrovia, and I don't know if you've ever been there, but within a 10-block radius there are four Starbucks and two Coffee Beans," said customer Frances Calderon while drinking a beverage and reading The Economist at the Starbucks inside Citrus Plaza's Barnes & Noble.

Although the dominance of Starbucks is hard to miss, the chain is not the only place around town to get a coffee fix. Smaller chains like Grounds for Enjoyment and It's a Grind do business in the Inland Empire.

Other coffee alternatives include Stell Coffee and Tea Co. in Redlands, and Fox Coffee House & Patisserie in Redlands and Loma Linda. Away from the county's urban core, there are places like the Lake Gregory Coffee Co. in Crestline and the Water Canyon Coffee Co. in Yucca Valley.

Albert Carreon, a shift leader at Fox Coffee in Redlands, likes the sense of individuality he sees at indie coffee houses.

"Everybody's different and our customers seem to enjoy it," he said. "It's more like neighborhood bartenders for coffee."

Classification

Language: ENGLISH

Publication-Type: Newspaper

Subject: MIDDLE MANAGEMENT (72%)

Company: STARBUCKS CORP (94%)

Ticker: SBUX (NASDAQ) (94%)

DEBBIE MAGLIONE

Industry: RETAILERS (90%); COFFEE & TEA STORES (89%); COFFEE (89%); COFFEE & TEA (88%); MUSIC STORES (72%)

Geographic: LOS ANGELES, CA, USA (92%); SEATTLE, WA, USA (79%); CALIFORNIA, USA (91%); WASHINGTON, USA (79%)

Load-Date: July 29, 2007

Academic looks for the meaning of modern life at Starbucks - Correction Appended

The Associated Press State & Local Wire

April 17, 2006 Monday 7:34 AM GMT

Correction Appended

Section: BUSINESS NEWS

Length: 737 words

Byline: By JILL LAWLESS, Associated Press Writer

Dateline: LONDON

Body

A cup of coffee is just a drink. But a frappuccino is an experience.

So believes Bryant Simon, a historian who is searching for the meaning of modern life amid the round tables and comfy sofas of Starbucks coffee shops.

Simon, who teaches at Philadelphia's Temple University, thinks that by spending time at Starbucks observing the teenage couples and solitary laptop-users, the hurried office workers and busy baristas he can learn what it means to live and consume in the age of globalization.

"What are we drinking, and what does it say about who we are?" Simon asked during a recent research trip to London.

His research has taken him to 300 Starbucks in six countries for a caffeine-fueled opus titled "Consuming Starbucks" that's due for publication in 2008. He is one of several academics studying a type of 21st century cafe culture Italian coffee in an American package that has spread rapidly around the world.

Founded in Seattle in 1971, Starbucks Corp. now has 11,000 outlets in 37 countries, including 500 in Tokyo. There is a **Starbucks**'s in Beijing's Forbidden City, and the round **green logo** adorns the streets of Edinburgh and the boulevards of Paris.

The company expects to open 1,800 new stores this year and aims eventually to have 30,000 outlets, half of them outside the United States.

British historian Jonathan Morris said that even in Britain a stalwart bastion of tea drinking where there are now almost 500 Starbucks stores the chain has become entrenched in daily life.

While British coffee consumption lags far behind most other European nations, sales of "premium" coffee drinks like lattes and cappuccinos are on the rise.

"I'm not sure how much Starbucks is American any more for British customers," said Morris, a University of Hertfordshire professor who is leading a research project called "The Cappuccino Conquests" about the global spread of Italian coffee.

Simon, whose last book, "Boardwalk of Dreams," was a study of Atlantic City, N.J., estimates he has spent 12 hours a week in coffee shops for more than a year.

"I try to limit myself to two to three coffees a day," he said over a "tall" that is, small filter coffee at a Starbucks outlet in London's bustling Islington neighborhood.

Starbucks and other coffee houses, he believes, fill "some kind of deep desire for connection with other people."

But unlike the coffee houses of 18th century London or the bohemian java dens of 1950s New York, "Starbucks makes sure you can be alone when you're out if you really need to be," he said. "You get the feeling you're out in public, but you don't need to talk to anyone."

Simon's research has made him finely attuned to the many varieties of the Starbucks customer, from the twentysomething female friends at a nearby table to the middle-aged man hunched over his laptop computer.

"This kind of guy is renting space," said Simon, a boyish 44-year-old who visited 25 Starbucks during four days in the British capital. "He bought a cup of coffee in order to have some space. These two women in front of us where else can women meet in urban settings?

"I was at a Starbucks up the street, and there were kids downstairs making out."

Starbucks's chairman, Howard Schultz, told shareholders at their annual meeting Feb. 8 that the company is focusing on "the Starbucks effect" that is, putting a bigger emphasis on music sales, movie marketing and other non-coffee products.

Simon believes Starbucks succeeds by "selling comfort" in an anonymous, often dislocating world. He says he has lost track of the number of times people have told him that when they traveled to a strange country, "the first thing I did when I got off the plane was go to Starbucks."

"There's a deep sense of unpredictability in the modern world, and what Starbucks provides a lot of people is predictability," he said.

However, there are regional variations. Starbucks introduced green tea frappuccinos in Taiwan and Singapore in 2001. They proved so popular, they're now on the U.S. menu.

Simon notes one big difference between British Starbucks and their American counterparts.

"Starbucks is dirty here," he said, gesturing to a mess of used lids and stir sticks on a stained tabletop. "Americans have been taught to do part of the labor, and they clean up after themselves. In the U.S., part of Starbucks' appeal is its cleanness."

On the Net:

Cappuccino Conquests: *http://www.cappuccinoconquests.org.uk*

Starbucks: *http://www.starbucks.com*

Correction

In an April 17 story about a college professor's study of the sociology of Starbucks coffee shops, The Associated Press reported erroneously that the coffee chain has 500 outlets in Tokyo. The company said it has 209 cafes in Tokyo and 616 in all of Japan.

Correction-Date: May 12, 2006

Classification

Language: ENGLISH

Publication-Type: Newswire

Subject: HISTORY (90%); COLLEGE & UNIVERSITY PROFESSORS (77%); GLOBALIZATION (70%); Studying Starbucks

Company: STARBUCKS CORP (86%)

Organization: TEMPLE UNIVERSITY (58%)

Ticker: SBUX (NASDAQ) (86%)

Industry: COFFEE & TEA STORES (90%); COFFEE & TEA (78%); COFFEE (78%); FOOD & BEVERAGE CONSUMPTION (78%); COLLEGE & UNIVERSITY PROFESSORS (77%); RESTAURANTS & FOOD SERVICE INDUSTRY (73%)

Geographic: LONDON, ENGLAND (88%); SEATTLE, WA, USA (79%); ATLANTIC CITY, NJ, USA (78%); PHILADELPHIA, PA, USA (78%); TOKYO, JAPAN (72%); EDINBURGH, SCOTLAND (72%); BEIJING, CHINA (72%); WASHINGTON, USA (79%); NEW JERSEY, USA (75%); NORTH CENTRAL CHINA (55%); UNITED STATES (93%); EUROPE (79%); UNITED KINGDOM (76%); CHINA (71%)

Load-Date: April 18, 2006

A Starbucks State of Mind

The Washington Post

May 5, 2009 Tuesday, Regional Edition

Distribution: Maryland

Section: EDITORIAL COPY; Pg. A21

Length: 783 words

Byline: Anne Applebaum

Dateline: WARSAW

Body

After the new ***Starbucks*** opened, I walked by the place a couple of times, just to see the crowds. Strategically located midway between the university and the stock exchange, the world's best-known coffee franchise immediately attracted a well-heeled clientele. Lines twisted around inside the shop and out the door. Up and down the street, blue-jeaned students and dark-suited stockbrokers carried their ***white*** paper ***cups*** with pride, the famous ***green*** label facing outward.

Yes, ***Starbucks*** has come to Warsaw at last. The brand might be out of fashion in the States; the company might be losing money. Its shares might be worth a third of what they were at their *peak* in 2006; it might have diluted its once-exclusive image through massive overexpansion. (After drinking the watery brew served by a sullen barista in a ***Starbucks*** at the Salt Lake City airport recently, I mentally cheered the chain's decision to *shut down 600 U.S. shops*.) But here in Central Europe, the arrival of Starbucks has been greeted with undiluted enthusiasm -- so much enthusiasm, in fact, that the phenomenon seems to require further explanation.

This is particularly true since Starbucks knock-offs have been available in most Polish cities for the better part of a decade. Older cafes, the kind where you drink coffee out of china cups, have been available for the better part of three centuries. Looking at that line of 20-somethings, all waiting patiently for the chance to pay twice as much for a cup of coffee as they would pay across the street, one had to wonder what was up.

The answer lies partly in the magic of brand names and status symbols but also in the psychology of the post-communist world. The arrival of McDonald's in Warsaw in the early 1990s signified for many the arrival of capitalism in Poland. The arrival of Starbucks in Warsaw -- as in *Prague* (a few months ago) and possibly Budapest (where it's been promised for years) -- signifies the entry of Central Europe not just into the capitalist world but also into the world of 21st-century-style prosperity.

It signifies, also, a very real set of economic and psychological changes. After half a century of being told by their communist governments that the future lay in factory jobs and mining (it didn't), upwardly mobile Poles now aspire to different sorts of jobs: in fashion, courtrooms and computers -- jobs that require hardworking employees to drink their coffee on the run; jobs that also leave them with enough leisure to hang out at Starbucks, doing deals. Many already have such jobs. A couple of summers ago, I ran into an American who was doing some scouting for Starbucks on a Polish beach. He was trawling Baltic summer resorts, trying to work out whether there were enough people around willing to pay $3 for a cup of coffee. Obviously, someone has decided that there are.

But even if you haven't quite attained that financial latitude, you can pretend to have done so at Starbucks. If you are still a student, or if you are just starting out in the stock market or fashion, you might not yet have the money to buy designer shoes or a new car. You are therefore more likely to indulge in small luxuries, such as overpriced coffee. (A Hungarian friend reports that business is booming in Budapest beauty salons, for the same reason.)

By the same token, when you don't have an especially nice place to live -- if you live, for instance, in a dormitory -- you might well prefer to spend your afternoons in an attractive coffeehouse. And this is where the Starbucks ethos meshes so well with the cultural history of Central Europe: At the height of their popularity, the coffeehouses of 19th-century Vienna, Warsaw and Budapest were famously frequented by people who didn't live in particularly lush apartments and thus preferred to spend their time in rooms decorated like the salons of the upper classes. Hence the association of coffeehouses with poets, literati, revolutionaries and other assorted riffraff. Hence the attraction for students today. As for the stockbrokers, they are simply back where they belong: Many of the world's stock exchanges *got their start* in coffeehouses, since merchants and traders were once outsiders, too.

In fact, with the opening of a Warsaw Starbucks, one might even say we have reached the end of a cycle. Born in Central Europe, where it embodied an ideal of luxury and a certain set of aspirations; landing in Seattle, where it came to embody a different kind of luxury and a different set of aspirations; now reimported to Central Europe, aesthetically transformed but essentially fulfilling the same function, the coffeehouse appears to have come full circle, at last.

applebaumletters@washpost.com

Graphic

IMAGE; By Peter Andrews -- Reuters; The new Starbucks coffeehouse in Warsaw last month.

Classification

Language: ENGLISH

Publication-Type: Newspaper

Subject: PSYCHOLOGY (62%)

Company: STARBUCKS CORP (93%)

Ticker: SBUX (NASDAQ) (93%)

Industry: COFFEE & TEA STORES (90%); COFFEE & TEA (77%); STOCK EXCHANGES (77%); SECURITIES BROKERS (69%); AIRPORTS (68%); PSYCHOLOGY (62%); RESORTS (61%)

Geographic: WARSAW, POLAND (91%); SALT LAKE CITY, UT, USA (79%); POLAND (91%); EUROPE (90%)

Load-Date: May 5, 2009

ARENA --- Sochi 2014: NBC's Starbucks Lockdown

The Wall Street Journal

February 21, 2014 Friday

The Charlotte Observer

Found on Charlotte.com

THE WALL STREET JOURNAL.

Section: Pg. D4

Length: 608 words

Byline: By Paul Sonne and Anton Troianovski

Body

Sochi, Russia -- NBC seems to have the jitters over its secret ***Starbucks***.

Behind the secure walls of the NBC compound here is a ***Starbucks*** counter replete with baristas who serve up hot caffeinated drinks to the network's employees. Some NBC employees were walking around the Olympic grounds proudly toting their signature ***green***-and-***white*** ***Starbucks*** ***cups***, a perk financed entirely by the network.

But suddenly, no ***Starbucks*** cups are allowed outside NBC's offices here. In fact, after The Wall Street Journal published an article about NBC's very own ***Starbucks***, the 15 baristas that NBC is paying to staff it have been doubling as security personnel, handing over steaming ***Starbucks*** cups only after ascertaining that recipients don't intend to leave NBC offices.

The rub is that ***Starbucks*** isn't an Olympics sponsor. The sponsor designated to serve branded coffee at the Games is McDonald's, whose McCafes are selling a variety of specialty coffee drinks.

After the Journal article was published, NBC coffee enthusiasts showed up at their much-loved private Starbucks and found a new warning sign. "Please enjoy your Starbucks within NBC space only," the announcement said in capital letters. "Do not leave NBC space with your Starbucks cup."

Then, security guards began stopping NBC employees trying to exit the premises carrying cups with the verboten green-and-white Starbucks mermaid, according to people familiar with the network's new coffee security measures.

"The same guards that won't let people in now won't let Starbucks out," one person with access to the coffee said, declining to be identified for fear of retribution.

That new policy also ended a smuggling operation wherein some NBC employees had been serving as Starbucks mules for friends and acquaintances at the Games. Why not share the java, after all, since the drinks -- served round the clock -- cost "customers" nothing? And with the nearest Starbucks branch in Russia over 350 miles away by car, Sochi is a kind of Siberia for Starbucks addicts.

But recently, according to one person with access to the coffee, someone trying to leave the NBC offices with a Starbucks cup was told by a guard: "No gifts. No gifts. Pour it out or go back and drink it."

The person said that he and his colleagues were told that NBC was working on getting new, unbranded cups to allow employees to travel more freely with their elite coffee. Sure enough, according a number of people, new generic cups had shown up by Wednesday: an orange-and-brown variant with arguably less cachet.

Baristas have taken to asking whether "customers" plan to consume their coffee on the NBC premises or outside the broadcaster's cordoned-off area, one coffee drinker familiar with the matter said. If the employees agree to stay within the NBC compound, they can get a coveted Starbucks cup; if they plan to travel to the outer world, they receive a generic cup, the coffee drinker said.

To serve the roughly 2,500 people NBC sent to Sochi, and to serve guests to the NBC compound, the network flew in baristas from around Russia, which has Starbucks only in Moscow, St. Petersburg and Rostov-on-Don.

NBC says its private Starbucks isn't stepping on McDonald's toes because the special coffee is a "personal item" and not on sale to the general public. Even journalists with access to the media center who don't work for NBC can't access the Starbucks and instead must drink McDonald's offerings or generic-brand local coffee.

NBC declined to comment on what spurred the recent Starbucks lockdown. A spokeswoman for McDonald's didn't respond to an emailed request for comment.

Notes

PUBLISHER: Dow Jones & Company, Inc.

Classification

Language: ENGLISH

Publication-Type: Newspaper

Journal Code: J

Subject: 2014 SOCHI WINTER OLYMPICS (90%); BEVERAGE PRODUCTS (77%); COFFEE (77%); SPORTS SPONSORSHIP (68%); SMUGGLING (63%); c31 Marketing; ccat Corporate/Industrial News; goly Olympics; magric Soft Commodity Markets; neqac Equities Asset Class News; gspo Sports/Recreation; m14 Commodity Markets; m141 Agricultural Commodity Markets; mcat Commodity/Financial Market News; ncat Content Types; nfact Factiva Filters; nfce FC&E Exclusion Filter; nfcpin FC&E Industry News Filter; nrgn Routine General News; PROVIDER TERMS: WSJ AGC CFE CMD CNW CTL DJWI MRK OLY PEC SCD SPT WEI

Company: STARBUCKS CORP (93%); WALL STREET JOURNAL (57%); bigmac McDonald's Corporation; nbcco NBC Universal; sbcoff Starbucks Corp; comcst Comcast Corporation

Ticker: SBUX (NASDAQ) (93%)

Company-Number: DJ Ticker: MCD NBC.XX SBUX; ISIN: US5801351017 US8552441094

Industry: NAICS722515 SNACK & NONALCOHOLIC BEVERAGE BARS (93%); SIC5812 EATING PLACES (93%); i66 Hotels/Restaurants/Casinos; i97411 Broadcasting; imed Media/Entertainment; ilea Leisure/Arts/Hospitality; i661 Restaurants/Cafes/Fast Food Places; i6612 Limited-service Eating Places; i9741102

Television Broadcasting; PROVIDER TERMS: BRD MED RES XDJGI XDJI XDJLC XFFX XGDW XGTI XNQ1 XNYA XRUS XSLI XSP1 XSP5 XTLT

Geographic: RUSSIAN FEDERATION (89%); eurz Europe; russ Russia; usa United States; use Northeast U.S.; usil Illinois; usny New York State; usw Western U.S.; uswa Washington State; asiaz Asia; bric BRIC Countries; devgcoz Emerging Market Countries; dvpcoz Developing Economies; eeurz Central/Eastern Europe; namz North America; usc Midwest U.S.; ussrz CIS Countries; PROVIDER TERMS: ASI EEU EU FE FEO FXEM IL NME NY PRM RS UR US USC USE USW WA

IP Codes: AEQI DJCS EWR GMA CYC NND ARE

Load-Date: February 21, 2014

CEO embraces New Seasons' values

The Oregonian (Portland Oregon)

December 11, 2012 Tuesday, SUNRISE EDITION

Section: BUSINESS

Length: 1057 words

Byline: LAURA GUNDERSON, The Oregonian

Body

Anyone with an ounce of business savvy might glance at Wendy Collie's resume and figure the new CEO of New Seasons Market was hired to rocket the Portland-based grocer into the stratosphere.

But no, she maintains. It's much more Portland than that.

"This was a choice I made to stay here, keep my family here and be involved in a company that has a mission I believe in," said Collie, who left an executive role with a global education company to take over the 12-store chain.

Before moving to Knowledge Universe, the privately held company that operates Portland-based KinderCare, Collie worked her way up from district manager to senior executive at ***Starbucks*** Coffee Co. There, she experienced the Seattle-based coffee giant's extraordinary pre-recessionary highs and soul-searching lows as it re-evaluated its fleet of stores on nearly every urban corner and worked to bring back the magic that made its ***white*** and ***green cups*** a morning routine for so many.

She spoke Monday with The Oregonian about the lessons learned up north and the job she begins Jan. 2. Her answers have been edited for brevity and clarity.

Q: What attracted you to New Seasons?

A: Honestly, this is the way this came down: My family had made a decision that we wanted to stay in Portland, and so I began thinking about how my career might move forward. It was important to me to be a part of a company that is mission- and value-based with great people and great product, but also to be a bigger part of the community.

I'd gone through this exercise over the summer and then this position presented itself to me. I realized my mission and values matched New Seasons' --I'd been shopping at its Raleigh Hills store since we got here three years ago.

When I really started to pursue it, to talk about it and learn more about it, I started to realize it's a very special place. When I look at what the company stands for and customers' loyalty to the organization --as much as the employees' --I realized it's a really unique environment.

Q: Is it daunting to step into a leadership role of a company with such a distinct personality?

A: I'm thrilled. New Seasons has a phenomenal personality. I just spent the day meeting people here at store support, and I've been asking: How long have you worked here, what do you do, and what do you think is the most important thing about New Seasons and makes you happiest?

What resonates is the level of pride people feel for the organization. This is a company that creates jobs, supports local and regional food economies, does great work in communities, has unbelievable customer service and creates this level of loyalty that employees feel very bound to and responsible for. That mirrors my beliefs.

For me it's like a warm blanket.

Q: You spent 18 years at Starbucks, a company once known for its core values and company culture that stumbled during the recession. What did you learn about how a company can lose sight of its mission and have to work to bring it back?

A: I can't comment on Starbucks, but there are three things I've learned. The most important thing a company can do is really look at how it drives its strategy for sustainable growth through its people. You really have to focus on your employees, creating a great work environment, a progressive work environment, a place where people feel they are being educated and trained to be at their best potential. Bar none that's one of the greatest gifts Starbucks gave me.

As I look at New Seasons Market, people in this company have done great things. They have incredible expertise and great track records, and they're so deeply rooted in this company. My job is to continue to enable them to do that.

Second is the customer piece. What's really important for any company is to always hear the feedback of its customers. It's being able to step back and make sure decisions for the company are good for customers and (their) experience so you can deliver every time. That builds loyalty.

Last is sustainability. New Seasons has been working to create a community that supports the regional food economy.

Other than the food economy angle, all of that was very true in what I learned at Starbucks. You can be successful if you can stay focused on those three things. It's not about one person, it's about a whole community.

Q: What is the biggest challenge New Seasons faces at this point in its trajectory?

A: The biggest challenge any company has is always knowing and meeting the needs of its customers. If you're not asking the customers how they're doing, if you're not looking for ways to meet and exceed their expectations, that's a risk. So that's always going to be a challenge.

The second thing is New Seasons Market is growing. We've got a couple more stores on the book and maintaining the culture, the mission-based approach while we grow and be able to continue to evolve the infrastructure.

It isn't scale, it's about doing things in a very thoughtful way. That's a huge challenge.

Q: You also have increased grocery competition in the metro area, from the spruced up Fred Meyer a stone's throw from your newest store planned for Northeast Broadway to the Walmart Neighborhood Markets. How does pricing fit into the picture?

A: Is it pricing that will make us more competitive? I don't know the answer to that. Part of what New Seasons has --part of its competitive advantage today --is the experience people have in the stores, the quality of the produce and the improvement of the regional food economy. Those are points that we need to continue to leverage. Some of the competition may or may not be able to do that, and the question is can they do it in an as authoritative way as New Seasons can.

Q: Where do you see New Seasons in five years? Will you be here?

A: Heck yeah. I'm committed to my family to stay here and stay put; you're stuck with me.

My gut is to tell you I would hope New Seasons is doing even more for improving regional food economies, more for our communities and creating jobs. I think New Seasons has a tremendous amount of potential to really add value in our economy today and to do it within our values. Within five years New Seasons' mission and values and sustainable way of approaching growth should be exactly the same and better.

ILLUSTRATION: Collie "It's a very special place"

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Industry: COFFEE & TEA (78%); COFFEE & TEA STORES (75%); GROCERY STORES & SUPERMARKETS (73%); RETAILERS (70%)

Geographic: PORTLAND, OR, USA (90%); SEATTLE, WA, USA (79%); OREGON, USA (79%); WASHINGTON, USA (76%)

Load-Date: December 12, 2012

China's tea farmers switching to coffee; Demand grows as Starbucks signifies status for urban elite.

Los Angeles Times

December 29, 2012 Saturday, Home Edition

Section: MAIN NEWS; Business Desk; Part A; Pg. 1

Length: 1023 words

Byline: David Pierson

Dateline: PU'ER, CHINA

Body

This remote southwestern city near the borders of Laos and Myanmar is named after one of China's most famous teas, grown on mountain terraces painstakingly carved out of the region's rich red soil.

But in recent years, pu'er tea has surrendered prime real estate for a more lucrative brew: coffee. Chinese farmers have taken to the new crop, which thrives in high-altitude areas of Yunnan province and commands up to three times as much money as tea.

"My sole income depends on coffee now," said Ma Jia- ying, a farmer from a dab-sized hamlet in Pu'er called Tea Tree Village.

Behind the change are major foreign producers, including Seattle's Starbucks Corp. and Switzerland's Nestle. Those multinationals are training farmers and buying beans from the region to meet the world's growing thirst for coffee.

More important, Yunnan has the potential to thrive as a production base in a country that is becoming increasingly hooked on the caffeine-loaded beverage. Long dismissed by many Chinese as being too bitter, coffee has enjoyed a surge in popularity among the country's young, urban elite.

Few pairings denote upward mobility more than an iPhone in one hand and a ***white***-and-***green*** ***Starbucks*** ***cup*** in the other. In central Beijing, the company's smallest cappuccino costs about $4.33, making a Chinese ***Starbucks*** habit one of the most expensive in the world.

"***Starbucks*** in China for the young generation is almost like religion," said Liu Minghui, head of Pu'er-based Ai Ni Coffee, China's largest coffee production and exporting company. "They want to be seen drinking their coffee. A lot of these Chinese kids have come back from studying overseas where they've been introduced to this new lifestyle."

At 120,000 tons last year, China's coffee consumption was only 6% that of the U.S., the world's top consumer of hot joe. Meanwhile, about 1 million tons of tea was consumed in China last year.

Still, analysts for Barclays expect Chinese coffee demand to grow nearly 40% each year until about 2015.

More stores and shops are stocking instant coffee. Nestle's Nescafe brand has captured more than two-thirds of the Chinese market, thanks in part to blends mixed with powdered milk and sugar to make it more appealing to local palates.

Coffeehouses are percolating too; sales are projected to expand 23.5% annually on average to about $1.6 billion by 2016, according to Euromonitor, a global research group. Much of that growth is expected to come from

Starbucks, which plans to more than double its Chinese stores to 1,500 by 2015. That would make China its second-biggest market, following the U.S.

"This is a long-term commitment," said John Culver, president of Starbucks Coffee China and Asia Pacific.

Part of that effort will be raising the profile of Yunnan coffee. Starbucks released a special blend in 2009 for Chinese consumers called South of the Clouds, which includes beans from Baoshan, a city northeast of Pu'er in Yunnan. A year later, the company partnered with Ai Ni Coffee to grow and test four coffee varietals on a plantation in Pu'er. Those beans could reach domestic and global markets in a few years.

Yunnan, considered one of the most bio-diverse regions in the world, is responsible for almost all of the roughly 60,000 tons of coffee grown in China. The provincial government has plans to increase coffee production to 200,000 tons by 2020.

But growers will have to invest heavily to guarantee consistent quality, experts said.

"It's still very messy," said Safi Malik, co-founder of Shangrila Farms, a boutique coffee brand that carries beans from Yunnan. "A lot of farmers don't have training. There's great coffee there, it just needs to be found and worked on."

A big test is whether Chinese farmers will remain committed to the crop through price fluctuations. This year, growers are being offered about $1.20 a pound, half of what they earned two years ago.

"The best I can do this year is break even," said Ma Xinwen, 40, who grows five acres of coffee on a hillside in Tea Tree Village about 4,000 feet above sea level.

Neighbor Ma Jiaying also worries about the lower prices, but he's confident they will bounce back.

The 48-year-old father of two has grown coffee beans for nine years, primarily for Nestle. Every Monday and Tuesday, the company sends Ma and other farmers a text message alerting them of prices. They are free to decide whether to sell their beans.

When coffee prices surged in 2010, Ma made nearly $15,000 for the year, more money than he had ever seen in his life. He used his extra cash to build a new home.

"This year, tea may be more profitable than coffee," said Ma, wearing flip-flops and rolled-up gray slacks. "But I don't want to switch back. You can't predict where prices are going to go."

Few have profited more from Yunnan coffee than Liu, the founder of Ai Ni Coffee.

The son of subsistence farmers, Liu grew up 300 miles from Pu'er in a remote mountain village with no electricity or running water. Two of his siblings died of malnutrition. No one thought to brew the coffee that grew nearby. Instead, they ate the berries as a sweet snack.

After earning a university degree in agricultural studies in 1986, Liu joined a United Nations program in Yunnan aimed at developing coffee farming.

The crop had helped Vietnamese farmers earn a living after the Vietnam War. Organizers hoped it would have a similar effect in Yunnan, which remains the second-poorest province in China.

The experience helped launch Liu's export business, which he briefly headquartered in Bay Shore, N.Y. Now a millionaire, Liu speaks halting English in a city largely isolated from the outside world, except for a small, single-runway airport.

That's where Starbucks CEO Howard Schultz landed in 2010 to negotiate a deal with Liu to produce coffee in Pu'er. Liu likes to show off a photo of the American executive visiting his processing plant.

"My parents were growing rice, corn and sweet potato to survive," said Liu, a stout, highly energetic man. "They never would have believed that I would one day grow luxury coffee."

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Nicole Liu in The Times' Beijing bureau contributed to this report.

Graphic

PHOTO: FU XIAFENG harvests coffee berries, a crop that commands up to three times as much money as tea. Starbucks and Nestle, seeking to meet the world's growing thirst for coffee, are forces behind the change. PHOTOGRAPHER:David Pierson Los Angeles Times PHOTO: FARMERS RAKE raw coffee beans at a plantation. Long dismissed as being too bitter, coffee has enjoyed a surge in popularity among China's young, urban elite. PHOTOGRAPHER:David Pierson Los Angeles Times

Classification

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Subject: SALES PROJECTIONS (76%); EXPORT TRADE (69%); MULTINATIONAL CORPORATIONS (69%); CHINA; COFFEE; AGRICULTURE; TRENDS; CROPS

Company: STARBUCKS CORP (93%); NESTLE SA (56%)

Ticker: SBUX (NASDAQ) (93%); NESN (SWX) (56%)

Industry: COFFEE & TEA (89%); COFFEE & TEA STORES (89%); COFFEE (89%); FOOD INDUSTRY (88%); TEA (78%); TEA FARMING (78%); COFFEE FARMING (78%); FOOD & BEVERAGE CONSUMPTION (77%); SALES PROJECTIONS (76%); DAIRY PRODUCTS (60%)

Geographic: SEATTLE, WA, USA (79%); BEIJING, CHINA (73%); YUNNAN, CHINA (92%); SOUTHWEST CHINA (92%); WASHINGTON, USA (79%); NORTH CENTRAL CHINA (79%); CHINA (98%); SWITZERLAND (79%)

Load-Date: December 29, 2012

Christmas Wouldn't Be Christmas Without...

The Tiger Town Observer (Clemson, South Carolina)

December 2, 2011

Section: TIMEOUT

Length: 758 words

Byline: Katie Queen

Body

Whenever Christmas comes around, I create a sort of "bucket list" in my head of the foods that I need to enjoy during the season. You know which foods I'm talking about. The ones that if not enjoyed during December, you're simply not getting the full holiday cheer experience that should happen at the end of the year. Every person has that list of foods they can't wait to get their hands on, and here are some of the ones that have most commonly come up in the week after Thanksgiving.

Starbucks Coffee in the Holiday Cups

It's hardly ironic that my Facebook and Twitter pages blew up a few weeks ago with pictures of Starbucks' red Christmas cups sporting the "Let's Merry" slogan. Why did this happen? For one thing, the cups are pretty awesome. Where else do paper cups have a cult following two months out of the year? Second, people were confused by the phrase, "Let's Merry" and many people posed a question to their friends and followers. I am also super confused at why ***Starbucks*** left out the verb "be" as if it wasn't necessary, but that's ***Starbucks*** for you. Third, any drink from ***Starbucks*** just tastes better in the red cup. I like to think there's some extra Christmas magic in there somewhere. ***Starbucks*** in a plain, ordinary ***white***-and-***green*** ***cup***? Good. ***Starbucks*** in a red Christmas cup with a confusing slogan? Great! So yes, ***Starbucks***, yes I will "merry" this Christmas season ... whatever that means.

Candy Canes

Ever since I was little, peppermints and candy canes have been one of my all time favorite things about Christmas. It's also one of the main decoration or food themes you see around this time of year, so it's time for a little history lesson (I promise this will be educational fun). According to Spangler Candy (maker of Dum-Dums and Circus Peanuts), candy canes originated from sugar sticks handed out to kids in church around 1670 in order to keep them occupied during services. By the mid-1800s, a German-Swedish immigrant in Ohio decorated a spruce tree with ornaments made of paper and candy canes. Around the turn of the century, the candy cane was made into a sort of reminder for kids of the Christian faith, and thus the red stripes were added, representing the blood shed by Jesus Christ, whom Christians believe was born on Christmas. Who knew a delicious little piece of candy was created for something educational? Now you know.

Eggnog

This is one Christmas food I would be okay with not addressing because I think eggnog is nasty (yes, I have tried it, so don't ask me). But I had a request from a friend to write about it, and it is indeed a huge part of Christmas food for some of my family members and for millions of other people in the world. Just so we're all on the same page, the traditional form of eggnog involves milk, egg product, sugar and spices, which are typically nutmeg and vanilla. Some of the more adventurous people like to add some extra "Christmas spirits," if you will, such as whisky, brandy, rum and sometimes even moonshine. When I was researching eggnog online, I was shocked to see that there are "alternative" eggnogs involving soymilk and vegan-friendly options, which make sense. However, while

I am not a personal supporter of this holiday beverage, I am a food purist, and if you're going to have eggnog at Christmas, go all out and play like a champ. Take Lactaid or whatever you need, and you drink that full-fat, fully seasoned, dairy-derived eggnog like it was meant to be enjoyed. Again, this is not the time to watch your waistline. That's why there are New Year's resolutions.

Christmas Cookies

What could be more Christmas than Christmas cookies? From sugar cookies to gingerbread and everything in between, Christmas is the prime time to capitalize on these sweet treats. From foodtimeline.org, these cookies originate from medieval times, originally being mixed with various spices, nuts and dried fruits for special occasions. Sometimes, like in the case of gingerbread, cookies came from the need to preserve foods. The original gingerbread contained honey and spices, which acted as antimicrobials to create a longer shelf life for that food while making it taste better. Luckily, times have changed, so we can make cookies just to be tasty and pretty on the table during holiday parties and meals. Christmas is not the time to be watching your waistline. Christmas comes once a year, and I want those delicious butter-laden cookies topped with tons and tons of icing that I long for all year. Bonus points if the icing makes the cookies look extra pretty or crafty.

Classification

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Publication-Type: Newspaper

Subject: CHRISTIANS & CHRISTIANITY (90%); CHRISTMAS (90%); RELIGION (86%); THANKSGIVING (73%)

Company: STARBUCKS CORP (93%); FACEBOOK INC (56%)

Industry: PAPER & PACKAGING PRODUCTS (75%); SOCIAL MEDIA (69%); INTERNET SOCIAL NETWORKING (69%); SUGAR & CONFECTIONERY MFG (68%)

Load-Date: January 27, 2014

Coffee talk: What's next for Starbucks.

The Real Deal

July 31, 2008

Length: 795 words

Byline: Timm, Jane C.

Body

Byline: Jane C. Timm

Starbucks Corporation's announcement that it is shuttering 11 stores in the five boroughs by mid-2009 may have left java junkies in something of a caffeine coma. But the question on brokers' lips now is, what exactly will happen to all that prime retail square footage whenthe coffee giant takes its Frappuccino makers and ***white***-and-***green*** coffee ***cups*** and moves out?

While New York's closures represent only a tiny fraction of the 600 stores the overstretched Seattle company is putting on the block (there will still be more than 220 stores left in the city), the departure of some outposts could make room for new coffee competitors and other retailers looking to get a toehold in the Manhattan market.

Six of the soon-to-be-closed ***Starbucks*** are in Midtown, where, according to a recent report from REBNY, average retail rents are $145 per square foot. But that varies by submarket: Those average rents can soar as high as $1,958 on a stretch of Fifth Avenue from 49th to 59thstreets.

The closures slated for Manhattan are at: 340 Madison Avenue, 400 Madison Avenue, 1600 Broadway, 1675 Broadway, 565 Fifth Avenue, and on the third floor of Macy's in Herald Square -- each within a few blocks of another Starbucks franchise. The Macy's Starbucks, for example, is one of two in the flagship store. The company is also closing one branch on Staten Island, one in Brooklyn and three in Queens.

Some industry experts see the scaleback as a sign of the slowing market, but most said the retail hole would be filled quickly. For more on what the Starbucks void will mean for rents and competition, we turn to our panel:

Andrew Mandell partner, RIPCO Real Estate

What does the departure of Starbucks mean for the retail spots thecompany is vacating? Are they going to be hard or easy to fill?

I think that Midtown in general is still fairly leased up and remains strong, and I think that smaller stores seem to be easier to rentthese days than larger ones. There are just more tenants in that size category. My sense of this is that they'll probably be leased up quickly.

Will the fact that Starbucks will no longer be as aggressive aboutlooking for sites here have any impact on retail rents?

[Having] a company such as Starbucks sort of sidelined for the moment just decreased the numbers of tenants that are out there. Starbucks is a great amenity for office buildings; office tenants tend to like them as well as landlords, especially in Class A properties. Landlords are very conscious that their retail tenants are desirable -- inthat respect, it may take a little longer to lease these spaces.

Will Starbucks as a symbol of gentrification and rising property values become a thing of the past?

I think you're going to see a drop-off in that. I'm aware that thecompany has said that it will grow into newly developed areas, but Ithink what you're going to find is that those areas that pose the most risk are going to be the ones that they tend to shy away from, andareas that have been on their radar, which they may not have been able to penetrate, will be the more likely candidates ... if in fact they are still growing.

Richard Skulnik broker, RIPCO Real Estate

Will the fact that the company will no longer be looking for new locations open up more retail spots for its competitors? If so, what kinds of retailers will benefit most from the fact that they will probably no longer have to compete with Starbucks?

If they're not going to expand, there will be opportunities for other retailers, but I don't think it's going to cause panic and drive down the rent.

Bill Melville senior managing director, Lansco Corp.

What kinds of retailers do you expect to benefit from Starbucks's scaleback?

A number of the [coffee] nationals ... may be looking at this and saying 'This is our chance.' You've got Peet's Coffee, Tea Leaf & Coffee Bean. Then you've got local people like Oren's and Pret a Manger.

Will Starbucks as a symbol of gentrification and rising property values become a thing of the past?

A Starbucks franchise has always delivered the message that 'yes, this is a valid neighborhood,' and I think that will continue. When an area is [not doing as well], Starbucks ... has to question whether they should be there.

Neil Dolgin executive vice president, Kalmon Dolgin Affiliates

What do you take away from the combination of closures in Midtown,on Staten Island, in Queens and in Bay Ridge?

They're downsizing. Closing 12 stores in the metro area is not going to affect anybody. The stores aren't that big that it's going to hurt the local economy.

Will the fact that Starbucks will no longer be looking for more sites have any impact on retail rents? Did they help drive up retail rents in the city?

No, not at all. They don't control the retail operations here.

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Ticker: SBUX (NASDAQ) (93%); SBUX

Industry: COFFEE & TEA STORES (90%); RETAIL PROPERTY (89%); RENTAL PROPERTY (89%); REAL ESTATE (89%); COMMERCIAL RENTAL PROPERTY (89%); COFFEE (77%); RETAILERS (73%); OFFICE PROPERTY (72%); REAL ESTATE VALUATIONS (62%); REAL Real estate industry; SIC: 5812 Eating places

Product: 5200000 (Retail Trade)

Geographic: NEW YORK, NY, USA (94%); NEW YORK, USA (58%); United States

EVENT: Facility closures
EVENT: Forecasts and trends

Load-Date: March 7, 2009

Cool Symbols of Summer on New Starbucks Cold Cups

Details

Written by IVN
Category: Living (/index.php/news/living-and-lifestyle.html)
Published: 05 July 2015

Seattle, Washington - Remember the 70's and 80's pop culture mainstay, the boombox? It was an oversized music player with two speakers and a handle that people carried around to blast out their favorite songs from the radio and cassette tapes..

Wait, you don't remember cassettes either?

Order a trenta-sized iced beverage from Starbucks, beginning Tuesday, and you'll see a throwback to the way sounds of summer used to be shared.

The boombox, older than the average age of a Starbucks barista, is one of four cool summer designs on Starbucks cold cups. The tall cup slips on a green and white polka dot flip flop. The grande cup features an electric fan. The venti cup sports pairs of sunglasses. And the trenta-sized cup rocks the boombox.

Starbucks Creative Studio was inspired to take the company's classic cold cup and give it a playful personality for summer, similar to the way Starbucks transforms its iconic white cup into the signature red cup during the holiday season.

"Each design represents a different, yet familiar aspect of the summer months – from fashion to relaxing to simply cooling off," said senior designer Joanna Price. "We had so much fun from conception to reality with the designs."

Sketches ranged from surfboards and ice cream to balloons and bathing suits. Several studio designers contributed their illustration skills for the final designs. Thom Head created the flip flop; Kelsey Cole is behind the sunglasses image and Joanna made the fan and boombox.

Just as the design studio did in creating 100 pieces of art for the Starbucks Dot Collection last winter, the summer cups also incorporate a signature "green dot." With the flip flops there are many green dots. There are two dots for the boombox and sunglasses images. The whirling fan is composed of a single, larger green dot.

For Mets Fans, a Trip to Flushing South

The Wall Street Journal

February 24, 2015 Tuesday

Section: Pg. A15

Length: 819 words

Byline: By Jared Diamond

Body

PORT ST. LUCIE, Fla. -- This city on Florida's Treasure Coast, the Mets' spring-training home since 1988, isn't exactly a booming metropolis.

A big night out here consists of dinner at the local hibachi restaurant, ice cream at Friendly's and a few rounds of bowling at Superplay USA, the huge entertainment center that serves as the area's premier attraction. It has 48 lanes, nine holes of miniature golf, laser tag, arcade games, batting cages and an enormous sign out front that illuminates the night sky like the ones in Times Square.

But for about six weeks a year, Port St. Lucie is overrun by professional baseball players -- and hordes of fans hoping to catch a glimpse of them.

Naturally, the best place for face time with the Mets is Tradition Field, the team's training complex. Workouts are usually open to the public, and fans can get close enough to watch batting practice and bullpen sessions from a few feet away. The players are relaxed this time of year, and more available and willing to sign autographs and take pictures than they are during the regular season.

But even the most die-hard fan will eventually have to leave the complex and venture out into the suburban sprawl. And that's the beauty of Port St. Lucie: No matter where you go, you're bound to run into Mets players.

To make it easier for out-of-towners, here's a guide to hot times in this city:

1. Tradition Square: A planned community located a few miles down Interstate 95 from the ballpark, Tradition has emerged as sort of a town center. Throughout the spring, the main square in Tradition hosts a food-truck festival on the first and third Fridays of the month. On these nights, fans are almost guaranteed to see players roaming around, often playing with their kids in the grassy central area.

2. Fishing: Besides golf and bowling, fishing has become a popular pastime for Mets during their time in Port St. Lucie. The most ardent anglers cast a line anyplace they can find a body of water, but a pond hidden behind Tradition Field has become a favorite.

3. Big Apple Pizza: It's not quite a local hangout, but it is something of a tourist attraction for Mets fans. In 2004, outfielders Karim Garcia and Shane Spencer were involved in an altercation with a delivery man outside the

restaurant, the result, allegedly, of the delivery man telling one of the Mets not to urinate in the parking lot. Garcia and Spencer were both fined for their role in the incident. More than a decade later, the pizzeria is still going strong, so grab a pie from a place that will always hold a bizarre place in Mets history.

4. Superplay USA: There is no better place to find Mets players than at Superplay. For the past several years, the team has held weekly spring-training bowling nights, typically on Sundays. Over time, these outings have turned into unofficial fan-fests, and the staff at Superplay ropes off a designated area behind the Mets' lanes for spectators. Afterward, the party moves over to Duffy's, a popular hangout for fans and players alike.

5. ***Starbucks***: Port St. Lucie has one standalone ***Starbucks*** (there's a second one inside the local Target) and it happens to be right down the road from the stadium. As a result, it's not uncommon to see the familiar ***white*** and ***green*** ***cups*** in the Mets' clubhouse in the morning before a day's workout.

Fans won't necessarily see the players getting their coffee, though: This location offers a drive-through option.

6. Chipotle: When a branch of the popular burrito chain opened here in 2009, there were lines out the door. Nearly six years later, that hasn't changed -- and its proximity to the stadium makes it a good choice for some postgame guacamole.

"We like to say that we're one of the staples of Port St. Lucie," said John Alberto, who runs the restaurant.

7. Berry Fresh Cafe: Spring-training days start early, but that's no excuse for skipping the most important meal of the day. Berry Fresh Cafe, a popular breakfast spot near the ballpark, is what former Mets relief pitcher LaTroy Hawkins called "one of the best breakfast spots I've been to anywhere."

8. Vine & Barley: Five minutes from Tradition Field, Vine & Barley offers a hipper, more sophisticated experience than Duffy's. This wine bar and craft-beer lounge would fit just fine in Manhattan, with its selection of 75 wines and 50 micro-brewed beers, menu and upscale atmosphere.

9. PGA Village: You're in Florida. You have to play golf. It's practically a state law. And the PGA Village, located about 3 miles from Tradition Field, has you covered. It has four championship courses, as well as a six-hole short course designed for families and novices. It also offers the PGA Center for Golf Learning and Performance, a training center for golfers of all skill levels.

(See related article: "Sports: A Pro's Guide to Interacting With Mets in the Wild" -- WSJ Feb. 24, 2015)

Notes

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Sports/Recreation; gtour Travel; gcat Political/General News; glife Living/Lifestyle; ncat Content Types; nfact Factiva Filters; nfce C&E Exclusion Filter; nrgn Routine General News; PROVIDER TERMS: WSJ BSE DJWI GEN SPT TVL

Company: nykmts New York Mets (team)

Organization: NEW YORK METS (94%)

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THE WALL STREET JOURNAL.
WSJ.com

April 8, 2008, 5:52 PM ET

Grande Logo Switch: Is Starbucks' New Cup Grabby –or a Grind?

Can a strikingly different cup help Starbucks strengthen its reputation for great coffee?

In case you haven't seen it, today Starbucks rolled out a cup design that omits the company's familiar, predominantly green logo of a mermaid encircled by the words "Starbucks Coffee." In its place: a retro, all-brown version framed by "Starbucks Fresh Roasted Coffee."

Because the green Starbucks logo is so pervasive, the switch to the retro version is an immediate attention-grabber. It's just one part of a much broader effort underway at Starbucks, in which the company is stressing a return to its roots and working to reemphasize its brewed-coffee chops. (Click here to read more from today's Journal.) To much fanfare, Starbucks today unveiled a new blend, Pike Place Roast, meant to have a smoother taste.

The change isn't permanent–the retro logo is being used temporarily. But in the annals of brand identity, switching away from a high-recognition logo–even for a promotion–is an unusual move.

Especially when the replacement is arguably less attractive. "They took a logo that was lively and made it dull," says Alan Siegel, chairman and chief executive of Siegel+Gale, the big brand consultant that has done work for American Express, Dell and many others. "If they're trying to communicate a message about going back to their roots, the cup doesn't work."

Brand consultant Al Ries of Ries & Ries puts it another way. "Brown is probably the worst possible color [for a logo]," he says. "The reason UPS has been successful with it is that no one else wants to touch the color."

What Messrs. Siegel and Ries–along with nearly everyone else–agrees on is this. Seeing the retro Starbucks logo seems so jarring because the company's familiar logo is so incredibly good. Distinctive and iconic, it is ultra-recognizable. See a flash of green on a white cup from down the street and you know it's a Starbucks. Most companies can only dream about that kind of brand visibility.

Which raises a question: Why tinker? Our colleague Janet Adamy, who covers Starbucks and has chronicled the company's repositioning efforts in great detail, tells us CEO Howard Schultz expects the retro cup to draw attention. "I think the logo's going to be somewhat disruptive," Mr. Schultz said. "We want people to talk about it."

In that sense, it's working. (And articles like this, of course, only boost the attention-getting effect.) Jim Romenesko, who tracks the retailer at his Starbucks Gossip site, sees the move as indicative of just how much the company wants to erase some of its difficulties in the past few years and a sign of "doing everything possible to return to 'the good old days.' "

At Buzzwatch, where we're typically delighted when the company's signature red holiday cups arrive, we won't mourn the passing of the temporary retro logo. Give us the familiar green version. It's a classic.

What do you think?

Is the new Starbucks cup with its brown, retro logo better or worse than the traditional green-logo version?

A Better

B Worse

C No difference

View results

How Did A Starbucks Sneak Past The Brand Police At The Olympics?

The Business Insider

August 3, 2012 Friday 7:25 PM EST

Length: 241 words

Body

The most popular spot for NBC employees at the Olympics is the free Starbucks in the International Broadcast Center.
It's open all the time and staffers are frequently stating their gratitude.

But Paul Waugh at PoliticsHome asked a great question:
How did NBC get past the stringent branding laws at the Olympics?
Olympic branding enforcers have been notoriously strict this year.
BBC Radio presenter Jonathan Agnew's umbrella was confiscated because it wasn't designed by a sponsor. And the signature Pimms liqueur were banned at Wimbleton.
Starbucks isn't an official sponsor of the games, yet hundreds of journalists are walking around Olympic events (and cameras) with the ***green*** and ***white*** ***cups***.
Other beverages available for free for NBC employees include Coca-Cola products, an inside source tells us, but the soda giant is an official sponsor of the games. McDonald's, with its McCafe, is an official sponsor of the games as well.
We've contacted the Olympics and NBC for an answer for how they pulled off this awesome feat for NBC employees.
DON'T MISS: Olympics Called A 'Complete And Utter Disaster' For London Businesses >

Please follow Business Insider on Twitter and Facebook.
See Also: The US Women's Soccer Team Just Did Some Truly Terrible Cartwheels After Scoring A GoalBob Diamond Probably Won't Be Showing His Face At The Olympics This Year Track & Field Has Started And We've Already Got Very Large Men Throwing Hammers Into Nets

Classification

Language: ENGLISH

Publication-Type: Web Blog

Journal Code: BZIN-5352

Subject: SUMMER OLYMPICS (90%); OLYMPICS (90%); SPORTS SPONSORSHIP (90%); TENNIS (78%); SOCCER (70%)

Company: STARBUCKS CORP (93%); NBC UNIVERSAL INC (91%); COCA-COLA CO (56%); FACEBOOK INC (55%)

Ticker: SBUX (NASDAQ) (93%); KO (NYSE) (56%); FB (NASDAQ) (55%)

Industry: SPONSORSHIP (90%); SPORTS SPONSORSHIP (90%); SOFT DRINK INDUSTRY (74%); SOFT DRINKS (74%); BEVERAGE PRODUCTS (74%)

Geographic: UNITED STATES (77%)

Load-Date: August 3, 2012

How did we live without Starbucks?

San Antonio Express-News

March 12, 2011 Saturday, STATE&METRO Edition

Section: S.A. LIFE; Pg. 1E

Length: 516 words

Byline: Michael O'Rourke, SPECIAL TO THE EXPRESS-NEWS

Body

Four decades. Hard to believe. There is no way they could have known that it would take off the way it did. None of us could have known, or else I assume we all would have purchased stock. Heaven knows I have done my share to help fill the company's coffers.

All you need to do is look in the backseat of my car and see the half-dozen ubiquitous ***white*** and ***green*** cardboard coffee ***cups*** to realize I have thrown at least 10 bucks to ***Starbucks*** in recent days.

Starbucks turns 40 years old this month. Yep, the first store opened in Seattle way back in 1971. The expansion that put a ***Starbucks*** on what seems like every corner of the world didn't begin until the '80s, but it is hard to remember what the pre-***Starbucks*** era was even like.

The ***white*** ***cup***, with its ***green*** lettering and brown thermal sleeve, became the accessory of a generation. Heck, the name ***Starbucks*** even became a synonym for coffee. Instead of asking if someone wants to grab a cup of coffee, nine times out of 10 the question is, "Want to grab a ***Starbucks***?"

More than a few of my friends are ***Starbucks*** haters. You know the type. They hate everything that is mass produced, mass merchandised and loved by the masses. They would much rather frequent a mom-and-pop coffee bar where they can bask in their uniqueness and discuss the reusable grocery sacks made entirely of hemp they are saving the planet with. Hey, more power to them. If the lines at Starbucks are any indication, I really don't think their impact is being felt.

I like Starbucks for the same reasons I like McDonald's: consistent product and convenience. You never have to hook a U-turn if you drive past a Starbucks or McDonald's because you know there will be another one at the next intersection. Or the intersection after that. Or the one after that. You get the idea.

Like the place or not, there is no denying the impact Starbucks has made on life as we know it. Espresso used to be something you would only order at the end of a fancy Italian meal or if you were traveling abroad. Back then, most of us pronounced it "expresso." What'd we know?

There was a time when, if someone told me they were a barista, I would have thought they worked in the criminal justice system.

There was a time, pre-Starbucks, when coffee only came in one size. You simply ordered a cup. It came in a ceramic mug, and the waitress would refill it until your teeth were floating. Now, size is just one of the decisions. It can't be small, medium or large either. Starbucks-speak gives you the choice of short, tall, grande and venti. I always go large, but I have to admit I feel sort of stupid saying venti out loud. Even a regular cup of coffee is called a drip. That is what I get every time. A venti drip. Very low maintenance for the barista. It sort of gives them a break between the people ordering a tall, half-caf cappuccino with low-fat soy milk heavy foam served in a larger cup. Heck, I'd just order a large coffee, but I am pretty sure they wouldn't know what I mean.

Michael O'Rourke is highly caffeinated on Thursdays and Saturdays in S.A. Life. E-mail: Ourhackmoliere@yahoo.com

Classification

Language: ENGLISH

Document-Type: Column

Publication-Type: Newspaper

Subject: SMALL BUSINESS (77%)

Company: STARBUCKS CORP (93%)

Ticker: SBUX (NASDAQ) (93%)

Industry: COFFEE & TEA STORES (90%); FAST FOOD (89%); INTERNATIONAL TOURISM (50%)

Geographic: SEATTLE, WA, USA (79%); WASHINGTON, USA (79%)

Load-Date: March 14, 2011

Hungry Hungry Hipsters: Williamsburg Gets a Boozy Starbucks: Venti Pinot Noirs for All!

Racked

August 19, 2014 Tuesday 8:48 PM EST

Length: 239 words

Byline: Caitlin Petreycik

Body

Aug 19, 2014 (Racked:http://racked.com/ Delivered by Newstex)
http://ny.racked.com/uploads/wburgsbux.jpg
Photo by Brian Harkin

Now that Williamsburg residents are used to having a ***Starbucks*** around—"It is more convenient to my commute than Gimme," they may have caught themselves saying recently, clutching a ***green***-and-***white*** ***cup***—the mega-chain is bringing a second, boozier outpost to the neighborhood.

Yes, last month's rumors[1] that the ***Starbucks*** slated to open on Bedford Avenue and North 7th Street would serve beer and wine are true, The Brooklyn Paper reports[2]. If the license is approved, this ***Starbucks*** will be one of only 30 locations that are allowed to pour Chardonnay alongside pumpkin spice lattes.

"We are proud to be a part of Williamsburg and are committed to bringing the right coffee, food, and store experience to each neighborhood we serve," a spokesperson said of the honor Starbucks has bestowed upon Bedford Avenue. "Just as every customer is unique, so are our stores." Another store experience Starbucks plans to offer in this outpost: limited-run "reserve" coffee.
· Starbucks Confirms Plans for Booze at New 'Burg Outpost[3] [Eater NY]
[1]: http://ny.racked.com/archives/2014/07/28/williamsburg_starbucks_bedford_avenue.php [2]: http://www-.brooklynpaper.com/stories/37/34/dtg-boozy-starbucks-2014-08-08-bk_37_34.html [3]: http://ny.eater.com/archives/2014/08/williamsburg_starbucks_liquor_license_confirmed.php

Classification

Language: English

Publication-Type: Web Blog

Journal Code: CRBD-5107

Subject: Bedford Avenue; Williamsburg; Hungry Hungry Hipsters; Starbucks

Company: STARBUCKS CORP (93%)

Organization: Starbucks Corp.

Ticker: SBUX (NASDAQ) (93%)

Industry: COFFEE & TEA STORES (90%); ALCOHOLIC BEVERAGES (70%)

Person: Brian Harkin

Williamsburg

Load-Date: August 19, 2014

Innovation central [JUMP]Center aims to keep talented UT graduates in Tampa, grow new businesses; Center aims to keep talented UT graduates in Tampa, grow new businesses

The Tampa Tribune (Florida)

September 4, 2015 Friday

Section: METRO; Pg. 19

Length: 807 words

Byline: Jake Van Loon Tribune staff
Highlight: The University of Tampa opens its new Entrepreneurship and cyber secruity center on Thursday, September 3rd.

Body

TAMPA - Doors opened Thursday morning on a new Innovation and Collaboration Building at the University of Tampa, giving the school's blossoming entrepreneurship program and its startup incubator a brick-and-mortar location.

Startup incubators are one place where it is socially acceptable for an educated adult to sit in a beanbag chair and doodle on a whiteboard. Incubators like UT's also are seen as a key to retaining talented young graduates and bolstering the local economy by providing fertile ground for entrepreneurs and the new ventures they launch.

We want to keep the creative minds in Tampa Bay, said university spokesman Eric Cardenas.

The university boasts an annual economic impact of $850 million in the Tampa Bay area - a figure it aims to increase by finding ways to keep graduates in the region to start businesses of their own. It has set its sights on becoming the premiere entrepreneurial training center in the United States.

We want to be internationally known as the place to go, said Rebecca White, director of the entrepreneurship center, which began life in 2004. We bring all these bright minds from all over, the United States and all over the world. Tampa benefits from having them here.

The new John P. Lowth Entrepreneurship Center occupies the penthouse floor of the new Innovation and Collaboration Building, a $40 million, eight-story, brick-faced building at the corner of West Kennedy Boulevard and North Boulevard.

The building also houses facilities for a new cybersecurity major, classrooms, faculty and administration offices and a Starbucks Reserve, the latest ultramodern roastery from the Seattle coffee company.

The penthouse center will be the permanent home to UT's once-nomadic entrepreneurs. It features dedicated areas for play and inspiration, as well as offices for entrepreneurs-in-residence and venture capitalists.

Gifts from individuals and funds from the private university paid for construction.

Planning took three years, construction a year and a half. The Beck Group of Atlanta was the primary contractor.

The center is named for John P. Lowth, a 1982 UT graduate and president of a life insurance firm.

Tony Francisco, president and CEO of the Tampa-based software firm Var Dynamics, took time to tour the new center Thursday and described it as jaw-dropping.

Backing by a center with a world-class reputation can validate the work of an entrepreneur, Francisco said, and after seeing the place, he said, how can that be called anything less than world class?

Bringing together students, faculty and professionals was the idea of the entrepreneurship program's directors.

A business venture may look like a solo effort, White said. But really it is a team effort. It takes a village.

Students from UT's Sykes School of Business, ***white***-and-***green*** ***Starbucks*** ***cups*** in hand, have been in and out of the new center's high, grey stone hallways since fall semester classes began Monday, but Thursday was the first day the public could see the top floor.

It's amazing, said Leah Kedzuf, a senior and entrepreneurship major. I'm glad at least I get to use one year of it.

Kedzuf said she intends to stay in Tampa after graduation.

The center will feature space for four teams of student entrepreneurs and up to nine businesses. UT said it will be hosting a number of local business ventures, with names like Classsuite, Avatar DSS, Outeraction, Sauce Digital, Tembo, Midnight Waxers and DJ Dayve and Associates. The companies will enjoy amenities including a resource center and a multimedia presentation area for pitching and practice.

UT's entrepreneurship program has seen success with Tembo, a startup providing early childhood education for children living in developing nations. The company is run by UT students and alumni and is among five finalists for the Hult prize, a million-dollar grant by the Clinton Global Initiative.

Another success story, Matthew Rutkovitz, is a 2013 graduate in entrepreneurship and has been selected to base his new company, Surge Curve Learning, out of the incubator.

It will be easier for students to start a business, and the center itself is a promotion tool, Rutkovitiz said. This is something people want to be a part of.

Proof of the center's effectiveness will be measured by enrollment in the entrepreneurship program.

A goal of the center is to increase the amount of majors and minors in entrepreneurship, Cardenas said. Not just business majors, but marine bio majors and English majors with a minor in entrepreneurship.

Further proof will come as a companies launch from the center and begin to expand and hire.

White said the center will study the current conditions in the Tampa Bay economy and the affect it may feel from the incubator.

Jake Van Loon is a Tribune intern and student at the University of Tampa.

Classification

Language: ENGLISH

Publication-Type: Newspaper

Subject: ENTREPRENEURSHIP (92%); COLLEGES & UNIVERSITIES (89%); STUDENTS & STUDENT LIFE (89%); BUSINESS EDUCATION (78%); EXECUTIVES (67%)

Company: BECK GROUP (52%)

Industry: COLLEGES & UNIVERSITIES (89%); VENTURE CAPITAL (78%); LIFE INSURANCE (66%); INFORMATION SECURITY & PRIVACY (64%)

Geographic: TAMPA, FL, USA (95%); FLORIDA, USA (79%); UNITED STATES (92%)

Load-Date: September 4, 2015

Lessons from the family tree

Mercer Island Reporter (Washington)

January 4, 2011

Section: LIFESTYLE

Length: 575 words

Byline: PASTOR GREG ASIMAKOUPOULOS, MERCER ISLAND REPORTER COLUMNIST

Body

Unlike the decorated trees you see in a Neiman Marcus window or on the cover of Martha Stewart Living, our Christmas tree doesn't boast uniform colored balls or hand-blown glass baubles. Our tree is a potpourri of hanging objects. Nonetheless, it is a thing of beauty. It's a menagerie of memories. There are miniature frames containing photos of our three daughters' first Christmas. A small, ornate metal frame brackets a picture of Wendy's and my first Christmas as a married couple. There are handcrafted objects that our girls made in preschool.

Our tree is also decorated by symbols recalling activities that punctuated our kids' growing years. A plastic ballerina. A soccer ball. A musical instrument. There are ornaments from Mt. Rushmore, Cape Canaveral and Disneyland that call to mind family vacations.

My oldest daughter's post-college job as a ***Starbucks*** barista is documented by a tiny, ***white*** to-go coffee ***cup*** (complete with the familiar ***green*** logo). Our tree boasts significant national events we faced as a family. A pig ornament recalls the swine flu epidemic. Another homemade symbol recalls September 11.

The objects on the Christmas tree are like icons on a computer screen. Clicking on them with a glance opens up a season of life long since past. I hear voices and laughter. I smell the distinct fragrance of plastic Barbie dolls. I picture the promise associated with a new job. I visualize the pain of losing one unexpectedly.

On this the twelfth day of Christmas, I am reminded of how the Lord provided for us when income diminished as college tuition increased. I think back to how He shepherded us through the valley of death's shadows when we had to put our much-loved Shih-tzu to sleep or when my dad passed away.

But of all the ornaments on our family tree, one unlikely object is my favorite. It is a non-symmetrical hunk of cold metal that is wedged between the boughs. It's a reminder that the most important things in life are not purchased, taxed or wrapped and placed beneath a Christmas tree.

In 1991 while I was serving a congregation in the San Francisco Bay area, a wildfire swept through the Oakland hills. The inferno killed 25 individuals, destroyed over 3,000 houses and 2,000 cars and left some 5,000 people homeless. A couple of days after the fire had finally been extinguished, I drove my young family through the charred neighborhoods. Fireplace chimneys still standing indicated where multi-million dollar homes had once stood. It resembled a cemetery of brick grave markers.

Parking the car by the curb, I got out and walked along the sidewalk. Spotting a silvery object reflecting the sunlight, I stooped and picked up the cold hunk of metal. It most likely had been the metal grill of an expensive car that had become molten and then dried in its present shape when it cooled. The eerie looking object called to mind what really matters in life. Things don't last. Homes can burn down. Expensive cars can, too. What it took years to save for in order to finally purchase can be destroyed in a few minutes. What matters most are the memories no one can steal and the people with whom we make them.

This year as you pack up your Christmas tree ornaments, take time to reflect on what each one represents. Embrace the emotions they call to mind. Thank the Lord for His faithfulness during the hard times. Ask Him to help you maintain a perspective of what really is important as you face the coming year.

Classification

Language: ENGLISH

Publication-Type: Newspaper

Subject: CHRISTMAS (91%); FAMILY (90%); FIRES (84%); FOREST FIRES (78%); FAMILY TRAVEL (74%); MARRIAGE (70%); TUITION FEES (69%); PERSONAL FINANCE (68%); H1N1 INFLUENZA (66%); CEMETERIES (60%); EPIDEMICS (51%); INFLUENZA (51%); HOMELESSNESS (50%)

Geographic: SAN FRANCISCO, CA, USA (79%); SAN FRANCISCO BAY AREA, CA, USA (75%); CALIFORNIA, USA (79%); UNITED STATES (79%)

Load-Date: August 6, 2014

'McDreamy' says he beat Starbucks for coffee chain

Sioux City Journal (Iowa)

January 9, 2013 Wednesday

Section: FOOD

Length: 760 words

Body

SEATTLE | "Grey's Anatomy" star Patrick Dempsey may be the real "McSteamy."

The actor, who was dubbed "McDreamy" as a star of the hospital drama while his co-star was called "McSteamy," may soon be serving hot, steaming cups of Joe.

Dempsey won a bankruptcy auction to buy Tully's Coffee, a small coffee chain based in Seattle. Among those he beat out is Tully's much bigger Seattle neighbor, ***Starbucks*** Corp., which is known for its ubiquitous ***white*** ***cups*** with a circular ***green*** mermaid logo.

Dempsey, whose company Global Baristas LLC plans to keep the Tully's name, declared victory on the social media site Twitter: "We met the green monster, looked her in the eye, and...SHE BLINKED! We got it! Thank you Seattle!

The win for Dempsey deals a rare setback for ***Starbucks*** on its home turf. ***Starbucks*** has long been both praised for bringing "coffeehouse culture" to the U.S. and criticized for crushing smaller chains. The coffee giant, which had planned to convert the Tully's cafes to its own brand, last month announced plans to expand its global footprint to 20,000 cafes over the next two years, up from the current 18,000.

Dempsey said in an interview on Friday that as the underdog in Seattle, Tully's will need to find its identity.

"It's a much smaller chain that has a lot of potential that hasn't been given the proper care," he said.

But in a statement shortly after the auction on Thursday, Starbucks insinuated that Dempsey shouldn't celebrate just yet.

Starbucks, which wanted to convert the Tully's cafes to its own brand, said that a final determination on the winning bid won't be made until a court hearing on Jan. 11. Starbucks said it's in a "backup" position" to buy 25 of the 47 Tully's cafes, with another undisclosed bidder making an offer for the remainder.

The combined bids of Starbucks and the undisclosed bidder come to $10.6 million, above the $9.2 million Dempsey's company is offering to pay through his company, which was formed in order to purchase Tully's. The other investors in Global Baristas aren't being disclosed.

Tully's Coffee, which is known for serving Joe with a milder taste than Starbucks brand, filed for Chapter 11 bankruptcy protection in October, citing lease obligations and underperforming stores. Tully's wholesale business, which includes Tully's Coffee in bags and single serve K-cup packs that are sold in supermarkets and other stores, is owned separately by Green Mountain Coffee Roasters Inc.

TC Global Inc., the parent company of Tully's, said in a release Friday that it was "encouraged and excited" about Dempsey's commitment to the chain.

Tully's President and CEO Scott Pearson called the deal a "great match" and that the goal is to make sure creditors get paid and to keep as many people employed as possible.

A bankruptcy court document signed late Friday by Pearson and Dempsey said TC Global had determined that Global Baristas submitted the successful bid.

"With this court filing, it's official - our group has been chosen as the successful bidder," Dempsey said in a statement. "We look forward to the court's final approval on Jan. 11."

Earlier in the day, Dempsey said he planned to be very involved in the running of the company, adding that the immediate challenges were to address bookkeeping issues, staff morale and sprucing up the coffee shops. Once the business is stabilized, Dempsey said the long-term goal would be to take the chain national.

"We can pull this off. We just have to take steps that are slow and smart," he said. "I'm going to get behind the counter. I'm going to serve coffee...I'm going to give the company a boost of energy."

Although Dempsey lives in Los Angeles, he plans to spend more time in Seattle, the city where "Grey's Anatomy" is set in. Dempsey said he believed there is room in the city for Tully's and the much larger Starbucks; he noted there might be people who are rooting for the underdog.

"In a society where there are so many big corporations that swallow the little guy, we thought, let's not let this happen to this company," he said.

Dempsey made an appearance Friday morning at a Tully's near Pike Place Market, shaking hands with workers and greeting customers before visiting other stores. Several dozen people, mostly women, came into the store.

Patrease Estelle, 45, works nearby, and came in with a small group from her office.

"I will take whatever I can get. A photo, a hug, a 'hey, how you doing,' a wink," said Estelle, who got a picture and handshake with the actor.

Blankinship reported from Seattle and Choi from New York.

Classification

Language: ENGLISH

Publication-Type: Newspaper

Subject: PARENT COMPANIES (77%); AUCTIONS (76%); INSOLVENCY & BANKRUPTCY COURTS (76%); US CHAPTER 11 BANKRUPTCY (76%); INSOLVENCY & BANKRUPTCY LAW (76%); BUSINESS INSOLVENCY & BANKRUPTCY (76%); HOLDING COMPANIES (75%); INTERVIEWS (73%); INSOLVENCY & BANKRUPTCY (71%); LAW COURTS & TRIBUNALS (50%)

Company: STARBUCKS CORP (93%); KEURIG GREEN MOUNTAIN INC (80%); TULLY'S COFFEE CORP (57%)

Industry: COFFEE & TEA STORES (90%); COFFEE & TEA (76%); RESTAURANTS & FOOD SERVICE INDUSTRY (76%); INTERNET SOCIAL NETWORKING (74%); GROCERY STORES & SUPERMARKETS (72%); COFFEE (71%); SOCIAL MEDIA (69%)

Person: PATRICK DEMPSEY (79%)

Geographic: SEATTLE, WA, USA (94%); WASHINGTON, USA (94%)

Load-Date: January 9, 2013

-New Reusable Cups, Designed by Starbucks Baristas, Benefit Partners in Need

ENP Newswire

September 8, 2015 Tuesday

The Charlotte Observer

Found on Charlotte.com

Length: 1000 words

Body

Monarch butterflies spread their wings. Stars dance on a midnight sky. Fall flowers reach for the last rays of sunshine.

These three distinct images on Starbucks reusable cups were designed by baristas who won the first White Cup Contest for partners (employees). The new cups are available now, while supplies last, in participating U.S. and Canada Starbucks stores.

Meet the designers and find out how purchasing one of the cups helps Starbucks partners support each other:

Ben Cowley

Drawing, space and science fiction are three things Ben Cowley has been interested in from an early age. Growing up in England, he spent hours drawing space ships, the solar system and galaxies with his brother.

'I'm super interested in everything NASA does and often spend time looking through images from the Hubble Space Telescope,' said Cowley, who has a degree in photography. 'I've always loved the night sky as well.'

Cowley has also always loved coffee, which he admits defies the cliche of 'an Englishman who needs his tea.' He met his wife, who's from Texas, while studying in England. They moved to the U.S. years ago and he 'jumped at the chance' to work for Starbucks in Austin.

'It combines my love of talking with people and being a part of the coffee experience. I couldn't be happier to be with Starbucks.'

For his design, Cowley covered an iconic Starbucks cup with a dark sky, allowing a comet, tree, plant and moon to appear in white. He hopes anyone who purchases his design will think about the environment when they use the reusable cup.

'We are obligated to take care of the resources we have around us, and I think we have a responsibility to keep the beauty of our planet intact,' Cowley said. 'Maybe the cup will inspire someone to just take a look upwards the next time it's a beautiful, clear night. That would be nice.'

Brynn James

Scandinavian immigrants brought their Nordic traditions with them when they arrived in Poulsbo, Washington in the late 1800s. Those included a style of art that Brynn James learned as a child and incorporated into her design.

Rosemaling is a decorative form of folk painting that began in eastern Norway around the 1700s. People who rosemaled for their livelihoods back then were generally poor. They traveled from county to county to paint for the wealthy, and much of their work was done in churches.

'The art is a big part of my life and heritage,' said James, who recently left the company to spend more time with her family. 'The style is reflective of Nordic folklore and fairytales, and more than anything it's whimsical. There are a lot of dark, gloomy days back there, so the art is a reminder that it's not going to be winter forever.'

On the cup James designed, spring flowers and delicate sprigs of greenery surround the Starbucks logo.

James is excited to see her cup design in her Starbucks store and she plans to put a few away for her daughter - in a treasure box for the time being because the 10-month-old would just chew on them now. And one day, James will tell her little girl about how she 'stepped out of her comfort zone' to create a design that won a nationwide contest.

'My husband was very encouraging, and my takeaway from this experience is to make sure that I'm as supportive of my daughter and the things that she wants to try when she gets older.'

Brandon Fragua

Holding a ***white*** ***Starbucks*** ***cup*** with its ***green*** Siren logo in the center, Brandon Fragua didn't have much doubt about what he'd draw.

'Butterfly' was the Native American name given to his grandmother on her wedding day when she married Brandon's grandfather, a member of the Jemez Pueblo Tribe. A symbol of transformation, his grandfather had a butterfly tattoo and Fragua has a similar one on his forearm. Inspired by its meaning, Fragua drew monarch butterflies around the cup, fluttering from the bottom to the top.

The recognizable orange and black wing pattern of the monarch is 'both simple and complex,' said Fragua. 'It's beautiful. I'm inspired by nature.'

After the Starbucks dress code changed allowing visible tattoos, Fragua began receiving compliments on his butterfly tattoo. He expects his customers will be thrilled to see the pattern on reusable cups when they become available. Fragua's said his family is excited for him and they realize Grandfather Paul, who passed away a few years ago, would be proud.

'He was a big part of my life,' said Fragua. 'I grew up close to my grandparents and felt lucky to have them be such a strong influence on my childhood. He would be proud of me today no matter what, but I know that he'd be more than happy with me that I designed a cup that was so personal for our family.'

Caring Unites Partners

The partner-designed images on Starbucks reusable cups are available for purchase in participating Starbucks stores beginning today. Stores in the U.S. will feature one design out of the three, depending on the region. In Canada, Cowley's night sky reusable cup is available in participating stores.

For each partner-designed reusable cup purchased, $ 0.50 will be donated to the Starbucks Caring Unites Partners (CUP) Fund - a financial assistance program started by partners in 1998 to help each other in times of need. The fund acts as a safety net for partners by providing monetary help following family emergencies, natural disasters or unexpected expenses.

To date, the CUP Fund has provided about $ 16 million in grants to more than 15,000 partners.

Lisa Price, Rene Suruda, Dixie McCullough and Joan Moffat created the fund, not knowing it would impact thousands of partners.

'We started small. We initially started that as a test in the Pacific Northwest region, but it quickly grew,' said Lisa Price, Starbucks vice-president, Partner Resources. 'The CUP Fund is about demonstrating respect, dignity, empathy, care and compassion for each of us as human beings.'

Sign up for Starbucks news alerts here, and follow @StarbucksNews on Twitter

[Editorial queries for this story should be sent to *newswire@enpublishing.co.uk*]

Classification

Language: ENGLISH

Publication-Type: Newswire

Journal Code: ENPN

Subject: PLANETS & ASTEROIDS (78%); ASTRONOMY & SPACE (78%); SPACE EXPLORATION (78%); OBSERVATORIES & TELESCOPES (73%); PHOTOGRAPHY (68%); FOLKLORE (65%)

Company: STARBUCKS CORP (94%)

Ticker: SBUX (NASDAQ) (94%)

Industry: COFFEE & TEA STORES (90%); SPACE EXPLORATION (78%)

Geographic: AUSTIN, TX, USA (77%); TEXAS, USA (79%); EARTH (79%); WASHINGTON, USA (79%); UNITED STATES (93%); ENGLAND (90%); CANADA (79%); NORTH AMERICA (79%)

Load-Date: September 8, 2015

NoDa Brewing gets jump on pumpkin business; Beer Here

Charlotte Observer (North Carolina)

August 12, 2015 Wednesday

The Charlotte Observer

Found on Charlotte.com

Section: entertainment

Length: 718 words

Byline: Daniel Hartis

The Charlotte Observer

Body

We are a nation obsessed with pumpkins. The fall fruit once reserved for pies - or as something upon which to carve out a face - has found its way into nearly anything that could be sipped or savored, adding a dash of autumn to muffins, M&Ms, Eggo waffles and, of course, coffee.

Soon, ***Starbucks*** will no doubt begin its annual campaign to grant early access to its Pumpkin Spice Latte (which actually doesn't contain pumpkin) to its most loyal members. Some of the promotion for the beverage is done through the company's Twitter account, whose followers are treated to the distinctive ***white*** and ***green cup*** making sand castles or musing about its spirit animal.

It might seem silly until you see the responses to this inanimate cup, which usually fall into two camps: the desperate and clingy, begging for Pumpkin Spice Latte to come back; or the more realistic, content simply to tell Pumpkin Spice Latte how much they miss him/her/it.

While no single beer can muster that kind of seasonal sex appeal, the pumpkin beer category is getting close. And every year, bottles of pumpkin beers land on shelves earlier and earlier. In the beer world, we call this seasonal creep.

At first, NoDa Brewing resisted putting its Gordgeous pumpkin ale out to market in the summer, even when other craft brewers had done so as early as July. Before Chad Henderson became head brewer at NoDa Brewing, he homebrewed an early iteration of the beer by mashing the grains in a 74-pound pumpkin before spicing the beer with brown sugar, ginger, cardamom, cloves and allspice.

He would later brew it on a much larger scale. In 2012, NoDa Brewing released a production-sized batch of the beer in early October. And while that might seem the perfect time to drink a pumpkin beer, it wasn't the best time to release one.

"We unfortunately didn't sell as much as we could have," said Suzie Ford, the brewery's co-owner and president. "By the time fall rolled around, everyone had their pumpkin beer taps filled and no one wanted to change them in the middle of the season. You have to capture the pumpkin taps as soon as you can."

And so they've moved up the release of Gordgeous in the years since. In a tongue-in-cheek last year, Henderson - sunning himself with baking pans in sunglasses and a black tank top - urged people to "come on down and try this delicious fall beer, before fall gets here."

The brewery is in on the joke, well aware this might seem silly to some. But for every person who scoffs at drinking Gordgeous in the summer, there's another coming into the taproom from the summer heat to ask about the beer. And if people are asking about the beer, that means bars and restaurants are also asking about it. NoDa Brewing's choice is to either wait and lose sales, or get the product out as soon as there is a demand for it.

"It's absolutely crazy," said Suzie Ford. "And it seems like the hype and the excitement is building more and more, not just for Gordgeous but for pumpkin beers in general."

To better meet demand this year, NoDa Brewing has already brewed 120 barrels of Gordgeous. It will be released in the taproom Monday, and then in area bars beginning the next day. Fans of the pumpkin ale will be happy to know it will be canned for the first time this year in 16-ounce four-packs, which should be out around Labor Day.

That's a couple weeks before the official start of autumn, but I'm willing to bet plenty of people will indeed buy this delicious fall beer before fall gets here.

Event of the Week: 10-Year Pop the Cap CelebrationWHEN: 11 a.m.-10 p.m. Saturday. WHERE: Brawley's Beverage, 4620 Park Road. Ten years ago, a grassroots movement called Pop the Cap successfully campaigned to raise North Carolina's ABV cap from 6 percent to 15 percent. House Bill 392 passed on Aug. 13, 2005, and on the following Monday, Michael Brawley at Brawley's Beverage sold the first high-gravity beer in the state. The shop is celebrating Pop the Cap's 10-year passage Saturday by tapping special beers and selling a selection of vintage bottles. At 2 p.m., it will tie-dye T-shirts (bring or buy one); at 3 p.m., Papi Queso will roll up and serve grilled cheese; at 4 p.m. is a "low stress" bocce tournament; at 5 p.m., there will be face painting for the kids; and at 7 p.m., John Godwin will DJ out on the patio.

Classification

Language: ENGLISH

Publication-Type: Newspaper

Company: ACTRIS AG (91%)

Industry: BEER & ALE (90%); BREWERIES (90%); FRUITS & VEGETABLES (78%)

Load-Date: August 12, 2015

Seaside tourism director ready to roll

The Daily Astorian, (Oregon)

September 13, 2007 Thursday

Section: LOCAL NEWS

Length: 472 words

Byline: PAMELA ROBEL

Body

SEASIDE - Mikaela Norval has been on the job for two months and has plans for Seaside.

Norval is the city's new director of tourism and has already started taking steps toward enhancing tourism by applying for a $10,000 matching grant from Travel Oregon. If the grant is awarded - Norval will hear next week whether Seaside was chosen - the funds will be applied to a tourism sustainability plan.

"It's foundation work, a road map for the department," said Norval. "It will help us move forward not just as a department but as a community."

That foundation work will include a "strengths, weaknesses, opportunities and threats" (SWOT) study and a creation of a list of priorities for the department and city. These two foundation-building steps will allow the city of Seaside to find a way to make tourism appealing year-round and provide for the ability to "brand" the community in some way. Branding is a process often seen in the advertising industry - Volvo is the "safe" car, ***Starbucks*** is the ***white*** to-go ***cup*** with the ***green*** emblem - and somewhere down the road, Seaside will be able to develop a brand for itself after the foundation has been built.

"I don't want this department built on quicksand," said Norval. She went on to say that until the SWOT study has been completed it is difficult to know to whom or what is being marketed by Seaside.

Norval has her eye on the competition as well and thinks it is important for Seaside to get "its fair share" of the tourism the coast generates. For that reason, she chose to return to a print advertisement campaign that stretches from Alaska to New Mexico and goes to Utah. The advertisements are also spread over areas that other coastal cities target when promoting tourism.

"I'm very aware of our competition and I want to make sure we can differentiate ourselves from other communities," said Norval. "Print ads have been very successful in the past."

Those ads will also help Norval bring in more tourism beyond the summer months and into what she calls the "shoulder" and winter months.

Also at the top of Norval's to-do list is her desire to build relationships with the owners and managers of the hotels and other lodging facilities in Seaside. She'd like that relationship-building process to begin with site tours of every facility in Seaside.

"The only way to recommend a place is to have visited it," said Norval. "We get asked for recommendations all the time at the visitor's center."

Norval says that, for now, she is still in the process of getting better acquainted with the city and its merchants and that she hopes to have a much better knowledge of the city after her first year in Seaside.

"I'll be in less of that 'get to know you' stage," said Norval. "Professionally, on a personal level, I will know more people and more about the community in 12 months."

Classification

Language: ENGLISH

Publication-Type: Newspaper

Subject: TOURISM DEVELOPMENT (78%); GRANTS & GIFTS (77%); MATCHING GIFTS (77%); CULTURE DEPARTMENTS (73%); BRANDING (72%)

Industry: MARKETING & ADVERTISING (89%); TOURISM (78%); TOURISM DEVELOPMENT (78%); HOTELS & MOTELS (73%); BRANDING (72%)

Geographic: OREGON, USA (79%); NEW MEXICO, USA (79%)

Load-Date: July 11, 2013

'SHARK TANK' CONTESTANT INFORMS FBLA ABOUT FOIBLES OF SUCCESS

Suburban Trends (Morris, North Jersey)

November 12, 2014, Suburban Trends Edition

Section: NEWS; Pg. A03

Length: 843 words

Byline: Deborah Walsh, Staff Writer

Body

Tod Wilson, an entrepreneur with a knack for motivational speaking, spoke to Kinnelon High School (KHS) students about his struggles and successes building his namesake business, Mr. Tod's Pie Factory, and his time spent as a contestant on ABC's "Shark Tank."

KHS business teacher Anna Ellington heard Wilson drew rave reviews after a speaking engagement at another New Jersey high school and invited him to speak to her entrepreneurship class. Wilson visited KHS on Oct. 20.

"The first time I spoke with Tod in July, I knew he would be the perfect guest speaker for my business and entrepreneurship students. He was so positive, professional and upbeat - exactly what I tell my students to be once they get in the business world," said Ellington.

The program opened up at KHS with a viewing of the debut of "Shark Tank." Wilson was a contestant on this first episode, which aired on ABC on Aug. 9, 2009. "Shark Tank" features contestants who are aspiring entrepreneurs. They make a business presentation to a panel of potential investors, aka: sharks. Wilson asked for $460,000 in exchange for a 10-percent stake in his business and seemingly struck a deal with Barbara Corcoran and Damond John, who wanted a 50-percent stake in his business.

Wilson told the panelists when he started out and was so eager to get his company off the ground, he made some bad business decisions. Wilson said he had three bank loans, so loans were no longer an option. Wilson said he did almost $1 million in sales at his retail and wholesale bakeries in Somerset and Englewood and was having difficulty keeping up with the demand and needed an infusion of funds to take his business to the next level.

"I got my MBA in the streets. I started off too big, too soon. I ended up sleeping in my car," said Wilson.

After the viewing of the show was over, Wilson addressed the students and said it was still difficult for him to watch the clip after all these years. Ultimately, he did not end up taking money from the investors because he did not want to give up the 50-percent stake, but the experience opened up doors for him and he ended up being a guest on several shows including Rachel Ray.

Wilson said Mr. Tod's Pie Factory is still a work in progress. As an entrepreneur, he said he is always looking for his next fix. Still faced with challenges - he recently lost the lease on his Somerset location - Wilson is poised to open bakeries in Harlem and Brooklyn. He expects to have a half-dozen shops open in the near future.

Wilson's advice to the students was for them to do their homework and know how much capital they would need before opening a business. Plan on having enough money to go 12 months without making money and be conservative in your estimates, he told the students.

Wilson suggested not trying to re-invent the wheel, but make it spin better. Wilson said packaging and branding are also important. Like McDonald's, he has opted to have a mascot similar to the "Hamburglar."

Mascots help bring in children and children will bring their parents, he said. Wilson also said Howard Schultz of ***Starbucks*** was able to convince people in the United States and elsewhere that they wanted the coffee he sold in ***white cups*** with ***green*** logos - that his coffee was special.

Though he admits his personal favorite is the chocolate pecan pie that he makes, Wilson said his signature pie is a sweet potato pie and he would like Mr. Tod's sweet potato pie to be the first nationally branded sweet potato pie.

He is hoping to strike a deal with a top fast food chain to carry his pies. Though money is important, Wilson said he would not sacrifice quality to hit a homerun.

"Make sure whatever you do, you have a passion for it. That's what gets you through the potholes. I can't wait to get to my shop each day. When someone tells me they never had a pie that tasted like that, it's a great feeling. As they say, if you are passionate about what you do, you will never work a day in your life," said Wilson.

Wilson said he feels it is important to give back. Besides public speaking, Wilson has a "Pies for Good Grades" program. Wilson was born in Yonkers and grew up in Virginia, but in the summers he worked at his godfather's bakery in Paterson.

Wilson played football through college at the University of Richmond and said some of the greatest lessons he learned were on the playing field. Besides sports instilling a competitive drive, it also taught him how to deal with adversity.

"My high school football coach molded me into the man I am today. I can hear him say, 'Never give up. Get up and don't feel sorry for yourself.' I was nervous when things went wrong and I was sleeping in my car on the turnpike, but I could hear my coach saying, 'Get up,'" said Wilson. "If sleeping in your car is the worst thing to happen, then you'll be all right. People sometimes think it won't get better, but it will."

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Classification

Language: ENGLISH

Publication-Type: Newspaper

Subject: ENTREPRENEURSHIP (91%); STUDENTS & STUDENT LIFE (90%)

Industry: COMMERCIAL BAKERIES (77%); BAKERIES (77%); MISC FOOD WHOLESALERS (63%)

Geographic: NEW YORK, NY, USA (79%); NEW JERSEY, USA (57%)

Load-Date: November 13, 2014

Stanford study: Starbucks customers eat healthier when calories posted

San Jose Mercury News (California)

January 20, 2010 Wednesday

Section: BREAKING; Communities; San Jose - Valley; Peninsula; Education; Health; Science; News; Local; Science and Tech

Length: 520 words

Byline: By Marissa Cevallos , mcevallos@mercurynews.com

Body

Sally Boyedoe strode right to glass-encased pastries at a San Jose Starbucks, her eyes devouring the red velvet cupcakes, petite vanilla bean scones and glistening iced lemon pound cakes.

Mustering willpower, she asked the barista for the reduced-fat coffee cake.

"If there's nothing that's low-calorie, I don't order anything," Boyedoe said.

When confronted with the calorie counts of sweet and savory treats, Starbucks patrons often changed their ordering habits, reducing their food calories by 14 percent, according to a Stanford University study released this month.

The results suggest that California's push to put nutrition facts on every restaurant chain's menu next year will sway customers toward healthier food choices.

For the study, Stanford economics professors scrutinized every Starbucks transaction in New York City for one year. That city mandated calorie counts on the menu in 2008. Researchers found some patrons ditched the sugary side dishes, while others opted for the low-cal versions.

"When you post calories, people are less likely to purchase the scone with the coffee," said Alan Sorensen, a co-author on the Stanford study.

Starbucks card-carrying members continued to make lower-calorie choices outside the city where nutrition facts weren't posted, suggesting that the new habits don't disappear when the nutrition facts are gone.

Giving up vanilla lattes, however, wasn't up for debate. To their surprise, the researchers found no change in the calories consumed from the iconic ***white*** and ***green cups***. Beverage buyers consistently overestimated the calories in their drink by 90 calories, so the real nutrition facts may have come as a pleasant surprise, according to the study. In contrast, customers lowballed the calories in a blueberry muffin by 70 calories.

More states are following New York's calorie-divulging lead.

Next January, chains with 20 or more restaurants in California will have to post calories directly on their menus.

A provision in both versions of the House and Senate health care bills would expand menu labeling to all states. Calories for alcoholic drinks would also have to be posted, as would calories for items on drive-through menus, according to Dr. Harold Goldstein of the California Center for Public Health Advocacy.

But it's unclear whether the behavior of the health-conscious, mocha-sipping crowd at Starbucks can forecast a calorie reduction in other restaurants. Few studies have tried to answer the question, and the ones that have are limited by tiny data sets.

A New York University team couldn't find evidence of calorie-cutting after they collected receipts from McDonald's, Burger King, Wendy's, and Kentucky Fried Chicken customers in low-income areas of New York, but they only had 1,000 receipts to go on. The Stanford study tracked 100 million Starbucks transactions; however, the researchers warn their results can't be generalized to fast food.

Menu labeling will likely increase awareness of health issues, researchers said.

"It's going to provide an incentive to teach what calories are in school," said Goldstein.

Contact Marissa Cevallos at 408-920-5064.

Graphic

STARBUCKS COFFE had a line out the door during the Black Friday shopping at Westfield Valley Fair in San Jose, Calif. on Friday, November 27, 2009 (Josie Lepe/Mercury News)

** FILE ** J.J. Geise reads a paper as he treats himself to coffee and a baked good at a Starbucks coffee shop in Seattle in this Jan. 25, 2008 file photo. Starbucks Corp. is teaming up with AT&T Inc. and will start offering a mix of free and paid wireless Internet service in many of its U.S. coffee shops, beginning this spring. (AP Photo/Elaine Thompson, file)

Customers drink coffee and check messages inside a Starbucks Coffee store in downtown Indianapolis, Wednesday, Jan. 20, 2010. Starbucks releases quarterly earnings after the market close, today. (AP Photo/Michael Conroy)

Photo of Starbuck's Coffee, located on Stevens Creek Boulevard in Santa Clara and photographed on January 13, 2008. This story is about McDonald's plans to introduce high-end coffee drinks in 2008. (Joanne Ho-Young Lee/Mercury News)

** ADVANCE WEEKEND APRIL 21-22 ** Bobbie Ishikawa, left, makes espresso drinks at the original Starbucks, store kept as is was in the beginning complete with items with the original logo, in the Pike Place Market in Seattle on Thursday, April 12, 2007. Employee at right is unidentified. (AP Photos/Kevin P. Casey)

Classification

Language: ENGLISH

Publication-Type: Newspaper

Subject: RESEARCH REPORTS (90%); DIETING (75%); COLLEGE & UNIVERSITY PROFESSORS (70%); LEGISLATIVE BODIES (68%)

Company: STARBUCKS CORP (93%)

Organization: STANFORD UNIVERSITY (94%)

Ticker: SBUX (NASDAQ) (93%)

Industry: COFFEE & TEA STORES (90%); FAST FOOD (89%); RESTAURANTS (89%); BAKED GOODS (78%); COLLEGE & UNIVERSITY PROFESSORS (70%); ALCOHOLIC BEVERAGES (63%)

Geographic: SAN JOSE, CA, USA (79%); NEW YORK, NY, USA (79%); NEW YORK, USA (93%); CALIFORNIA, USA (92%)

Load-Date: January 21, 2010

STAR B*#!KED

Psychology Today

September 2007 - October 2007

Section: Pg. 99; Vol. 40; No. 5; ISSN: 0033-3107

Length: 2072 words

Byline: Clark, Taylor

TAYLOR CLARK is a freelance journalist living in Portland, Oregon. Starbucked is his first book.

While many of the tactics outlined in "Starbucked" make TAYLOR CLARK uneasy, he can't help admiring the company's psychological savvy. "I'm not usually interested in business stories," says Clark. "But I view this more as a story about the human brain." After all, Clark realized, coffee is something people can get anywhere- at home, at their office, and often for free. Yet by appealing to our desires, Starbucks charged 10 times more than its competitors and still became the most frequented retail chain ever.

Body

Coffee may be addictive, but Starbucks owes its stratospheric rise to more than the magic bean. How the company turned itself into America's living room.

WHEN two researchers from the University of Massachusetts at Boston did a comprehensive chemical analysis of Boston Harbor in 1998, they found something that surprised them: The waters of the harbor contain a significant amount of caffeine. The concentration wasn't high enough to give the fish a buzz, but the findings were puzzling nonetheless. Caffeine forms only in a few land-dwellingplants, so how did it get into Boston Harbor? The polite answer: Human waste. People now drink so much coffee that it's started seeping into the environment around us. In fact, caffeine shows up in hundreds of the nation's rivers, lakes, and bays-as well as in treated drinking water. Edward Furlong, a U.S. Geological Survey researcher, has a nickname for this phenomenon: "the Starbucks effect."

That's a lot to pin on one company-but then, this is a company that influences automotive traffic patterns, affects the welfare of 25 million coffee fanners, and sways the cultural customs of entire nations. The chain has inserted itself into the American urban landscape more quickly and craftily than any retail company in history-and has forever changed the way Western companies market themselves to consumers.

It's tough to say which boggles the mind more: the scope of the Starbucks empire, or the speed with which it arose. From a base of just 100 stores 15 years ago, Starbucks has grown into a 13,000-strong coffeehouse armada. It operates cafés in all 50 states and in 37 countries; you can find it in airports, libraries, casinos, hospitals, and even churches. No chain has ever become so ubiquitous so quickly. Sure, Starbucks is no McDonald's-which serves 50 million customers a day at its 30,000 restaurants-but give it time. The company now opens more than 2,000 coffeehouses per year, an average of six new stores a day. The Starbucks brand now stands as one of the most powerful in existence, ranked by the consulting firm Interbrand as the fourth-most effective brand in the world, behind Apple, Google, and Ikea.

ButStarbucks' worldwide explosion wasn't fueled by coffee; itwas the way they sold it. Starbucks closely tracked consumers' desires, their hidden needs, even their favorite colors and music. This awareness of customer psychology has netted Starbucks 40 million loyal customers per week. The average customer visits the chain 18 times a month-a higher rate than any other retailer in the world.

The secret behind Starbucks' magnetic pull lies in the extraordinary amount of control it exercises over its image. At Starbucks, nothing is accidental. Everything the customer interacts with, from the obsessively monitored store environment down to the white paper cups, is the product of deliberation and psychological research. The coffeehouse as we know it is a calculated creation, tweaked and refined in large part by Howard Schultz-Starbucks' charismatic, Brooklyn-born chairman-and his army of designers. In an age when homogenous ad campaigns cover every surface that canbe bought, Starbucks chose a novel marketing approach: It became an ad for itself. Stores became billboards, cups and bags mobile brand beacons. No longer would consumers just grab coffee; they would come for the "Starbucks Experience."

AMERICA'S PUB

IN A SENSE, STARBUCKS NEVER SHOULD HAVE WORKED. TWENTY years ago, people just weren't drinking coffee. But Starbucks offered an antidote to an overworked culture: somewhere to just hang out. It eased the problem of social disconnection while offering an item that made people feel coddled and tranquil; it became America's version of the British pub. Where else but a coffeehouse could you pay a few dollars for a drink, then fritter away four hours splayed across a couch, reading a book? And how many other businesses would let lonesome telecommuters-whose ranks quadrupled in the '90s-use them as makeshift offices?

Starbucks filled America's need for a public gathering spot-what sociology professor Ray Oldenburgcalled a "third place," with home and work being places one and two. This became Starbucks' community rallying cry: It wasn't a coffee company, but a place for bringing people together through the social glue of coffee.

KNOW YOUR AUDIENCE

CREATING THE PERFECT COMMUNITY HAVEN IS NO EASY TASK, however. It's not just a matter of inventing some New Age iconography, jammingstores with overstaffed couches, tripling prices, and watchingthe cash flow in. As of the mid-'90s, Starbucks' stores hardly encouraged lingering. Efficiency, not coziness, had been the design goal. Store walls often blared the loud colors of the Italian flag, and customers had to perch on an "eight-minute stool"-so-called because, with no place to put your feet, your butt fell asleep after eight minutes.

So in 1996, Starbucks executives set out to find out exactly what people wanted in a coffeehouse, luring two seasoned consumer experts from Nike to investigate the customer's associations with coffee and cafés. They interviewed hundreds of coffee drinkers, asking participants to close their eyes, go into a "dream state," and describe what they would see, taste, hear, touch, and smell in the greatest coffee experience imaginable.

To the dismay of the company's coffee-focused hardliners, the interviewees talked very little about the coffee itself, but quite abit about feelings and atmosphere. Customers didn't really care about coffee minutiae like flavor profiles and acidity; instead, they craved a sense of relaxation, warmth, and luxury. They wanted a coffee experience, an idealized version of the much-loved "coffeebreak,"and they were willing to pay for it. The coffee wasn't the point-the feel of the place was.

For the Starbucks brass, this was shocking news. Company executives already knew that few customers wished to sit down in the stores (only two or three out of every 10) and even fewer said a word to anyone but the barista-so it was puzzling that people would crave a cozy social atmosphere above all else. But the message was clear: Starbucks needed to concentrate on its customers' feelings.

BUILDING THE BRAND

IN SCHULTZ'S EYES, PERHAPS THE MOST ESSENTIAL PART OF THAT experience was the customer's impression of the Starbucks brand. He'd always been obsessed with the company image, signing off on everything down to fonts used in company literature.

Schultz considers himself the guarthan of Starbucks' image, and he's careful about the ideas he associates with the company and its core product. You'll never see Starbucks drinks discounted. Schultz wants you to view his product as the epitome of opulence; would you ever see a "buy one, get one free" deal at a Jaguar dealership? On national issues, the company stakes out its positions with brand enhancement in mind. Its print ads usually "thank" customers for helping ***Starbucks*** provide humanitarian services like tsunami relief, thereby aligning itself with the righteous cause in the consumers' minds-makingthem feel that buying a ***Starbucks*** latte is a form of global altruism.

The famed ***white***-and-***green*** ***cups*** in particular were devised to maximize brand exposure; ***Starbucks*** intended them to be handheld ads. "We agree now that the ***Starbucks*** cup is probably the most effective piece of media that ***Starbucks*** has," says Terry Heckler, who shaped the look of both the cups and the logo. "Forty million people a week-that's a lot of billboards." Indeed, in the late '80s, as the Schultz-run ***Starbucks*** was taking its first toddling steps, the cups provided one of the first signs that the espresso bar idea was catching on. When Starbucks managers spotted people totingaround their distinctive cups, they'd sometimes observe that the logo faced conspicuously outward, broadcasting the customers' refined tastes to all passersby.

Butthe company's signature marketing innovation was the creation of an entire proprietary language for its products. The terms "tall," "grande," and "venti" are now entrenched in the national vocabulary, yet they were coined off-the-cuff in a single planning meeting in Starbucks' early days. Want a double espresso? Order a doppio. And did you say you wanted a medium latte with orange syrup? You obviously meant to ask for a grande Valencia latte.

Not everyone is thrilled to have to use ridiculous made-up terms-when your smallest listed size is called "tall," people will inevitably feel manipulated (though you can still get a "short" if you ask for it). But Starbucks-speak works. For which of the following options would you pay more, a "grande caffè misto" or a "medium coffee with milk"? The former reeks of European sophistication, while the latter sounds dully American. Starbucks bet correctly that once customers learned the lingo, they would feel out of place at other coffeehouses; if your native coffee language is Starbucks-ese, Feet's or Tully's seems foreign. Customers don't just tolerate the Starbucks vernacular-some actually go out of their way to get the phrasing of an "iced venti cinnamon nonfat mocha" order exactly right. The company accommodates them by publishing a 22-page booklet called "Make It Your Drink," which explains the syntax and helps customers "build confidence in beverage ordering." It even includes work sheets.

FINISHING TOUCHES

DRINKS AREN'T THE ONLY thing that Starbucks tailored to each customer's desires. The company designs its stores with the consumer's subconscious in mind, and the soft and fuzzy specter of the "Starbucks Experience" hangs over every aesthetic judgment. Warmth, luxury, and emotion are the focus, with an emphasis on subdued and gentle colors. Whimsical flourishes like waves and swirls of steam abound, while sharp edges are verboten. Counters curve around merchandise displays to reach a circular handoff platform. Natural materials like warm woods and stone are favored over plastics and glaring metallics. Tables are small and round to preserve the self-esteem of customers drinking alone, since a circular table has no "empty" seats.

You have to chuckle at the amount of thought that goes into even the smallest decision at Starbucks today, like the new summer Frappuccino flavors it announces each spring. As you read this, minions in the company's research and development kitchens are trying to figure out what the hot colors in the fashion world will be a year from now. The flavor they eventually pick will correspond to the color they expect to be trenthest; after all, people want to look good carrying the product. For example, Starbucks unveiled vanilla and coconut "Crème Frappuccinos" in 2002 to capitalize on the expected popularity of the color white.

Of late, with the company tryingto vault itself above 40,000 stores worldwide, Starbucks has strayed from its experienceoriented design. Half of new stores will be drive-throughs-which bring in $300,000 a year more than their automotive-inaccessible counterparts, but without providing any kind of "third place" experience. Schultz has publicly stated nothing but certainty about this direction, but he admitted in an internal memo leaked in February that his company has been guilty of "watering down...the Starbucks experience," and lamented that Starbucks' new store designs seem "sterile" and "cookie cutter." The antidote for these ailments, Schultz says in the memo, is a return to "the true Starbucks experience," focused as it was on the consumer's desires.

With every passing week, Starbucks looks more like a permanent fixture in the global landscape. To some, this ubiquity is the height of convenience. To others, it's a sign of the apocalypse. For the latter, there is some consolation. If this is truly the end of the universe, at least there's comfortable seating.

SIDEBAR

[AS YOU LIKE IT]

The tall soy nonfat decaf sugar-free vanilla latte is one of more than 50,000 possible drinks.

SIDEBAR

Starbucks discovered that customers don't care about flavor profiles and acidity; they crave a warm, relaxed, luxurious "coffee experience"

[CLOSE ENCOUNTERS OF THE THIRD KIND]

Starbucks aims to provide a "third place" to relax when not at home or at work.

SIDEBAR

Tables are small and round to preserve the self-esteem of customers drinking alone, since a circular table has no "empty" seats.

[SMALL STORE, BIG BUCKS]

Contrary to popular belief, Starbucks actually boosts sales to nearby mom-and-pop coffee shops.

Graphic

Illustrations

Classification

Language: ENGLISH

Document-Type: Feature

Publication-Type: Journal

Journal Code: GPSY

Acc-No: 26257

Subject: CAFFEINE & HEALTH (90%); COLLEGES & UNIVERSITIES (72%); EXPERIMENTATION & RESEARCH (72%); CHEMISTRY (72%); PSYCHOLOGY (72%); GEOLOGY & GEOPHYSICS (72%); LAKES (71%); RIVERS (71%); CITY LIFE (66%); Design; Research; Caffeine

Company: STARBUCKS CORP (93%); APPLE INC (63%)

Organization: UNIVERSITY OF MASSACHUSETTS (84%); UNITED STATES GEOLOGICAL SURVEY (56%)

Ticker: SBUX (NASDAQ) (93%); AAPL (NASDAQ) (63%)

Industry: COFFEE & TEA STORES (90%); FAST FOOD (76%); COLLEGES & UNIVERSITIES (72%); PSYCHOLOGY (72%); RETAILERS (71%); CONSULTING SERVICES (68%); RESTAURANTS (66%)

Geographic: BOSTON, MA, USA (93%); MASSACHUSETTS, USA (93%); UNITED STATES (92%)

Load-Date: September 26, 2012

Starbucks Built a Store in "Jurassic World" - How Did that Happen?

M2 PressWIRE

June 19, 2015 Friday

The Charlotte Observer

Found on Charlotte.com

Length: 626 words

Body

June 19, 2015

"Jurassic World" is a ginormous hit.

The movie set a new record for highest-grossing box-office opening weekend of all time, as the story of Steven Spielberg's original movie comes full circle in Jurassic World, a fully operational luxury resort off the coast of Costa Rica. There, 20,000 guests explore the wonder of Earth's most magnificent living prehistoric marvels--of every shape and size--and interact up close with them every day.

In the center of this fictional luxury resort, there's a Starbucks.

Requests to have Starbucks products included in films and television are so plentiful, the company has one partner (employee) with the enviable job of helping the ***Starbucks*** Entertainment team determining "if, when, where and how" ***Starbucks*** will be included. Picking Projects that Make Partners Proud

Beth Jayne, a 13-year partner, has been part of ***Starbucks*** Entertainment team for a decade. She's the associate brand manager who coordinates in-store filmings, product placements and marketing partnerships. Her work has led to actors holding ***Starbucks*** iconic ***white*** ***cups*** and scenes shot with the familiar Siren logo and ***green*** apron-wearing partners in the background.

"I have a strong love for ***Starbucks***. My first priority is to make sure a production is right for the brand," Jayne said. That involves reading every script that lands on her desk, looking for "uplifting themes" and film or TV projects that ***Starbucks*** partners would be proud to be associated with.

Jayne negotiates contracts, works with ***Starbucks*** teams to gather the products requested, and is on site when filming in a store is required.

"I want to make sure partners are treated well and the production company is doing everything they promised," she said. "Partners are excited to see behind-the-scenes action before a movie comes out and they're proud when their store has been chosen as a movie or TV location."

Early last year, she got a look at the film script for Jurassic World.

"I thought it would be a blockbuster and knew instantly it made sense to integrate our brand in the way they suggested," she said. "Our team and executives decided to pursue it. A year-and-a-half later, it turned out as we expected. It's great." Meet Me at the "Jurassic World" Starbucks

Long before Jurassic World operations manager Claire Dearing runs from dinosaurs, she's seen in the park's control center with a Starbucks cup in hand. In other scenes, visitors throughout the park's food and shopping area can also be seen with Starbucks white cups.

Where did they get those beverages?

From the Starbucks that's in the film's dinosaur theme park, of course, near other popular global stores.

"They built the Starbucks store from the ground up on a set in New Orleans," Jayne said. To ensure its authenticity, the studio sent a truck to Starbucks headquarters in Seattle to be filled with furniture, lighting, signage, pastry cases, cups and "anything else needed" to make it look like a genuine Starbucks store.

That store, in the center of the Jurassic World set, is evident during a heart-pounding scene toward the end of the movie. No spoilers here....

And Jayne can't contain her excitement for the work she's able to do on behalf of Starbucks brand.

"This is a dream job," she said. "There will always be fascinating movies coming out, now I'm working on relationships with projects that support Starbucks commitment to veterans, Opportunity Youth and education."

Watch for Starbucks appearing in more major motion pictures in the months and years ahead, including Warner Bros. Pictures' "The Intern," starring Academy Award winners Robert De Niro and Anne Hathaway. The film, directed by Oscar-nominated and award-winning filmmaker Nancy Meyers, hits U.S. theaters on September 25th.

Classification

Language: ENGLISH

Publication-Type: Newswire

Journal Code: M2PW

Subject: FILM (90%); PRODUCT PLACEMENT (78%); DRAMA LITERATURE (78%); MANAGERS & SUPERVISORS (75%); ALLIANCES & PARTNERSHIPS (74%); PRODUCT PROMOTION (74%); BRANDING (72%); PRODUCT MANAGEMENT (72%)

Company: STARBUCKS CORP (93%)

Ticker: SBUX (NASDAQ) (93%)

Industry: COFFEE & TEA STORES (90%); MOVIE INDUSTRY (89%); MOVIE & VIDEO PRODUCTION (78%); PRODUCT PLACEMENT (78%); ACTORS & ACTRESSES (78%); MOVIE FILMING (78%); TELEVISION ADVERTISING (74%); TELEVISION INDUSTRY (74%); PRODUCT PROMOTION (74%); AMUSEMENT & THEME PARKS (72%); BRANDING (72%); TELEVISION PROGRAMMING (69%)

Person: STEVEN SPIELBERG (58%)

Geographic: EARTH (78%)

Load-Date: June 19, 2015

***Starbucks* opening first location in Bay County**

Bay City Times (Michigan)

August 9, 2015 Sunday

Length: 229 words

Body

URL: *http://www.mlive.com/news/bay-city/index.ssf/2015/08/**starbucks**_coming_to_bay_county.html*

Bangor Township

Starbucks, Panda Express adding locations in Bay County

Attention Bay County residents: ***Starbucks*** is coming.

The Seattle, Washington-based coffee giant, best known for its ***green*** and ***white*** ***cups*** featuring a mermaid logo, is opening a new location near the intersection of State and East Wilder roads in Bangor Township, according to a ***Starbucks*** spokesperson.

The new coffee shop is to be located at the former Lone Star Steakhouse site, 4107 E. Wilder Road, along with a new Panda Express. The site is in front of the Bay City Mall.

In May, crews from Oak Park-based Seerco Inc. tore down the former steakhouse, which closed in 2010.

"Starbucks is always looking for great locations to better meet the needs of our customers, and we are happy to confirm that we will be opening a new location in Bay City," a statement from the spokesperson read.

The store is expected to open in late September. It will employ 15 people.

Starbucks currently has no Bay County locations. The nearest stores are located on Eastman Avenue in Midland and in Saginaw County on the campus of Saginaw Valley State University, on Tittabawassee Road in Saginaw Township and in Birch Run.

-- Heather Jordan

@bc-news @bc-river @mm-business bangor-township bay-city-business dining-great-lakes-bay starbucks

Classification

Language: ENGLISH

Publication-Type: Newspaper

Journal Code: fjl

Subject: COUNTIES (73%)

Company: STARBUCKS CORP (93%); LONE STAR STEAKHOUSE & SALOON INC (55%)

Ticker: SBUX (NASDAQ) (93%)

Industry: COFFEE & TEA STORES (90%); RESTAURANTS (78%)

Geographic: SEATTLE, WA, USA (79%); WASHINGTON, USA (79%)

Load-Date: August 10, 2015

[Starbucks Replaces Seattle"€™s Best]

The Oracle: SUNY College at New Paltz

January 30, 2014 Thursday

University Wire

Section: NEWS; Pg. 1

Length: 426 words

Byline: Kristen Warfield

Body

Photo by Robin Weinstein.

At the start of a wintry semester, students were greeted with a hot new change in the Student Union's food vendor lineup. On Jan. 20., Starbucks opened for business in the former location of Seattle's Best and within its first week has shown noticable success, according to Executive Director of Campus Auxiliary Services Steve Deutsch.

In addition to the popularity of the Starbucks brand and the success of its locations on other SUNY campuses, this semester's coffee shop swap was also due in part to complications that CAS faced with Seattle's Best.

Deutsch said that since the location in the SU was a fully-licensed Seattle's Best store, they wouldn't allow CAS to make modifications to the service line in order to move customers along quicker in the mornings.

"Because we had a contract with Seattle's Best, the only way they would allow us out of it would be to go to their sister company, Starbucks," Deutsch said. "Seattle's Best allowed us out of the contract, and it's sort of like the perfect storm. We knew Starbucks was going to be successful and we would have more flexibility."

Since the new addition isn't a fully licensed Starbucks location, CAS can decide which products they will and will not have available for purchase.

"We don't carry a lot of the other items you would find at a regular Starbucks, which actually gives us a lot more flexibility to set up the store the way that we want it," Deutsch said.

Despite it not being fully licensed, the ***Starbucks*** in the SU offers all of the typical staple products of the company including coffee, teas, blended frappuccino beverages, smoothies and hot chocolate.

Psychology graduate student Jeysa Williams said her caramel macchiato tasted better than ever.

"I'm surprised that it tastes just like a regular ***Starbucks***," she said. "I am so happy about the switch - it's great here."

The campus first got a glimpse of the ***green*** and ***white*** ***Starbucks*** coffee ***cups*** last fall when a small ***Starbucks*** kiosk was opened in the lobby of Sojourner Truth Library. According to Deutsch, this didn't replace the Jazzman's coffee stand that once occupied the space - it was already closed down during renovations of the library and the decision was made to try a different brand instead.

"In the interim we decided to try ***Starbucks*** there, and that had been phenomenally successful," Deutsch said. "That little kiosk [in the library] was doing the same amount of business as the Seattle's Best [in the Student Union] was."

Deutch said along with other students, he is happy about the change.

Classification

Language: ENGLISH

Publication-Type: Newspaper

Company: STARBUCKS CORP (93%)

Ticker: SBUX (NASDAQ) (93%)

Industry: COFFEE & TEA STORES (90%); BEVERAGE PRODUCTS (89%)

Geographic: SEATTLE, WA, USA (95%); WASHINGTON, USA (95%); New Paltz; NY

Load-Date: January 30, 2014

Untapped Staff Picks: 5 Abandoned Places You Can Visit in NYC, An Under...

The Top 10 Secrets of Grand Central Terminal

Starbucks: Transformation of a Brand Into a Symbol

Image by the Downtown Doodler

Though Starbucks Coffee Company originated in Pike Place Market in Seattle, for many New Yorkers the brand is undeniably *New York*. In Manhattan, Starbucks are as prevalent as ATM machines. Starbucks situates itself near every business building, educational institution, and major attraction point. Sometimes, there are Starbucks *inside* corporate buildings. How did a local coffee shop bearing a brown and white mermaid become the green and white giant it is today?

There is something about a trench coat, the New York Times, and a Starbucks coffee. New York Times street photographer Bill Cunningham often captures this marvel when the weather in New York City gets just cold enough for people to emerge in their trench coats yet warm enough that no gloves are necessary. Instead of gloves, New Yorkers caress in one hand a folded portion of the Times and in the other a warm cup of coffee purchased at none other than Starbucks. The Times keeps you informed up to the New-York-minute and the Starbucks helps you keep up with the minute. One can almost say both are essential equipment to help you survive the morning rush and conquer the afternoon debate.

Why are New Yorkers obsessed with this coffee titan over neighbourhood cafes? For one thing, it's everywhere. Convenience, efficiency, and standardization stand at the core of everything in this city. Another subconscious reason to return to Starbucks every morning is to begin your day with a feeling of empowerment. One my favorite scenes in the movie, *You've Got Mail*, was when Tom Hanks's character, Joe Fox, describes every custom order at Starbucks a way of defining yourself among a crowd of people.

> *"The whole purpose of places like Starbucks is for people with no decision making abilities to be able to make 6 decisions just to buy 1 cup of coffee. Short. Tall. Light. Dark. Caf. Decaf. Low-fat. Non-fat"¦ So people who don't know what the hell they're doing or who on earth they are can for only $2.95 get not just a cup of coffee, but an absolutely defining sense of self! Tall! Decaf! Cappuccino!" — Joe Fox*

As much as the consumer is equipped decision-making prowess, Starbucks too reciprocates this ability by making certain decisions for us. Starbucks has the incredible ability to decide what season it is. As soon as the menu boards became covered in little doodles of red and yellow leaves, and it displays in curly cursive letters, "Pumpkin Spice Latte" — people know fall has come to New York City.

Later, Starbucks will roll out their red cups with white snowflakes on it to announce the holiday season. Regardless of the seasonal changes, there is one thing that always remains the same — the line at Starbucks just before 9AM. The morning rush probably can be captured from an aerial view of Manhattan. People flood the street grid and move like tsunamis toward specific corners and disappear beneath a green sign.

That green is everything. The Starbucks green with RGB values 0, 89, 45, allowed Starbucks to recently shed its name off from their coffee cups completely to allow the mermaid to stand as a symbol for Starbucks. A risky move — but they did it. They have successfully transformed their name into a brand, and the brand into an image. The green mermaid was enough. Perhaps soon it will only be a white cup with a green circle to signify its brand.

One of the most commonly diagnosed psychiatric conditions in New York City is sidewalk rage. Sidewalk rage is when a person acts violently as a result of people walking slower in front of them on the sidewalk. Some even describe violent thoughts of sidewalk rage as, "wanting to punch someone in the back of the head."

The reason why I am fascinated with this condition is because I believe Starbucks rage is next to follow. It's 8:40AM — 20 minutes before I have to be at work. The line inside the cafÃ© extends out into the street. There are tapping feet, groans and sighs explicitly loud to throw hints at the employees behind the bar. Finally, you are the third person in line. The two people in front of you order Tall, Decaf, Lattes consecutively.

Decaf? You make every caffeine dependent citizen stand after you in line so that you can order decaf? — Starbucks rage begins and spreads like the plague.

Though rarely a morning passes without an emotional battle with Starbucks, you are bound by the golden handcuffs of the chain to return the next day. Stabucks becomes your frenemy.

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The Guy Behind the Counter

The Huffington Post

January 10, 2014 Friday 6:50 PM EST

Length: 535 words

Byline: Sydney Berger

Body

Jan 10, 2014 (The Huffington Post:http://www.huffingtonpost.com/ Delivered by Newstex)
A few months ago, I started going to Starbucks, not only for my daily dose of caffeine, but because there is someone behind the counter who routinely puts a smile on my face.

His name is Clint.
I have gotten to know Clint through our daily interactions at the register because, like many Americans, I begin my day with a fresh cup of coffee. As a senior at the University of Michigan, I wake up every morning and go to "my" Starbucks -- yes, my Starbucks (we all have "our" places). Since I met Clint last year, he has singlehandedly made each and every day of mine better than it was before I had walked through the Starbucks doors.
If I had been one of those customers who tunes out, plugs in and isolates him or herself, I would not have had the good fortune of meeting Clint. I would not have known he is 22-years-old old, is an aspiring history teacher who loves mac n' cheese and orchids, and is currently finishing his Bachelors in Education (while working at Starbucks in his spare time). Nor would I have known that he recently took a trip to California to marry his fiancé, Will, this past December, because same-sex marriage is not legal where they currently reside -- the great state of Michigan.
If you are someone who encounters a barista on a regular basis, ask yourself this: How do you interact with others when you enter the coffee shop?
Do you do anything and everything in your power to avoid conversation from the time that you order to the moment that you receive your drink? Do you maintain eye contact with your smartphone, keep your headphones plugged in and only check behind the counter not for the person on the other side, but for your drink?
If you answered yes to any of these questions, I am confident you have failed to recognize the charm and character of the person standing behind the counter. Thanks to Clint, I have seen how the power of a smile, friendliness and awareness can go a long way.

http://images.huffingtonpost.com/2014-01-09-photo.JPG
Clint knows I love the ***Starbucks*** Red Cups, so on a brutally cold December day, when I stopped at ***Starbucks*** before a final exam, he noticed there were no Red Cups left when I placed my order. To compensate for the shortage, Clint took it upon himself to write a message on the side of my traditional ***green*** and ***white*** ***Starbucks cup*** that said: "Good luck, Sydney!!!" (He even underlined it).

http://images.huffingtonpost.com/2014-01-09-GoodLuckStarbuckscup.jpg
This small act of kindness gave me the confidence I needed to enter my test feeling not only motivated, but also special. That cup, which would have been disposed of on any other day, is currently sitting on my desk as a reminder of his thoughtful gesture. Something that may seem trivial to some meant a lot to me, and his words, all three of them, lifted my spirits during finals.
If you are a frequent retail-coffee shopper, be sure to note the charm of the person serving you behind the counter. No matter how early in the morning it is, or whatever mood you are in, there is a person out there looking to make your day better. For me, that person is Clinton Toledo-Milhollin.

Classification

Language: English

Publication-Type: Web Blog

Journal Code: AOLB-124721

Subject: GAYS & LESBIANS (71%); PRIMARY & SECONDARY SCHOOL TEACHERS (67%); HISTORY (67%); MARRIAGE (65%); SAME SEX MARRIAGE LAWS (65%); SAME SEX MARRIAGE & UNIONS (65%); CAFFEINE & HEALTH (58%)

Company: STARBUCKS CORP (93%)

Organization: UNIVERSITY OF MICHIGAN (83%); Starbucks Corp.; University of Michigan

Ticker: SBUX (NASDAQ) (93%)

Industry: COFFEE & TEA STORES (89%); MOBILE & CELLULAR TELEPHONES (50%)

Person: ARIANNA HUFFINGTON (58%)

Geographic: CALIFORNIA, USA (77%); MICHIGAN, USA (72%); UNITED STATES (77%)

California
Michigan
Sydney

Load-Date: January 10, 2014

The Super Bowl of regional foods

northjersey.com

February 1, 2014 Saturday

Section: FOOD DINING

Length: 758 words

Byline: SACHI FUJIMORI, STAFF WRITER

Body

The taste-offsHow Seattle and Denver match up with regional favorites

Forget for a moment about whether the team with the best offense or defense will take home the Super Bowl title this year, we- big fans of food - are interested in another competition: The Super Bowl of regional cuisine, pitting Seattle's best eats against Denver's must-have culinary delights. The face-off includes its share of strange entries, a little bit of history, and a glimpse into the two cities' futures.

Denver's most infamous specialty dish has nothing to do with oysters, but in fact is a dish made up of calf, bull or bison testicles, stripped of its outer membrane, dredged in cornmeal and deep-fried. Not to be outdone, Seattle has a lesser-known gross-out delicacy with no euphemistic name: cow placenta. On an episode of "Bizarre Foods America," host Andrew Zimmern visits a farm outside Seattle where he samples cow placenta, which he says tastes like "poultry liver."

Winner: Rocky Mountain oysters; everything tastes better deep-fried.

When you think of Seattle, the first image that's likely to come to mind is a ***green***-and-***white*** ***Starbucks*** ***cup*** and Nirvana's Kurt Cobain shredding it to "Nevermind." While grunge has given way to indie rock and synth pop, the smell of roasting java still permeates this city. Seattle boasts some 131 coffee shops. Boston, a similar size city, has a mere 60, according to the Seattle-blog Pacificnorthwestcoastbias.com. In the Denver area, the smell of hops brewing is likely to catch your nose. The nation's largest brewery, Coors in Golden, Colo., anchors a region that's become known as the Napa Valley of beer, with nearly a hundred brew pubs and craft breweries. Some award-winning Colorado craft labels: Oskar Blues Brewery, Avery Brewery and Great Divide Brewing Co.

Winner: Colorado craft beer; after all, we'll be watching the Big Game.

Whether smoked on a cedar plank or served in a salmon cake or chowder, Seattle's Pacific salmon is world-renowned. Tourists flock to the port city in late summer and fall to watch the annual salmon run and then to Pike Place Market to glimpse brawny fishermen toss the pink-fleshed fish. It's hard for the landlocked city of Denver, sitting at the foot of the Rocky Mountains, to compete on the seafood front, but its freshwater mountain trout, often smoked, is the closest contender.

Winner: Smoked Pacific salmon.

Because of East Asia's influence on the Pacific Coast, teriyaki has become the ubiquitous, cheap ethnic food of Seattle (the city has as many as 85 teriyaki restaurants). At its most basic, teriyaki is a sweet soy-based sauce slathered over burgers, chicken and chopped beef, then grilled so it caramelizes. Denver's ethnic food obsession is green chili, a fiery thick sauce with roasted green chilies and pork, jalapeños, tomatoes and onions served over burritos, nachos, eggs and french fries.

Winner: Green chili; it's cold outside, and we need some heat.

More commonly known as a Western omelet - ham, cheddar cheese, bell pepper, onion- the Denver omelet began as the hearty breakfast of choice (served on a roll) for cowboys on the cattle run. The lesser-known Hangtown fry, invented by railway workers in California, is Seattle's signature omelet, with bacon and fresh-shucked oysters.

Winner: Hangtown fry; bacon and oysters sound like a winning combo.

Seattle's signature hot dog is served with what we in the Northeast like to smear on bagels. Yes, a strip of cream cheese! Sometimes they add caramelized onions. The Mile-High City does not lay claim to an original hot dog topping, but it does get rather creative with what goes into its wieners. Popular Denver restaurant and food stand Biker Jim's Gourmet Dogs features reindeer, elk, wild boar and rattlesnake/pheasant hot dogs.

Winner: Seattle dog; we're still recovering from the Rocky Mountain oysters.

Considering that the two teams going to the Super Bowl also happen to be from the only states that have legalized recreational marijuana use, the weed jokes have been overdone and then some. But there is a slight difference between the two: In Washington, it's still illegal to sell cannabis. The state is still hammering out regulations, and sales are expected to be legalized in the spring. That means Colorado is getting a head start on its marijuana-infused culinary scene with brownies, cookies, chocolates, pies and sodas selling-out since January.

Winner: Neither; recreational cannabis use is illegal in New Jersey, so we're not qualified to judge this one.

Email: *fujimori@northjersey.com*

Classification

Language: ENGLISH

Publication-Type: Web Publication

Subject: MOUNTAINS (87%); FISHES (84%); POP & ROCK (65%)

Industry: BEER & ALE (89%); BREWERIES (89%); POULTRY (77%); RESTAURANTS (77%); COFFEE & TEA STORES (70%); DRINKING PLACES (62%)

Geographic: SEATTLE, WA, USA (96%); DENVER, CO, USA (94%); NAPA VALLEY, CA, USA (79%); WASHINGTON, USA (96%); COLORADO, USA (92%); ROCKY MOUNTAINS (79%); UNITED STATES (79%); EASTERN ASIA (79%); ASIA (79%)

Load-Date: February 3, 2014

There's A Secret Sochi Starbucks For NBC Staff Only, And It's On Lockdown

Consumerist

February 21, 2014 Friday 8:54 PM EST

Length: 371 words

Byline: Laura Northrup

Body

Feb 21, 2014 (Consumerist:http://consumerist.com/ Delivered by Newstex)
Not an NBC employee. (1yearofmylife.wordpress.com[1]) NBC, the TV network with the exclusive rights to air the Olympics in the United States until about 500 years past Ragnarok, has a secret weapon as they cover the 2014 Winter Games in Sochi, Russia. That amazing secret is a secret, free, staff-only Starbucks.

Here's the thing with coffee at the Olympics: since McDonald's is a sponsor, they're the only company allowed to sell cups of coffee. McDonald's coffee is nice and all, but it's not the same if you're an espresso addict. So we hear.
The mysterious ***Starbucks*** is deep inside NBC's offices in Sochi. At the beginning, NBC employees (there are 2,500 of 'em in Sochi) were able to smuggle drinks out to their friends who work for other media outlets. NBC set up the coffee stand, flying in baristas from the new ***Starbucks*** outlets in Russia, all of which are hundreds of miles away from Sochi. They could freely carry their ***green***-and-***white*** ***cups*** around the area, inspiring envy. Then it all stopped. Well, the coffee kept coming, but the ***Starbucks*** went on lockdown.
Was there some kind of terrorist threat? No. lockdown is to protect the rest of Sochi from learning that there's a ***Starbucks*** at all. After the Wall Street Journal published an article about the secret shop, though, baristas began to crack down on coffee for others…and coffee smuggled out of the NBCplex for non-employees. The Wall Street Journal stuck with this story[2], letting the world know that customers were no longer allowed to take their cups out of the Starbucks area, and baristas ordered them to either consume their drinks on the premises or pour them out. Harsh.
Now employees who want their drinks to go can walk around with them in a more generic cup: the coffee clearly isn't from McDonald's, but not advertising Starbucks, either.
Here's a picture from inside the Starbucks, original source unknown:

NBC's 'Secret' Starbucks Goes on Lockdown[3] [WSJ]
[1]: http://1yearofmylife.wordpress.com/ [2]: http://online.wsj.com/news/articles/SB10001424052702303636404579394912847627816 [3]: http://online.wsj.com/news/articles/SB10001424052702303636404579394912847627816

Classification

Language: English

Publication-Type: Web Blog

Journal Code: CNSM-5392

Subject: 2014 SOCHI WINTER OLYMPICS (77%); WINTER OLYMPICS (77%); SMUGGLING (77%); TERRORISM (50%); secret starbucks; 2014 olympics; kabletown starbucks; sochi; starbucks sochi; Starbucks; nbc

Company: STARBUCKS CORP (93%); NBC UNIVERSAL INC (91%); WALL STREET JOURNAL (54%)

Organization: NBC; Starbucks Corp.; The Wall Street Journal

Ticker: SBUX (NASDAQ) (93%)

Industry: COFFEE & TEA STORES (89%); TELEVISION INDUSTRY (73%)

Geographic: RUSSIAN FEDERATION (88%); UNITED STATES (79%)

Russia
United States

Load-Date: February 21, 2014

'Tis the season.

Beverage World

December 15, 2012

Business and Industry

Section: Pg. 16; Vol. 131; No. 12

Length: 539 words
Highlight: SIP & TELL

Body

Christmas seems to come earlier and earlier each year. Retail windows decorated in snowy wonderlands, Christmas tunes filling department stores and seasonal beverages appearing on restaurant and bar menus.

I always know the official Christmas season has begun when ***Starbucks*** switches over from its iconic ***white cups*** with ***green*** emblem to its red holiday cups; this year the coffee house chose snowmen, carolers and a fox in wintery scenes to welcome the holiday season.

I'm not the only one who looks forward to this changeover. A quick Google search reveals there is a website dedicated to counting down the days until the red cups return and millions of search results return for the words "***Starbucks*** holiday cups."

But the seasonal return of these fun and festive cups also seemed to come a bit earlier this year. It was early November when I walked into a Starbucks outside of the South Kensington tube station in London craving a Pumpkin Spice Latte only to find a menu of Christmas-themed coffees--Eggnog Latte, Gingerbread Latte, Toffee Nut Latte and Praline Mocha.

"Are you making Pumpkin Spice Lattes still?" I asked with my fingers crossed that they could still make the fall drink.

"No," the barista replied. "I'm sorry." So, I opted for the Praline Mocha, new for this Christmas. It's warm bittersweet chocolate infused with the flavor of hazelnut combined with espresso and steamed milk topped with whipped cream and a drizzle of mocha sauce.

Even though I was disappointed that fall was over and winter had begun--at Starbucks, anyway--I found myself switching gears and getting into the holiday spirit, making a mental Christmas list, getting excited about upcoming holiday parties and enjoying my tall Praline Mocha, no whip.

On the alcohol side, breweries continue their seasonal offerings moving into darker beers, bourbon barrel aged ales, beers with higher alcohol. Anheuser-Busch Winter's Bourbon Cask Ale, Freemont Brewing's Bourbon Barrel Abominable and Widmer Brothers Brrr Seasonal Ale are just among a few of the many beers crafted to warm us up during the winter months.

At a recent Bacardi holiday event, the brand showcased how to spice up the holiday season with drinks other than traditional eggnog. Take the Coquito for example. A traditional holiday drink of Puerto Rico, the Coquito is made with half a bottle of Bacardi Superior, one can of evaporated milk, one can of condensed milk, two cans of cream of coconut and two teaspoons of cinnamon. Slowly blend the evaporated milk, condensed milk and the cream and coconut. Then add the cinnamon and slowly add Bacardi Superior until everything is incorporated.

Brand ambassador David Cid took us through a selection of five other cocktails at NY's Abe & Arthur's--The Bacardi Cocktail, The Selleck, Airmail, Bacardi Holiday Punch and La Noche. Bacardi Holiday Punch, for instance, consists of 750 ml of Bacardi Superior or Bacardi Gold rum, 2 liters of ginger ale chilled, 8 ounces of orange juice, one ounce of lime juice and one and one-half ounce of lemon juice.

Now that the holidays have officially arrived, take your drink menus to the next level and introduce your guests to some new flavors. Happy holidays.

Jennifer Cirillo, Contributing Editor, International

Classification

Language: ENGLISH

Document-Type: Fulltext

Publication-Type: Journal

Journal Code: BEVEWORL

Acc-No: 8085059

Subject: CHRISTMAS (92%); HOLIDAYS & OBSERVANCES (90%)

Company: BACARDI LTD (85%); ANHEUSER-BUSCH COS INC (53%); STARBUCKS CORP

Industry: COFFEE & TEA STORES (90%); BEER & ALE (89%); DAIRY PRODUCTS (89%); ALCOHOLIC BEVERAGES (89%); MILK (87%); RESTAURANTS (78%); BEVERAGE PRODUCTS (78%); DRINKING PLACES (73%); RETAILERS (73%); BREWERIES (67%); Restaurants

Product: 581289 (Eating and drinking places NEC)

Geographic: LONDON, ENGLAND (56%); United States

Load-Date: February 5, 2013

United States: World's Greatest Puffery Blog, Part Two

Mondaq Business Briefing

September 20, 2013 Friday

Length: 593 words

Byline: Randal Shaheen and Amy R. Mudge

Body

We know we told you our Tropicana post yesterday was the World's Greatest Blog. But this is too. We can say that because it is not a claim, but just harmless puffery. There was nothing in the title that was objectively measurable. And it was not the sort of thing any reasonable reader would believe. Or at least that is our story and we are sticking to it as we cannot afford a credible survey to show preference for our advertising blog or yesterday's blog in particular over others. And you, loyal readers, would not count as you are not a random sample.

Puffery does have a bit of a feel of the last refuge of scoundrels defense. And it is also risky to rely on this defense without having a Plan B. In a recent NAD challenge to Starbucks ads for the Verismo Single Serve Coffee System, Starbucks raised two defenses - that their ads were puffs or alternatively truthful and substantiated. And the NAD agreed in large part for the ads disseminated by Starbucks. The NAD had issues with some ads run by retailers selling the machines. (And we do not have all of the facts here but we flag this as an area to watch - whether NAD will hold manufacturers on the hook for claims made by their resellers.)

Starbucks sells a single serve home coffee system. Claims included "perfectly crafted Starbucks coffeehouse quality lattes;" "lattes are made to cafe standard;" "all-natural milk pods produce lattes just like the original;" and "with rich espresso, high-quality Arabica coffee, and the creamy foam of pure 2% milk, your favorite Starbucks beverages come together at the touch of a button." The challenger claimed that these words implied the coffee beverages made with Verismo were identical in taste and otherwise to the drinks made at Starbucks. There were differences in the coffees according to the challenger as the milk pods used in the Verismo machine used real milk powder with 2% fat while your neighborhood barista steams 2% milk.

Starbucks said "coffeehouse quality lattes" and "Starbucks quality lattes" were nonactionable puffery. NAD disagreed and found that reasonable consumers could understand these phrases as claims that the at-home coffee was identical in all material respects with the store-made treat. Starbucks asserted that even if these words did make a promise that the claims were substantiated but NAD disagreed as the customer testing information presented was either not detailed enough for NAD to assess or based on sample sizes that were too small (16 cities) and not sufficiently diverse of the general coffee house drinking U.S. population (2 cities).

NAD concluded that the rest of the claims were substantiated, that the coffee was high quality and that the powdered milk was pure milk (rejecting the contention that a reference to milk would be only understood as liquid milk). The NAD also approved of imagery of the ubiquitous ***Starbucks*** ***white*** and ***green*** ***cup*** with check marks for latte and 2% and the addition of "make at home". Its only beef was with the express reference to cafe or ***Starbucks*** quality.

It is probably too soon to make broad pronouncements but the Tropicana and the ***Starbucks*** cases read together might suggest NAD is taking a more liberal view of when messages are puffs rather than claims.

The content of this article is intended to provide a general guide to the subject matter. Specialist advice should be sought about your specific circumstances.

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When brand loyalty becomes addiction

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Body

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Change is inevitable as we move through life, and as I grow older, I have embraced shedding patterns and trying new paths.

Lately, I have been thinking hard about whether I should continue to attend to my morning Dunkin' Donuts preference.

As I ponder change I present the facts: Almost every day for the past 25 years, I have purchased at least one coffee from Dunkin'; as I have aged I have become increasingly loyal to the brand. And now, when I travel to far-flung places like Los Angeles or Jerusalem, I go out of my way to locate one of the franchises.

Call it a preference, a predilection, a fondness for a large French roast with cream. That's a lot less confrontational than saying it's a habit or an addiction. Part of me says it's time to move on and drink any old coffee that's available. I could even grind the beans myself, and make my own.

Indeed, back in the 1980s I was a coffee maven, and bragged to my friends about my bean grinder and different varieties I kept in the freezer. But, with the proliferation of Dunkin' Donuts franchises, I have grown lazy and, in the process, dare I say, a loyal customer?

I write now because of the behavior modification I have undergone over the years. It's not a full-blown transformation, but I now am fully aware that I am part of a culture that is greater than my own existence. Along with the coffee, there's a familiarity of being in a place that's just like the coffee shop down the street from my house. There's the same smiling cashiers; the letters that adorn the familiar logo; the parking lot trash cans that provide a home for all of the junk that happens to be in my car.

All of this appeals to the mobile worker. But with this attraction, ultimately, comes change.

Consider the case of a close friend who requested anonymity while recently retelling how he risked - and ultimately broke up with - a woman partly over his allegiance to Dunkin' Donuts. About eight years ago, he walked into one in Westport, Conn., and ordered a coffee with his then-girlfriend. As a collector of baseball caps, he asked one of the employees about the possibility of purchasing a Dunkin' Donuts hat. A deal was quickly consummated. He handed the clerk $15, and the person handed him the hat.

His girlfriend immediately objected to the hat, which was tan and brown, and had an embroidered steaming cup of coffee and chocolate doughnut stitched above the lid. "I won't go anywhere with you and the hat," she said. And she didn't. The two broke up. "The way I see it," says my friend, "is the woman I'm going to marry has to be comfortable with me wearing a hat like this."

I, too, have made wardrobe sacrifices that have drawn stares from acquaintances and friends. In recent years, a recently retired Dunkin' Donuts manager happily gave me two hats that I wore on occasion.

Lately, my friends have been encouraging me to join them for their Sunday morning soiree at Starbucks. I will not use this occasion to knock Starbucks and I admire much about their operation, especially the Bob Dylan music they sell and the comfy chairs they offer. I do not drink their coffee simply because it is dark roasted.

To participate in the regular Sunday conversation, I improvised a scheme that makes me feel a lot like George Costanza and Jackie Mason. I still drive to my hometown Dunkin' Donuts, get my coffee, and then head over to the nearby Starbucks where my friends sit by the window. I walk in, shake hands with everyone, and then casually stride over to the cashier and ask for a large empty cup. My request is always fulfilled and I go back to my car, grab my coffee, and walk toward the side of the building.

It's at that location where asphalt runs up against a neat brick ***Starbucks*** retaining wall where I often wonder if I am losing it. I deftly transfer the coffee from the Styrofoam Dunkin' Donuts container to the ***white*** and ***green Starbucks*** paper ***cup***. At that moment, I feel a sense of chutzpah and shame. Then I stride inside with a wide smile like I own the place.

Actions like these put the whole coffee routine into perspective. From now on, I resolve not to take note of every new Dunkin' Donuts that pops up on a local highway or inside a filling station. I will wean myself slowly so I can consider the options out there, such as a good cup of hot tea.

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Graphic

A Dunkin' Donuts hat drove a wedge between a guy and his girl.

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