



# COMPANY TIMELINE

August 2006

- 1971** Starbucks opens its first location in Seattle's Pike Place Market.
- 1982** Howard Schultz joins Starbucks as director of retail operations and marketing. Starbucks begins providing coffee to fine restaurants and espresso bars.
- 1983** Schultz travels to Italy, where he's impressed with the popularity of espresso bars in Milan. He sees the potential to develop a similar coffeehouse culture in Seattle.
- 1984** Schultz convinces the founders of Starbucks to test the coffeehouse concept in downtown Seattle, where the first Starbucks® caffè latte is served. This successful experiment is the genesis for a company that Schultz founds in 1985. Starbucks introduces Christmas blend.
- 1985** Schultz founds Il Giornale, offering brewed coffee and espresso beverages made from Starbucks® coffee beans.
- 1986** Il Giornale introduces Eggnog Latte.
- 1987** With the backing of local investors, Il Giornale acquires Starbucks assets and changes its name to Starbucks Corporation. Opens in Chicago and Vancouver, B.C. Starbucks location total at fiscal year end = 17
- 1988** Offers full health benefits to full- and part-time employees. Starbucks location total at fiscal year end = 33
- 1989** Opens in Portland, Ore. Starbucks location total at fiscal year end = 55
- 1990** Starbucks expands headquarters in Seattle and builds a new roasting plant. Awarded Horizon Air account. Starbucks location total at fiscal year end = 84
- 1991** Establishes a relationship with CARE, the international relief and development organization, and introduces the CARE coffee sampler. Becomes the first privately owned U.S. company to offer a stock option program that includes part-time employees. Opens first licensed airport location with HMSHost at Sea-Tac International Airport. Opens in Los Angeles. Starbucks location total at fiscal year end = 116
- 1992** Completes initial public offering, with common stock being traded on the Nasdaq National Market under the trading symbol "SBUX." Opens in San Francisco; San Diego; Orange County, Calif.; and Denver. Starbucks location total at fiscal year end = 165
- 1993** Begins Barnes & Noble, Inc., relationship. Completes \$80.5 million convertible debenture offering. Opens second roasting plant in Kent, Wash. Announces first 2-for-1 stock split effective September 29.
- Opens in Washington, D.C. Starbucks location total at fiscal year end = 272
- 1994** Awarded ITT/Sheraton (now Starwood Hotels) account. Completes offering of additional common stock. Opens in Minneapolis; Boston; New York; Atlanta; Dallas; and Houston. Starbucks location total at fiscal year end = 425
- 1995** Begins selling compact discs as a result of an extremely popular in-house music program. Awarded United Airlines account. Begins serving Frappuccino® blended beverages. Opens roasting facility in York, Pa. Forms alliance with Canadian bookstore chain Chapters, Inc. Forms alliance with Dreyer's Grand Ice Cream and introduces Starbucks® Superpremium Ice Cream. Completes \$165 million convertible debenture offering. Starbucks Coffee International forms joint venture with SAZABY Inc. to open Starbucks coffeehouses in Japan. Announces second 2-for-1 stock split effective December 1. Opens in Philadelphia; Pittsburgh; Las Vegas; Cincinnati; Baltimore; San Antonio; and Austin, Texas. Starbucks location total at fiscal year end = 677
- 1996** Awarded Westin (now Starwood Hotels) account. North American Coffee Partnership (Starbucks and PepsiCo) begins selling bottled Frappuccino® coffee drink. Converts approximately \$80.5 million of its 4.5 percent convertible subordinated debentures to common stock. Opens in Rhode Island; Idaho; North Carolina; Arizona; Hawaii; Utah; and Ontario, Canada. Starbucks Coffee International opens in Japan; and Singapore. Starbucks location total at fiscal year end = 1,015
- 1997** Converts approximately \$165 million of its 4.25 percent convertible subordinated debentures to common stock. Forms alliance with eight companies enabling the gift of more than 320,000 books to children through the *All Books for Children* book drive. Establishes The Starbucks Foundation, benefiting local literacy programs in communities where Starbucks has coffeehouses. Introduces Starbucks Barista® home espresso machine, capable of using ground coffee or convenient pre-ground, pre-measured espresso pods. Offers Frappuccino® Bars, a lowfat decadent treat. Opens in Florida; Michigan; and Wisconsin. Starbucks Coffee International opens in the Philippines. Starbucks location total at fiscal year end = 1,412
- 1998** Introduces Milder Dimensions, a lighter and milder tasting line of premium coffee blends. Acquires Seattle Coffee Company in the United Kingdom with more than 60 retail locations. Forms Urban Coffee Opportunities LLC, a joint venture with Earvin "Magic" Johnson's Johnson Development Corp.,

to develop Starbucks coffeehouses in diverse, urban and suburban communities lacking major high-end brands.  
**Signs** a licensing agreement with Kraft Foods, Inc., to extend the Starbucks brand into grocery channels across the U.S.  
**Launches** Starbucks.com.  
**Offers** the Doonesbury@Starbucks line of products, with all net proceeds donated to local literacy organizations.  
**Opens** in New Orleans; St. Louis; Kansas City, Mo.; and Portland, Maine.  
**Starbucks Coffee International** opens in Taiwan; Thailand; New Zealand; and Malaysia.  
**Starbucks** location total at fiscal year end = 1,886

**1999** **Acquires** Tazo LLC, a tea company based in Portland, Ore.  
**Partners** with Conservation International to promote environmentally friendly methods of growing coffee.  
**Introduces** Shade Grown Mexico coffee.  
**Acquires** Hear Music, a San Francisco-based music company.  
**Introduces** Starbucks Barista Aroma™ thermal coffeemaker, an insulated automatic drip coffee brewer.  
**Enters** into agreement with Albertson's, Inc.  
**Opens** in Memphis and Nashville, Tenn.; and Saskatchewan, Canada.  
**Announces** the third 2-for-1 stock split effective March 19.  
**Starbucks Coffee International** opens in Beijing; Kuwait; South Korea; and Lebanon.  
**Starbucks** location total at fiscal year end = 2,498

**2000** **Howard Schultz** transitions from chairman and chief executive officer to chairman and chief global strategist.  
**Orin Smith** promoted to president and chief executive officer.  
**Enters** into agreement with Safeway.  
**Enters** into licensing agreement with TransFair USA to market and sell Fair Trade Certified™ coffee.  
**Introduces** a Commitment to Origins™ coffee category that includes shade grown, organic and Fair Trade Certified™ selections.  
**Expands** contribution to Conservation International to establish conservation efforts in five new sites.  
**Launches** Special Reserve program in a quest to find the highest quality coffee in the world.  
**Enters** into agreement with Host Marriott International.  
**Starbucks Coffee International** opens in Dubai; Hong Kong; Shanghai; Qatar; Bahrain; Saudi Arabia; and Australia.  
**Establishes** licensing agreement with TransFair USA to sell Fair Trade Certified™ coffee in U.S. and Canada.  
**Starbucks** location total at fiscal year end = 3,501

**2001** **Introduces** coffee-sourcing guidelines developed in partnership with Conservation International, a nonprofit organization.  
**Commits** to purchase 1 million pounds of Fair Trade Certified™ coffee.  
**Provides** \$1 million in financial support to coffee farmers

through Calvert Community Investments.  
**Begins** a four-year, \$1 million philanthropic partnership with Jumpstart, a national organization that pairs college student tutors with preschoolers.  
**Introduces** the Starbucks Card, a stored-value card for customers to use and reload.  
**Enters** into agreement with Hyatt Hotels Corp.  
**Starbucks** and international business partners seed Starbucks Cares Fund with \$1.2 million contribution to benefit September 11th Fund. Customers and partners (employees) contribute more than \$1.4 million to Starbucks Cares.  
**Starbucks** Board of Directors authorizes stock repurchase plan of up to \$60 million of stock.  
**Announces** the fourth 2-for-1 stock split effective on April 27.  
**Starbucks** opens 300th location in Japan and celebrates fifth year of business in Japan.  
**Starbucks Coffee Japan** introduces a stock-option program for eligible full- and part-time partners (employees) and successfully implements IPO.  
**Starbucks Coffee International** opens in Switzerland and Austria.  
**Starbucks** location total at fiscal year end = 4,709

**2002** **Signs** memorandum of understanding with Fairtrade Labelling Organizations International (FLO) enabling Starbucks to enter into licensing agreements with national Fair Trade organizations to sell Fair Trade Certified™ coffee in the countries where Starbucks does business.  
**Publishes** its first Corporate Social Responsibility Annual Report.  
**Celebrates** 10-year anniversary of Starbucks IPO.  
**Introduces** Starbucks DoubleShot® coffee drink to the ready-to-drink category.  
**Signs** licensing agreement with TransFair Canada to bring Fair Trade Certified™ coffee to more than 270 retail locations in Canada.  
**Reinforces** its dedication to coffee-producing countries and the farmers who grow Starbucks coffee through an expanded line of Commitment to Origins™ coffees.  
**Extends** the beverage menu line to include crème, a non-coffee blended beverage option.  
**Launches** its high-speed wireless internet service branded T-Mobile® HotSpot.™  
**Tazo and Mercy Corps** establish Collaboration for Hope and Advancement in India (CHAI), a project to strengthen communities in the tea-growing district of Darjeeling, where Tazo purchases some of the finest teas available in the world.  
**Organizes** more than 45,000 volunteer hours in the month of September and contributes more than \$275,000 through the Starbucks *Make Your Mark* program to charitable organizations across North America.  
**Starbucks** Board of Directors authorizes stock repurchase plan of up to 10 million shares.  
**Establishes** Seattle Coffee Trading Company (SCTC) in the Canton of Vaud, Lausanne, Switzerland.



**Starbucks Coffee International** opens in Oman; Indonesia; Germany; Spain; Puerto Rico; Mexico; Greece; and Southern China (Macau and Shenzhen).

**Starbucks** location total at fiscal year end = 5,886

**2003 The Starbucks Foundation** awards more than 650 grants totaling \$6.5 million to literacy, schools and community-based organizations across North America since 1997.

**Begins** three-year \$225,000 commitment to America SCORES, a national non-profit, youth development organization that uses soccer and literacy to inspire teamwork among at-risk children in urban public schools.

**Introduces** Shade Grown Mexico and Fair Trade Certified™ coffees to the coffee selections available to Hyatt Hotel and Resort's guests.

**Develops** and launches Starbucks Card Duetto™ Visa®, the first-of-its-kind payment card blending Visa credit card functionality with the reloadable Starbucks Card.

**Starbucks** Board of Directors authorizes stock repurchase plan of up to 10 million shares.

**Acquires** Seattle Coffee Company, which includes Seattle's Best Coffee and Torrefazione Italia coffee brands.

**Celebrates** Earth Day with a \$50,000 contribution to Earth Day Network.

**Introduces** *Iced Shaken Refreshments*, a handcrafted and refreshing new beverage category featuring coffee and tea shaken over ice.

**Starbucks Coffee International** opens its 1,000th Asia Pacific store in Beijing, China.

**Encourages** more than 50,000 hours of partner and customer volunteer time and contributes \$500,000 to nonprofit organizations across the United States and Canada through *Make Your Mark* volunteer program in September.

**Opens** new state-of-the-art roasting facilities in Carson Valley, Nev., and Amsterdam, The Netherlands.

**Starbucks Coffee International** opens in Turkey; Chile; Peru; and Cyprus.

**Starbucks** location total at fiscal year end = 7,225

**2004 Starbucks Coffee International** opens in Paris.

**Extends** Conservation International partnership with a new three-year agreement and \$1.5 million grant, and provides \$2.5 million loan to help capitalize the non-profit's newly launched Verde Ventures fund. Verde Ventures provides direct access to affordable credit for small-scale coffee producers.

**Opens** Starbucks Farmer Support Center in San Jose, Costa Rica.

**Introduces** in-store CD-burning service powered by HP. The new music delivery experience allows Starbucks customers to create personalized CDs at the Starbucks Hear Music™ Coffeehouse in Santa Monica, Calif.

**Dedicates** six weeks to promote environmental awareness in its Company-operated stores in the United States and Canada and engages millions of customers in a dialogue about environmental stewardship.

**Tazo and Kraft Foods** announce licensing agreement to distribute Tazo® superpremium teas in U.S. grocery channels.

**Announces** Starbucks and Jim Beam Brands Co. agreement to develop and market a superpremium Starbucks-branded coffee liqueur outside of Starbucks stores.

**Presents** Jumpstart with \$100,000 in honor of the non-profit's 10-year anniversary.

**Loans** \$1 million to Calvert Community Investments, enabling Calvert to provide affordable credit to the Fair Trade Certified™ coffee farmers.

**Joins** the United Nations Global Compact, an international network of corporations, U.N. agencies, trade unions and non-governmental organizations that support a shared set of nine principles about the environment, labor and human rights.

**Expands** agreement with United Airlines to include cooperative marketing agreement.

**Debuts** strategic marketing alliance with XM Satellite Radio featuring a 24-hour "Starbucks Hear Music™" channel.

**Launches** Hear Music™ media bar CD burning service in select locations in Seattle and Austin, Texas.

**Introduces** new Frappuccino® Light blended coffee beverages.

**Signs** licensing agreement to open Seattle's Best Coffee cafes in more than 400 existing Borders Books & Music® stores over the next several years in the continental U.S. and Alaska, and within new Borders stores as they open.

**Introduces** 100 percent Kona Coffee as the first of the Black Apron Exclusives™ assortment of coffees, a new line of rare, exotic coffees available only in limited quantities. Subsequent Black Apron Exclusives coffees include Ethiopia Harrar, El Salvador Estate Pacamara and Aged Sumatra Lot 523.

**Releases** *Ray Charles, Genius Loves Company* CD through a collaboration between Concord Records and Starbucks Hear Music.

**Forms** Conservation Coffee Alliance partnership with the United States Agency for International Development and Conservation International in an effort to improve the livelihoods of small-scale coffee farmers.

**Grants** \$500,000 to America SCORES to promote literacy and the physical and social well-being of at-risk youth.

**Expands** high speed wireless service, T-Mobile® HotSpot™ to more than 3,300 Starbucks stores.

**Introduces** Starbucks Coffee Master Program to provide Starbucks partners with an opportunity to learn more about the world of coffee, and share their passion with customers and partners.

**Starbucks** location total at fiscal year end = 8,569

**2005 Orin Smith** retires as Starbucks president and chief executive officer.

**Jim Donald** promoted to president and chief executive officer.

**Ray Charles, Genius Loves Company** wins eight GRAMMY® Awards including "Album of the Year" and "Record of the Year."



**Introduces** Starbucks™ Coffee Liqueur and Starbucks™ Cream Liqueur. Created with the Starbucks enthusiast in mind.

**Responds** to the tremendous tsunami devastation in South Asia by donating more than \$1.5 million for tsunami relief and recovery, channeled through a variety of relief organizations around the world, including Oxfam affiliates, the Red Crescent Society and Save the Children.

**Reports** that as part of its long-term commitment to aid the relief and recovery efforts following Hurricane Katrina, Starbucks will make an initial commitment of \$5 million over five years to impacted U.S. Gulf Coast communities.

**Introduces** a unique, limited-edition Starbucks Card bearing the image of Seattle Mariners superstar Ichiro Suzuki with Major League Baseball. This first-ever commemorative Starbucks Card benefits children's charities in the United States and Japan.

**Acquires** Ethos Water and sets a goal of donating \$10 million to support clean water projects around the world over the next five years.

**Announces** \$5 million Starbucks China Education Program in Beijing to support access to education, underscoring the Company's commitment to creating a long-term relationship with the people of China.

**Introduces** Starbucks Discoveries™, a ready-to-drink (RTD) chilled coffee beverage, in Japan and Taiwan. Available in two flavors, Seattle (latte) and Milano (espresso), the drinks are available at most convenience stores in Tokyo and Taiwan.

**Herbie Hancock: Possibilities** becomes first global release by Hear Music (in conjunction with Hancock Music, Vector Recordings, and Warner Music International).

**Announces** that the Board of Directors authorizes the repurchase of up to 5 million shares of the Company's common stock.

**Starbucks** Board of Directors approves a 2-for-1 stock split. This is the fifth 2-for-1 split of the Company's common stock since its initial public offering in 1992.

**Starbucks** and the African Wildlife Foundation announce the launch of the "Coffee for Conservation" project, aimed at promoting coffee quality, environmental sustainability and natural resource conservation in East Africa.

**Opens** the next evolution of the Hear Music™ Coffeehouse in San Antonio, offering more than 1 million digital tracks to sample and burn.

**Introduces** Café Estima Blend™, a Fair Trade Certified™ coffee, a complex coffee with a dark roast.

**Purchases** 10 million pounds of Fair Trade Certified™ coffee and becomes North America's largest purchaser of Fair Trade Certified™ coffee.

**Starbucks Coffee International** opens stores in the Bahamas; Ireland; and Starbucks first Company-operated stores in Dalian in Northeast China.

**Introduces** Aged Sumatra Lot 523, Kigabab Estate, Elephant Kinjia, La Candelilla Estate and Shirkina Sun-Dried Sidamo as Black Apron Exclusives™ coffees.

**Starbucks** location total at fiscal year end = 10,241

**2006 Announces** innovative model for the marketing of Lionsgate and 2929 Entertainment's new film, *Akeelah and the Bee*.

**Introduces** Starbucks DoubleShot® Light in U.S.

**Acquires** full ownership of Coffee Partners Hawaii, the joint-venture company that operates Starbucks retail stores in Hawaii and Café del Caribe, the joint venture company that operates Starbucks retail stores in Puerto Rico.

**Introduces** Rwanda Blue Bourbon Black Apron Exclusives™ coffee, one of the world's oldest and rarest coffee species, which thrives in Rwanda's high elevations and is prized for its elegant flavor.

**Starbucks** Coffee Master Count reaches more than 22,000 partners worldwide.

**Starbucks** through its Ethos Water brand invited partners and customers in 11 U.S. cities to take part in *Walks for Water* to commemorate World Water Day, raising awareness for the more than 1.1 billion people worldwide who lack access to clean drinking water.

**Introduces** bottled Frappuccino® Strawberries and Crème drink, the first non-coffee bottled Starbucks beverage.

**Introduces** ready-to-drink Starbucks Iced Coffee, a refreshing, cold coffee drink with just a touch of milk and sweetness.

**Pledges** \$550,000 to revitalize historic Central District Park on Martin Luther King Jr. Way in Seattle, part of the Company's \$1 million commitment to the improvement of parks in King, Pierce and Snohomish counties in 2006.

**Starbucks Coffee International** enters a joint-venture agreement with Cafés Sereia do Brasil Participações S.A., a Brazilian holding company led by successful local retailers, to form Starbucks Brasil Comercio de Cafes Ltda. (Starbucks Brasil).

**Debuts** Pomegranate Frappuccino® juice blend and Tangerine Frappuccino® juice blend made with fruit juice and freshly-brewed Tazo® tea.

**Starbucks Coffee Company** and PepsiCo announce through their joint-venture partnership, the North American Coffee Partnership, the signing of a distribution agreement for Ethos Water.

**Starbucks Coffee Company** hosts the first "African Coffee Celebration" at its Seattle headquarters to honor coffee farmers in East Africa.

**Current Starbucks** location total as of July 2, 2006 = 11,784

