

Starbucks Day of Action Toolkit



Join thousands of activists around the world on December 16! Tell Starbucks that you stand by Ethiopian coffee farmers and you want the company to honor its commitments. More than 85,000 people from 70 countries have joined the campaign. Let's keep the momentum going.

What you'll need:

- > Day of Action instructions (p. 1, below).
- > Starbucks Myth/Fact Sheet (p. 2–3).
- > Your voice. Starbucks has a team of lawyers to protect its name; the Ethiopian coffee farmer has you. Amplify the voices of Ethiopian farmers by speaking to Starbucks directly.

Follow these simple steps:

1. Print out this Starbucks Day of Action Toolkit.
2. Sign the Myth/Fact Sheet (p. 2).
3. Go into your local Starbucks store, and ask the baristas (employees) for a cup of Ethiopian coffee.
4. Whether they can brew you a cup of Ethiopian coffee or not, say, "I am here to show support for Ethiopia's initiative to trademark its coffee names."
5. Hand the baristas the signed Starbucks Myth/Fact Sheet. Let them know that you appreciate their time. Ask them to communicate back to Starbucks headquarters about your conversation.
6. If the baristas agree with you and support Ethiopia in this initiative, encourage them to voice their opinion to Starbucks corporate headquarters.

Tips for the Day of Action:

- > Remember to be respectful of the store employees, and don't feel as if you have to cover everything in your short interaction.
- > It's best to talk about what you understand and feel comfortable talking about.
- > If any employee argues or disagrees with you, simply say, "This is my stance on the issue, and as a Starbucks customer/community member, I wanted to share my thoughts."
- > If you would like more background information on the campaign, visit www.oxfamamerica.org/starbucks.

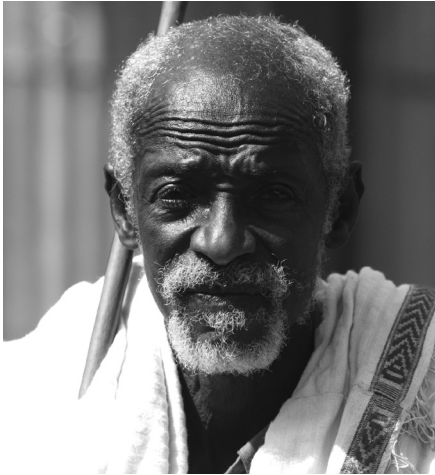
Dear Starbucks employee,

I'm concerned about Starbucks' actions regarding Ethiopia's right to control the use of its coffee names. Please do the right thing by the poor farmers who grow Starbucks coffee. Contact Starbucks headquarters; ask the company to sign an agreement that recognizes Ethiopia's ownership of its names. For more information, read below.

Signature _____

Printed name _____

Starbucks, Ethiopia, and Oxfam: Myths and Facts



As part of its groundbreaking trademark campaign, Ethiopia has asked Starbucks to sign a licensing agreement that would formally recognize the country's ownership of its gourmet coffee names: Sidamo, Harar, and Yirgacheffe. This strategy, which has traditionally been used by large corporations, could pave the way for long-term development in poor countries.

By signing the agreement, Starbucks could set a trend in the coffee industry that could allow Ethiopia to capture a larger share of the market value associated with its coffee names. Ethiopia could also protect the reputations of their brands and occupy a stronger negotiating position with foreign buyers. It is estimated that the project could eventually increase Ethiopia's specialty coffee export income by \$88 million annually.

Right now, Starbucks uses Ethiopian names like Sidamo to market its coffee because consumers are willing to pay a premium price for these high-quality coffees. But while Starbucks reaps the benefits from this brand recognition—selling these coffees for as much as \$26 a pound—Ethiopian farmers see just 5 to 10 percent of the retail price.

Ethiopia's proposal to Starbucks is part of its strategy to overhaul a trading system that distributes the bulk of profits to roasters and retailers instead of producing countries. Ethiopia's efforts couldn't come sooner. In a country where one in four people live on less than a \$1 a day, coffee represents the source of hope and income for 15 million.

Join the broad coalition of Starbucks employees, students, nonprofit organizations, and Ethiopians calling on Starbucks to honor its commitments to coffee farmers. Visit www.oxfamamerica.org/starbucks to help.

MYTH: Oxfam is focusing on Starbucks because it is a large multinational corporation.

FACT: Oxfam is focusing on Starbucks because it is an industry leader with a history of involvement with Ethiopia's trademark campaign.

In 2005, Ethiopia applied to trademark the coffee names Sidamo, Yirgacheffe, and Harar with the US Patent and Trademark Office, but it was informed that Starbucks had already registered a name, Shirkina Sun Dried Sidamo, which conflicted with the Ethiopian registration. Soon afterward, the Ethiopian ambassador to the US and Oxfam (at the request of the ambassador) approached Starbucks to try to find a win-win solution. Ultimately, Starbucks pulled its conflicting application but then worked to block Ethiopia's application by prompting the National Coffee Association, of which it is a member, to file an opposition. And now, Starbucks continues to push the country to accept an alternative proposal (geographic certification), which fails to give Ethiopia the tools it needs to carry out its trademark project. Oxfam continues to encourage Starbucks to sign the agreement that Ethiopia put forward, one that aptly acknowledges the country's rights to its coffee names.

MYTH: Starbucks already does a lot to help farmers. It doesn't need to sign this agreement.

FACT: Starbucks has taken some good steps, but it can do better. Recognizing Ethiopia's rights to its coffee names would complement these efforts.

Starbucks has made positive contributions to coffee-growing communities, but now that Ethiopia is proposing a long-term poverty solution, the company balks. Ethiopia's project is not a quick fix, or a request for charity. It is a step toward righting a flawed trading system for the 15 million Ethiopians who depend on coffee to feed their families, and pay for their education and health care. As a company that prides itself on its work on behalf of coffee farmers, Starbucks should welcome Ethiopia's efforts to help its farmers get a greater share of the value their coffee commands on the market.

MYTH: Agreements like these might actually hurt Ethiopian coffee farmers if Starbucks stops buying Ethiopia's coffee.

FACT: Ethiopia has shown no indication that it would introduce the type of unfair complexities or costs that would lead Starbucks to stop buying its coffee.

Ethiopia has no reason to negotiate the sort of trademark agreement that would discourage Starbucks from buying its coffees. In fact, Ethiopia has chosen not to charge Starbucks and other companies the royalty fees normally associated with such agreements. Moreover, Ethiopia has no motivation to price itself out of the market. Even if the country did eventually raise the export price for its specialty coffees, Starbucks might only pay a few extra cents per pound. Since Starbucks is a very successful company (making about \$6 billion in net revenues in just the first three quarters of fiscal year '06), those extra cents would cost the company comparatively little. But they would add up to a lot for Ethiopia's poor farmers.

MYTH: Poor coffee farmers aren't going to see a dime from this deal—the money will stay with the Ethiopian government.

FACT: The Ethiopian government is working with farmer cooperatives and others to make sure the increased revenue will benefit Ethiopia's coffee sector, which includes poor farmers.

Oxfam's interest is in seeing that all parties—whether they be coffee companies or governments—do well by farmers. The Ethiopian government is working with a stakeholder group, which includes Ethiopian coffee cooperatives, to decide how to manage ownership and the distribution of benefits associated with trademarks. The licensing agreement acknowledges that Ethiopia's goal is "to maximize the benefits to farmers."

MYTH: Geographic certification will be better for the Ethiopians than a trademark agreement.

FACT: Only the trademark licensing agreement would give Ethiopia the control it demands.

Ethiopia wants Starbucks to sign a trademark licensing agreement, but Starbucks says a geographic certification program would be better. Trademarks, unlike geographic certification, would afford Ethiopia exclusive rights to names, which the country could then allow coffee companies to use—through licensing agreements. These rights would help Ethiopia manage its brands, increase the brands' value and, over time, increase the amount of money going back to Ethiopia's coffee sector. Ethiopia consulted with coffee cooperatives, intellectual property experts, and legal counsel before choosing its trademark strategy. Ownership of names is the same strategy corporations like Starbucks, McDonald's, and Disney use to build their brands and capture a fair return for the use of their name. The difference is that Ethiopia was blocked from getting trademark protection for some of its product names.

MYTH: Oxfam is running a smear campaign against Starbucks.

FACT: Oxfam is asking Starbucks to honor its commitments to coffee farmers.

This campaign is not about Starbucks; it's about Ethiopian coffee farmers. Since 2001, Oxfam America has campaigned to help coffee farmers around the world alleviate poverty in their communities. Working with Ethiopians to gain control of their coffee names represents the next logical step. We have partnered with Starbucks in the past because of its history of helping farming communities—so we don't understand why the company won't work with Ethiopia now. We hope Starbucks abides by its mission to support coffee communities and recognizes Ethiopia's right to determine how best to control its coffee names.

Working together to end poverty and injustice

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