



Starbucks Coffee Company: CPG

Press Release: Starbucks-Hershey Partnership

Backgrounder
July 2007

When Coffee Dreams, It Dreams of Chocolate®

The Starbucks Coffee Company Global Consumer Products Group and The Hershey Company Launch Premium Chocolate Platform

Starbucks Coffee Company (Nasdaq:SBUX) and The Hershey Company (NYSE:HSY) announced a development and distribution agreement that will help to transform the premium chocolate segment. The companies will create and market a new Starbucks®-branded premium chocolate platform in the United States starting fall 2007.

Expert chocolatiers are developing products that translate Starbucks coffeehouse flavors into delicious and distinct chocolate products. The premium platform will combine the highest quality chocolate with Starbucks beverages and coffeehouse flavors. In addition to innovative flavors, this platform will offer new forms and packaging and will be available in a broad range of retail channels such as food, drug and mass merchandise outlets across the United States.

The alliance will draw on the premium expertise of Artisan Confections Company, a wholly owned subsidiary of The Hershey Company. Artisan Confections' unique portfolio consists of some of the world's finest chocolate, including Scharffen Berger® and the exquisite truffles of Joseph Schmidt®.

Cacao beans, like coffee, are an agricultural product that affects the livelihood of many people around the world. Starbucks and Hershey share a passion and focus to purchase cacao that is socially responsible, economically viable, ecologically sustainable and meets specific quality standards.

Hershey is committed to promoting sustainable cacao farming and plays a leadership role with industry partners, governments, international agencies and cocoa communities to develop programs that promote economic and social development and environmental conservation in cacao-growing communities around the world. Hershey's cacao sourcing guidelines will help to improve farmer incomes, ensure responsible labor practices and protect the tropical ecosystem. Hershey also supports organizations such as The International Cocoa Initiative (ICI) and The International Foundation for Education & Self Help (IFESH). Both Starbucks and Hershey support the World Cocoa Foundation.

Starbucks has recently developed its Cocoa Practices Guidelines and Scorecard, which are being piloted for a two-year period beginning June 1, 2007. The Cocoa Practices were developed to reflect Starbucks C.A.F.E. (Coffee and Farmer Equity) Practices, the Company's coffee buying guidelines, and are similar in structure and criteria areas. The program is designed to evaluate and recognize producers of high quality, sustainably grown cocoa. To become a Cocoa Practices supplier, farmers, processors and exporters must meet minimum requirements and demonstrate best practices, which are subject to independent verification under the guidelines. Hershey's and Starbucks will work together to pilot and implement these practices for this platform. To learn more about Cocoa Practices and Starbucks commitment to sustainable cocoa production, please visit www.starbucks.com/cocoa.

About Starbucks

Starbucks Coffee Company provides an uplifting experience that enriches people's lives one moment, one human being, one extraordinary cup of coffee at a time. To share in the experience, visit www.starbucks.com.

For More Information

If you have questions or need more information, you may contact us at (800) 23-LATTE or visit Starbucks.com. For news media, please contact us at (206) 318-7100 or press@starbucks.com.

About The Hershey Company

The Hershey Company (NYSE: HSY) is the largest North American manufacturer of quality chocolate and sugar confectionery products. With revenues of nearly \$5 billion and more than 13,000 employees worldwide, The Hershey Company markets such iconic brands as Hershey's, Reese's, Hershey's Kisses, and Ice Breakers. Hershey is the leader in the fast-growing dark and premium chocolate segment, with such brands as Hershey's Special Dark, Hershey's Extra Dark and Cacao Reserve by Hershey's. In addition, Artisan Confections Company, a wholly owned subsidiary of The Hershey Company, markets such premium chocolate offerings as Scharffen Berger, known for its high-cacao dark chocolate products, Joseph Schmidt, recognized for its fine, handcrafted chocolate gifts, and Dagoba, known for its high-quality natural and organic chocolate bars. Visit us at www.hersheynewsroom.com.

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