



Designed to Connect, Inform and Entertain, the Starbucks Digital Network, in partnership with Yahoo!, Debuts at Starbucks

Created to enhance the in-store experience, the Starbucks Digital Network offers hand-picked premium content and exclusive launch week offering for customers to explore

SEATTLE (October 20, 2010) – Starbucks (NASDAQ: SBUX) today announced the launch of the Starbucks Digital Network, in partnership with Yahoo! (NASDAQ: YHOO) in U.S. company-operated stores. Serving up a collection of hand-picked premium news, entertainment and lifestyle content along with local insights and events, the Starbucks Digital Network, is powered by free Wi-Fi and available only in Starbucks stores. Developed for screens big and small, customers with Wi-Fi enabled laptops, tablets or smartphones can visit the network while in line or while enjoying their favorite beverage in the café.

"Our customers are the inspiration for the Starbucks Digital Network. They've told us they want to be the first to know what's happening in their neighborhoods and around the globe, to have an easy way to discover new music, great books and important films and find ways to be more involved in their communities. And they're connecting with the brand digitally in numerous ways," said Stephen Gillett, Starbucks executive vice president, chief information officer and Digital Ventures general manager. "These points combined with our passion for creating a unique customer experience, our heritage of recommending culturally-relevant works and focus on giving back to the community, led us to create this new, one-of-a-kind, localized content experience with Yahoo!."

"Yahoo!'s vision is to be the center of people's online lives by delivering personally relevant, meaningful Internet experiences, wherever they may be," said Elisa Steele, EVP and CMO at Yahoo! "We're excited to team up with Starbucks to create a dynamic online destination where their customers will find unique online content to keep them informed and entertained."

Designed to deliver a new, enhanced in-store experience for customers, the Starbucks Digital Network is the first in-store network of its kind. The digital network's hand-picked premium content spans six channels: News, Entertainment, Wellness, Business & Careers, My Neighborhood and Starbucks. Newly signed content providers include Bookish Reading Club, Foursquare, GOOD, LinkedIn, New Word City and The Weather Channel.

LAUNCH WEEK

Launch week kicks off with a trio of exclusive offers on the Starbucks Digital Network's Entertainment channel including free music tracks, a movie clip with charitable ties and a novel sneak preview. Straight from iTunes, customers get exclusive free access to two songs and a video from new band Fistful of Mercy featuring Ben Harper and Dhani Harrison.

Movie fans can enjoy a special clip from the Paramount Vantage film, "Waiting for 'Superman'." Every customer who buys a ticket for the film will receive a \$15 DonorsChoose.org credit to use in support of a classroom project in his or her community.

Rounding out the trio is an extensive excerpt from "Rescue", the new upcoming novel by best-selling and acclaimed author of 10 New York Times bestsellers, Anita Shreve. Available from Hachette Book Group, only Starbucks Digital Network customers get an exclusive sneak peek of "Rescue" before it hits shelves on Nov. 30.

THE CHANNELS & CONTENT PROVIDERS

Created to inform and entertain as well as connect customers with what matters to them, the Starbucks Digital Network has a team of editors who selects the content appearing on the network. Whether customers have a few minutes or an hour, the Starbucks Digital Network offering is designed with snackable content in mind, so it's easy to explore the six channels and discover the most relevant news and information. Following is a breakdown of the channels and content providers:

News

In the News channel, customers have free access to New York Times Reader 2.0, WSJ.com and USA TODAY eEdition providing access to news as it hits around clock. These subscription-based services are free to customers only on the Starbucks Digital Network. Yahoo! News and Yahoo! Sports will serve up additional stories. GOOD is the latest addition to the channel, bringing new infographics to the network two days prior to appearing on www.good.is.

Entertainment

Leading the entertainment channel, iTunes features music and videos as well as the digital version of the successful Starbucks/ iTunes Pick of the Week card program, supporting the discovery of new music. Joining the cast of the digital network's Entertainment channel are two content groups from the publishing world, Bookish Reading Club and New Word City.

Bookish Reading Club offers free access to great books each week from numerous publishers including Hachette Book Group, HarperCollins, Penguin Group (USA) and Simon & Schuster, with offerings from more publishers in the near future. A new HTML5 reader allows customers to read books in the browser on their laptops, tablets and many smartphones.

Delivering a new series of short eBooks on business management, leadership and travel to the Starbucks Digital Network, New Word City offers stories and groundbreaking ideas from some of the world's most inspiring and instructive authors including Captain Mike Abrashoff, Jim Champy, Juan Enriquez, Jeffrey Gitomer, Seth Godin, John Kao, Don Tapscott and Alan Webber. New Word City will offer a combination of excerpts and full books, including original travel guides with ranging appeal for everyone from the armchair traveler to the adventurer. The network will feature an exclusive excerpt from best-selling author Seth Godin's new book "Graceful," which shares how to navigate the changes in our world.

The book-focused duo adds to the overall entertainment offering from iTunes, Nick Jr. Boost and SnagFilms. Nick Jr. Boost offers free access to its complete, personalized educational program for early learners and their parents. Starring kids' favorite Nick Jr. characters, the advertising-free service features fun and engaging learning through games and activities that reward and encourage children as they play. Nick Jr. Boost is based on a curriculum that includes phonetic awareness, reading comprehension, critical thinking, counting, addition and subtraction. SnagFilms opens launch with a series of music documentaries including "Buena Vista Social Club," "Girls Rock," "Heavy Metal in Baghdad," "Kurt and Courtney," "Dig" and powerful films on Biggie & Tupac, the Flaming Lips, Jimi Hendrix and others. Moving forward, SnagFilms and Starbucks will co-curate monthly themed film festivals for the network.

Wellness

Serving as the primary wellness contributor to the Starbucks Digital Network, Rodale offers specialized digital content including articles, recipes and videos from Rodale.com, Men's Health, Women's Health, Runner's World, Bicycling, Prevention, Organic Gardening and Eat This, Not That! as well as a custom "Map my Ride, Map by Run" app that helps customers find new routes in their local community for fitness or fun.

Business & Careers

LinkedIn, the world's largest professional network with more than 80 million members across the globe, heads up the Business & Careers channel and offers early access to a career-focused blog, an exclusive video on job seeking tips hosted by Lindsey Pollak, a career coach and LinkedIn ambassador, and job suggestions delivered to customers based on profile matching and keyword search. For customers interested in the LinkedIn Jobseeker Premium account, a 30-day trial is available. Yahoo! Finance will feature Laura Rowley's Money & Happiness blog and How-to Guides bringing financial advice and tips to the network.

My Neighborhood

With a goal to deliver relevant, localized content, the My Neighborhood channel, brings Foursquare to a line-up that also features DonorsChoose.org, Patch and Zagat. As the most checked in retailer on Foursquare with 2.25 million check-ins, Starbucks brings Foursquare to the digital network and will offer web-based check-ins in every store. You can see each store's mayor along with other Foursquare users who have recently checked in.

After customers have checked-in, they can check out local K-12 public school classrooms in need of support through DonorsChoose.org and make a donation to help bring a classroom project to life. Patch delivers community-specific and trusted local coverage in hundreds of communities coast to coast, serving as an interactive hub for the news and information that matters most to Patch readers on the network. Adding to the channel, Zagat will help customers eat well by providing full ratings and reviews for restaurants in the neighborhood around each Starbucks store.

Starbucks

Whether customers want the latest scoop on new drinks, events, offers and ideas from Starbucks or want to manage their Starbucks Card, this channel brings it all together. The Starbucks channel will connect customers with Twitter and Facebook as well as feature key offerings including MyStarbucksIdea, Starbucks Coffee Blog, Starbucks Nutrition, Starbucks Shared™ Planet™, Starbucks Card and My Starbucks Rewards.

"What you see today, is only the beginning," said Adam Brotman, Starbucks Digital Ventures vice president. "Expect more localized content and community features in the future, more ways to personalize your experience, new ways to be rewarded and an ever-growing collection of premium content. We look forward to hearing from our customers as those ideas will contribute to how the Starbucks Digital Networks continues to grow."

LANDING PAGE & OTHER FEATURED CONTENT

On the landing page header, customers can check-into Foursquare, see their My Starbucks Rewards status when logged in and even get the local weather. The Weather Channel will provide the most up-to-date local weather conditions including the actual temperature, "feels like" temperature, humidity, wind speed and direction, visibility, the 36-hour forecast, and the regional Doppler radar map for each U.S. Starbucks. In addition, there is 1-click access to the hourly forecast, the 10-day forecast, animated radar maps, and the interactive maps available on weather.com, all optimized for display on the customer's device.

Customers can access a social media dashboard on the footer of the landing page featuring Starbucks four main social media channels: Facebook, Twitter, My Starbucks Idea and YouTube.

Yahoo! is also integrating several marquee products into the digital network to deliver unique content. Yahoo! Search will provide search capabilities across the platform allowing customers to explore whatever and whoever interests them. Flickr, Yahoo! Sports, Yahoo! Finance and Yahoo! News are also available for customers who are interested in social-sharing and receiving breaking news.

PLATFORM

Powered by Starbucks Wi-Fi infrastructure, the digital network is only accessible when a customer is connected to free Wi-Fi at a company-operated Starbucks. To develop the network, Starbucks selected Yahoo! to build, manage and host the Starbucks Digital Network because of Yahoo!'s 15 years of experience and deep expertise in developing compelling digital platforms. The platform was designed so customers could access the digital network through their favorite devices whether that is on a laptop, tablet or smartphone.

Between the employment of HTML5, touch- and swipe-friendly visual design elements, and adjustable navigation, the site was developed to be easily used on the most popular mobile platforms and touch screen tablets, including the iPhone and iPad. It was important to optimize the experience for mobile devices because more than half of Starbucks customers are connecting to free Wi-Fi on their mobile phones. In addition, for customers with iPhones and the myStarbucks App, the open app will recognize the customer when in store and offer an automatic connection to the Starbucks Digital Network.

The network goes live in nearly 6,800 U.S. company-operated Starbucks on Oct. 20.

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About Starbucks

Since 1971, Starbucks Coffee Company has been committed to ethically sourcing and roasting the highest quality arabica coffee in the world. Today, with stores around the globe, the company is the premier roaster and retailer of specialty coffee in the world. Through our unwavering commitment to excellence and our guiding principles, we bring the unique Starbucks Experience to life for every customer through every cup. To share in the experience, please visit us in our stores or online at starbucks.com.

About Yahoo!

Yahoo! attracts hundreds of millions of users every month through its innovative technology and engaging content and services, making it one of the most visited Internet destinations and a world-class online media company. Yahoo!'s vision is to be the center of people's online lives by delivering personally relevant, meaningful Internet experiences. Yahoo! is headquartered in Sunnyvale, California. For more information, visit pressroom.yahoo.com or the company's blog, [Yodel Anecdotal \(yodel.yahoo.com\)](http://YodelAnecdotal(yodel.yahoo.com)).