



Starbucks Coffee Company

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Howard Schultz

chairman, president and ceo

December 10, 2009

The Honorable Harry Reid
Senate Majority Leader
S-221 Capitol Building
Washington, D.C. 20510

The Honorable Nancy Pelosi
Speaker of the House of Representatives
H-232 Capitol Building
Washington, D.C. 20515

The Honorable Mitch McConnell
Senate Minority Leader
S-230 Capitol Building
Washington, D.C. 20510

The Honorable John Boehner
House Minority Leader
H-204 Capitol Building
Washington, D.C. 20515

Dear Leaders Reid, McConnell, Pelosi, and Boehner:

As healthcare reform continues to inch along, we will soon come to the end of this legislative season. As an American and an American businessman I am hopeful that in the days ahead you and your colleagues will demonstrate the leadership, wisdom and cooperative spirit necessary to get meaningful healthcare legislation passed into law. Anything less would be a tremendous disappointment.

I have been a vocal supporter of comprehensive healthcare reform for over 20 years, since Starbucks became one of the first major retailers to offer healthcare benefits to part-time employees working 20 hours a week. We continue that practice to this day. But in 2009, Starbucks will spend roughly 80% more on healthcare than we spent in 2000 –nearly as much as we do on green coffee for our U.S. business. The current healthcare model is simply unsustainable – not just for businesses like Starbucks but for all participants in the healthcare delivery system.

The facts and implications for business, ours and others, are clear. Many of us want to continue to do our part to respond to the healthcare needs of our employees. But America needs a vastly more effective and efficient healthcare delivery system for business to be able to do so. Maintaining the status quo is not an option.

A meaningful reform effort must include:

- Coverage for all Americans that relies on public-private partnerships
- More personal accountability
- Incentives to reduce costs and emphasize prevention and wellness programs, including a national menu labeling standard
- Increased pricing transparency
- Meaningful tort reform so doctors practice medicine for patient interests - not out of fear of lawsuits

Today we must seize the opportunity to make a critically important deposit for future generations in order to sustain the unrivaled American standard of living and be true to our values, dignity and basic human decency. Now is an American moment. And for the sake of our children, our fellow citizens, our future generations, and ourselves, let us not squander this opportunity.

Sincerely,

A handwritten signature in black ink, appearing to read "Howard Schultz". The signature is fluid and cursive, with the first name "Howard" written in a larger, more prominent script than the last name "Schultz".

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Cc: Senator Max Baucus, Chairman, Senate Committee on Finance
Senator Charles Grassley, Ranking Member, Senate Committee on Finance
Senator Tom Harkin, Chairman, Senate Committee on HELP
Senator Mike Enzi, Ranking Member, Senate Committee on HELP
Representative Henry Waxman, Chairman, House Energy & Commerce Committee
Representative Joe Barton, Ranking Member, House Energy & Commerce Committee