
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities and Exchange Act of 1934**

Date of Report (Date of earliest event reported): January 7, 2008

STARBUCKS CORPORATION

(Exact Name of Registrant as Specified in its Charter)

Washington

(State or Other Jurisdiction of
Incorporation or Organization)

0-20322

(Commission File Number)

91-1325671

(IRS Employer
Identification No.)

2401 Utah Avenue South, Seattle, Washington 98134

(Address of principal executive offices)

(206) 447-1575

(Registrant's Telephone Number, including Area Code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-
-

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Attached hereto as Exhibit No. 99.1 and incorporated herein by reference is the text of a press release of Starbucks Corporation (the “Company”) dated January 7, 2008, announcing that James L. Donald will cease to serve as the president and chief executive officer of the Company and resign from the Board, effective immediately. The press release also announces that effective January 7, 2008, Howard Schultz now serves as president and chief executive officer of the Company, in addition to his current role as chairman of the board. Mr. Schultz will not receive any additional compensation in connection with his new position.

Howard Schultz, 53, is the founder of the Company and the chairman of the Board, president and chief executive officer. From June 2000 to February 2005, Mr. Schultz also held the title of chief global strategist. From the Company’s inception in November 1985 to June 2000, he served as chairman of the Board and chief executive officer. From November 1985 to June 1994, Mr. Schultz was also the Company’s president. From January 1986 to July 1987, Mr. Schultz was the chairman of the board, chief executive officer and president of Il Giornale Coffee Company, a predecessor to the Company. From September 1982 to December 1985, Mr. Schultz was the director of retail operations and marketing for Starbucks Coffee Company, a predecessor to the Company. Mr. Schultz also serves on the board of directors of DreamWorks Animation SKG, Inc.

During fiscal 2007, Mr. Schultz made personal use of corporate aircraft, for which he reimbursed the Company at the Company’s aggregate incremental cost. Mr. Schultz’s reimbursements for flights taken during fiscal 2007 totaled \$400,919. The Audit Committee approved the aircraft reimbursement transactions in accordance with its charter.

Item 9.01 Financial Statements and Exhibits.

(c) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
99.1	Starbucks Corporation press release dated January 7, 2008.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

STARBUCKS CORPORATION

Dated: January 7, 2008

By: /s/ Howard Schultz
Howard Schultz
President, Chief Executive Officer and
Chairman of the Board

EXHIBIT INDEX

Exhibit No.	Description
99.1	Starbucks Corporation press release dated January 7, 2008.

Starbucks Announces Strategic Initiatives to Increase Shareholder Value;
Chairman Howard Schultz Returns as CEO

Renewed Focus on Customer Experience and Innovation;
Starbucks to Slow U.S. Store Growth and Accelerate International Expansion

Conference Call with Financial Community to be Held at 5:30 p.m. EST Today

SEATTLE, WA, January 7, 2008 — The Board of Directors of Starbucks Coffee Company (NASDAQ:SBUX) today announced a series of initiatives aimed at driving shareholder value by refocusing the Company on providing customers with the distinctive *Starbucks Experience* and building on Starbucks legacy of innovation. To accomplish this objective, the Board has appointed Howard Schultz, chairman, to take on the additional role of chief executive officer, effective immediately, replacing Jim Donald, who is leaving the Company.

“Howard is the architect of the Starbucks brand and the visionary behind the unique customer experience that is at the heart of this remarkable company’s success,” said Craig Weatherup, chairman of the Starbucks Board’s Nominating and Corporate Governance Committee. “Given what the Board believes needs to be done, there is no better person to drive change and ensure that Starbucks is positioned to innovate, execute and relentlessly focus the entire organization on the customer.”

Schultz served as chief executive officer of the Company from 1987 to 2000. During that period, the Company went public in 1992 and enjoyed exceptional U.S. and international growth. From 2000 onward, in his role as chairman, Schultz focused on the Company’s global strategies and expansion, which now includes a significant and growing presence in 43 countries. As chairman and chief executive officer, he will be responsible for the overall strategic direction of the company, with a predominant focus on everything that touches the customer. Martin Coles, chief operating officer, will work closely with Schultz and have oversight responsibility for all operational aspects of the business.

“I am enthusiastic about returning to the role of chief executive officer for the long term and excited to lead Starbucks and its dedicated partners (employees) to even greater heights of achievement on a global basis,” Schultz said. “We must address the challenges we face and we know what has to be done. Put simply, we are recommitting ourselves to what has made Starbucks and the *Starbucks Experience* so unique: ethically sourcing and roasting the highest quality coffee in the world; the relentless focus on the customer; the trust we have built with our people, and the entrepreneurial risk-taking, innovation and creativity that are the hallmarks of our success.”

Schultz stated that his agenda will include:

- improving the current state of the U.S. business by refocusing on the customer experience in the stores, new products and store design elements, and new training and tools for the Company’s store partners to help them give customers a superior experience;
 - slowing the Company’s pace of U.S. store openings and closing a number of underperforming U.S. store locations, enabling Starbucks to renew its focus on its store-level unit economics;
 - re-igniting the emotional attachment with customers and restoring the connections customers have with Starbucks® coffee, brand, people and stores;
 - re-aligning Starbucks organization and streamlining the management to better support customer-focused initiatives and reallocating resources to key value drivers; and
 - accelerating expansion and increasing the profitability of Starbucks outside the U.S., including by redeploying a portion of the capital originally earmarked for U.S. store growth to the international business.
-

“Taken together, these initiatives will help transform Starbucks and drive the Company’s enduring success. We know that we can improve our performance by getting back to the essence of what drove Starbucks past success — our passion for the business and a complete focus on the customer and our relationship with our people. In doing so, we will rely on the continued efforts and dedication of our partners all around the world, who have and will continue to contribute so much to the Starbucks success story,” commented Schultz.

Starbucks will provide further details about its updated store growth strategy and other actions during its 2008 first quarter earnings call on January 30, 2008.

Schultz stated that there are no one-shot solutions or overnight fixes, rather success lies in rigorous execution of the objectives he outlined for the Company. “The position we hold today in our customers’ and partners’ hearts and souls all around the world is not an entitlement. We must earn the trust of our customers every day — by how we conduct our business, how we treat each other as people and how we act as a responsible corporate citizen. We remain committed to providing health care for all full and part-time partners, executing our best-in-class Corporate Social Responsibility efforts, and encouraging our coffee suppliers to participate in our C.A.F.E. (Coffee and Farmers Equity) practices program in our origin countries.

“On behalf of the Board and all Starbucks partners, I would like to thank Jim Donald for his numerous contributions to our Company. Jim was a passionate and tireless advocate for our brand, and we wish him success in his future endeavors,” concluded Schultz.

Widely known as the architect of Starbucks brand image, Howard Schultz joined Starbucks Coffee Company as director of operations and marketing in 1982, when the Company had only four stores. In August 1987, Schultz purchased Starbucks Coffee Company. Under Schultz’s leadership, Starbucks was one of the first companies in North America to offer two unique benefits to its eligible full- and part-time partners: healthcare benefits, and grants in the form of stock options, called *Bean Stock*. In June 1992, Starbucks was the first specialty coffee company to become a public company and is now the leading retailer, roaster and brand of specialty coffee in the world. In addition to its retail locations in North America, Latin America, Europe, the Middle East and the Pacific Rim, Starbucks sells coffee and tea products through its specialty operations, and licensed stores.

Conference Call with Financial Community

The Company will host a conference call for the financial community today at 5:30 p.m. (EST) to discuss the announcement. The call will be available as an audio webcast through the Investor Relations section of the Company’s website at <http://investor.starbucks.com>.

Following today’s call, the Company’s next conference call will be to discuss its financial results for the 2008 first quarter as well as to provide further details on its store growth strategy and other actions. The call will be held on Wednesday, January 30, 2008, following the issuance of its 1Q08 financial results press release.

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.

Forward-Looking Statements

This release includes forward-looking statements about recent trends in the company’s business and the company’s future business plans, initiatives and objectives. These forward-looking statements are based on currently available

operating, financial and competitive information and are subject to various risks and uncertainties. Actual future results and trends may differ materially depending on a variety of factors including, but not limited to, coffee, dairy and other raw material prices and availability, successful execution of internal performance and expansion plans, fluctuations in U.S. and international economies and currencies, the impact of initiatives by competitors, the effect of legal proceedings, and other risks detailed in the company's filings with the Securities and Exchange Commission, including the "Risk Factors" section of Starbucks Annual Report on Form 10-K for the fiscal year ended September 30, 2007. The company assumes no obligation to update any of these forward-looking statements.

To read a letter to Starbucks customers, go to www.starbucks.com

###

Contact Information:

Media Inquiries:

Starbucks Media Relations

Valerie O'Neil, 206-318-7100

press@starbucks.com

Investor Inquiries:

Starbucks Investor Relations

JoAnn DeGrande, 206-318-7893

Customer Relations:

1-800-235-LATTE (2883)