

WASHINGTON, DC 20510

May 10, 2022

Howard D. Schultz Chief Executive Officer Starbucks Coffee Company 2401 Utah Avenue South Seattle, Washington 98134

Dear Mr. Schultz:

We write to express support for workers across the nation who are taking the steps to form unions at many of your stores. Their actions provide an opportunity for Starbucks to be the twenty-first century leader for corporations by once again setting industry standards for what is possible when workers are heard and their rights protected. We urge you to listen to the voices of your partners who are joining together to create a fairer and safer workplace for all Starbucks employees by voluntarily recognizing unionization efforts and actively pursuing a nationwide agreement to provide coverage for all Starbucks employees.

We were pleased by your announcement¹ this month to halt the practice of stock buybacks and commit to reinvesting profits into your workforce instead. Your employees have worked throughout the pandemic, keeping communities comforted and caffeinated while fueling strong company profits. Now we urge you to listen to your employees and hear their pleas to improve the company they are dedicated to serving. Starbucks is an American success story, and at this moment you can be the model other corporations look to by partnering with your workers who are risking their livelihoods to demand a voice on the job through a union.

However, we are deeply troubled by reports that, on the heels of the stock buyback announcement, Starbucks has taken steps to undermine nation-wide, worker-led union campaigns. Earlier this month², you described new efforts at Starbucks to target benefits toward non-unionized employees while consciously excluding union employees. You suggest that your lawyers have indicated that it would be illegal to increase benefits for workers in a union. We write to underscore that attempts to interfere with workers' right to organize is an illegal unfair labor practice under Section 8(a)(3) of the National Labor Relations Act ("NLRA") by "discriminat[ing] in regard to hire or tenure of employment or any term or condition of employment to encourage or discourage membership in any labor organization".

First, we note that by offering to increase benefits for your workers, Starbucks is doing what the union campaigns have said all along: Starbucks can and should provide better working conditions and benefits for its workers. It is unfortunate that Starbucks has chosen to do this now

¹ https://www.nytimes.com/2022/04/04/business/starbucks-buybacks-schultz.html

² https://www.wsj.com/articles/starbucks-prepares-to-expand-benefits-to-workers-but-could-exclude-unionized-ones-11649869570

seemingly to interfere with the union campaigns, since such action would constitute impermissible interference in a union organizing drive.

Second, as you and your lawyers know well, there is nothing keeping Starbucks from offering benefits to workers in a union – the union simply needs to be consulted first. That is the purpose of a union: it gives workers a voice in their workplace. Your comments³ suggesting that workers in support of union are "colluding with outside union forces" contradicts your goal to "cocreat[e] our future directly as partners." Your "partners" include more than a thousand workers across 17 states⁴ who have, to date, voted in favor of a union. Suggesting publicly that benefits cannot be extended to workers in a union is a bad faith move to undermine contract negotiations with unionized locations. We urge you to, instead, truly work together with your employees by forming collective bargaining agreements to build that future, helping to set new standards in an industry that has become synonymous with driving a race to the bottom in our economy.

For over one hundred years, unions have been the driving force behind almost every single improvement in workplace conditions, wages, and overall quality of life for workers from all parts of the economy. The Covid-19 pandemic highlighted the lack of protections non-unionized workers endure and the benefits that collective worker voices can achieve. Throughout the pandemic, unions negotiated health and safety measures, paid sick leave, and job preservation. These workers felt more secure speaking out about hazards and therefore contributed to a safer and healthier workplace, which benefits us all.

Empowered workers who have the right to organize for better pay, improved working conditions, and a secure retirement are safer, happier and a part of a better and more productive workplace. We know that a unionized workforce spurs economic growth, productivity and reduces rates of turnover. We also know that union households have twice the amount of net wealth as non-union households – that figure is three-and-half times more for Black families and five times more for Hispanic families⁵. Workers who have called on you to support unionization efforts deserve the company that Starbuck seeks to be, one that is inclusive and built on investing its greatest asset: its workers.

Starbucks is a pathbreaking company. As you look to its future, we urge you to remain a national and global leader by setting new standards for employer-worker relationships. This is an opportunity to work together with your workers instead of illegally retaliating against them. It's a chance to help set standards for not only your 300,000 workers, but for the millions in the food service industry all across the country as well.

Sincerely,

³ https://stories.starbucks.com/stories/2022/starbucks-ceo-restoring-the-trust-and-belief-of-our-partners/

⁴ https://www.law360.com/employment-authority/starbucks-tracker

⁵ https://www.americanprogress.org/article/unions-help-increase-wealth-close-racial-wealth-gaps/

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