



Starbucks and International Paper Demonstrate Viability of Recycling Used Cups into New Cups

Successful Test Offers Innovative Solution to Reduce Cup Waste in Local Communities

SEATTLE & MEMPHIS, Tenn. – November 30, 2010 – Earlier this month, Starbucks Coffee Company (NASDAQ: SBUX) and International Paper (NYSE: IP), with Mississippi River Pulp, LLC., completed a six-week pilot project that – for the first time – proved Starbucks used paper cups can be recycled into new paper cups. This advancement brings Starbucks one step closer to its goal of ensuring 100 percent of its cups are reusable or recyclable by 2015.

“This innovation represents an important milestone in our journey,” said Jim Hanna, Starbucks director of Environmental Impact. “We still have a lot of work to do to reach our 2015 goal, but we’re now in a much stronger position to build momentum across the recycling industry. Our next step is to test this concept in a major city, which we plan to do in collaboration with International Paper and Mississippi River in 2011.”

While some communities already recycle Starbucks paper cups, most do not have the infrastructure in place to handle collection, hauling, and processing due to a lack of demand for cup material by the recycling industry. To date, Mississippi River is the only pulp mill in the U.S. that has successfully recycled used cups into fiber suitable for producing new cups.

“What’s really exciting about the cup-to-cup concept is that it has the potential to benefit not only Starbucks, but the entire foodservice industry,” said Greg Wanta, vice president of International Paper Foodservice, the largest manufacturer of Starbucks paper cups. “If we can continue to prove the value of used cup material generated by Starbucks and other retailers, we can help increase recycling rates in communities across the country.”

“We’re looking forward to working with Starbucks, International Paper, and other stakeholders to take the pilot project to the next level,” said Rob Garland, chief executive officer at Mississippi River. “Based on what we’ve seen so far, we think this is a very promising path.”

The cup-to-cup pilot was conceived earlier this year at Starbucks second cup summit, which was held at the Massachusetts Institute of Technology. The two-day symposium convened government officials, raw material suppliers, cup manufacturers, retail and beverage businesses, recyclers, conservation groups, and academic experts to develop a plan for improving local recycling systems. As an important stakeholder in Starbucks supply chain, International Paper helped drive the summit dialogue. The company has since played a leading role in making the cup-to-cup concept a reality.

Starbucks launched the industry’s first paper cup containing post-consumer recycled fiber (PCF) in 2006, following several years of collaboration with Mississippi River. Over time, Starbucks switch to cups made from 10 percent PCF has diverted nearly 200 million pounds of paper from the landfill. While the company’s standard paper cups contain PCF made from office paper, the PCF used for the pilot project incorporates cup material.

Starbucks currently has another recycling pilot project underway in New York. The company is collecting paper cups at 86 of its Manhattan stores to determine whether they can be recycled into bath tissue and paper towels. In early 2011, Starbucks plans to launch a new recycling pilot in Chicago, aiming to transform the company’s discarded paper cups into napkins for use in its stores. Over the past year, Starbucks has introduced front-of-store cup collection in Toronto and Seattle, where its cups can be recycled, and in San Francisco, where its cups can be composted.

To learn more about cup-to-cup recycling, visit ipfoodservice.com. For information about Starbucks recent recycling initiatives, visit starbucks.com/responsibility2009.

About Starbucks Coffee Company

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 International Paper

International Paper (NYSE: IP) is a global paper and packaging company with manufacturing operations in North America, Europe, Latin America, Russia, Asia and North Africa. Its businesses include uncoated papers and industrial and consumer packaging, complemented by xpedx, the company's North American distribution company. Headquartered in Memphis, Tenn., the company employs about 60,000 people in more than 20 countries and serves customers worldwide. 2009 net sales were more than \$23 billion. For more information about International Paper, its products and stewardship efforts, visit internationalpaper.com.

About Mississippi River Pulp, LLC.

Mississippi River Pulp produces all grades of white recycled fiber with the only FDA-approved food-grade process without limitation. MRP is committed to helping socially conscious companies – including companies that sell or use paper products deemed “food-touch” safe – by providing a greener option for their product needs. “Our goal is to make the world a better place for future generations.” For more information, visit msriver.com or e-mail kziemba@msriver.com.

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