SECURITIES AND EXCHANGE COMMISSION

FORM 10-K

Annual report pursuant to section 13 and 15(d)

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STARBUCKS CORP	Mailing Address	Business Address
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UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

Form 10-K

☑ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended October 2, 2011

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to .

Commission File Number: 0-20322

Starbucks Corporation

(Exact Name of Registrant as Specified in Its Charter)

Washington	**91-1325671**
(State of Incorporation)	*(IRS Employer ID)*

2401 Utah Avenue South
Seattle, Washington 98134
(206) 447-1575

(Address of principal executive offices, zip code, telephone number)

Securities Registered Pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Common Stock, $0.001 par value per share	Nasdaq Global Select Market

Securities Registered Pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☑ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☑

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☑ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation of S-K is not contained herein, and will not be contained, to the best of the registrant' s knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☑ Accelerated filer ☐ Non-accelerated filer ☐ (Do not check if a smaller reporting company) Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

The aggregate market value of the voting stock held by non-affiliates of the registrant as of the last business day of the registrant’ s most recently completed second fiscal quarter, based upon the closing sale price of the registrant’ s common stock on April 1, 2011 as reported on the NASDAQ Global Select Market was $27 billion. As of November 11, 2011, there were 745.4 million shares of the registrant’ s Common Stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the definitive Proxy Statement for the registrant’ s Annual Meeting of Shareholders to be held on March 21, 2012 have been incorporated by reference into Part III of this Annual Report on Form 10-K.

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STARBUCKS CORPORATION

Form 10-K

For the Fiscal Year Ended October 2, 2011

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K includes "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words such as "believes," "expects," "anticipates," "estimates," "intends," "plans," "seeks" or words of similar meaning, or future or conditional verbs, such as "will," "should," "could," "may," "aims," "intends," or "projects." A forward-looking statement is neither a prediction nor a guarantee of future events or circumstances, and those future events or circumstances may not occur. You should not place undue reliance on forward-looking statements, which speak only as of the date of this Annual Report on Form 10-K. These forward-looking statements are all based on currently available operating, financial and competitive information and are subject to various risks and uncertainties. Our actual future results and trends may differ materially depending on a variety of factors, including, but not limited to, the risks and uncertainties discussed under "Risk Factors" and "Management' s Discussion and Analysis of Financial Condition and Results of Operations". Given these risks and uncertainties, you should not rely on forward-looking statements as a prediction of actual results. Any or all of the forward-looking statements contained in this Annual Report on Form 10-K and any other public statement made by us, including by our management, may turn out to be incorrect. We are including this cautionary note to make applicable and take advantage of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995 for forward-looking statements. We expressly disclaim any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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PART I

Item 1. *Business*

General

Starbucks is the premier roaster, marketer and retailer of specialty coffee in the world, operating in more than 50 countries. Formed in 1985, Starbucks Corporation' s common stock trades on the NASDAQ Global Select Market ("NASDAQ") under the symbol "SBUX." We purchase and roast high-quality whole bean coffees that we sell, along with handcrafted coffee and tea beverages and a variety of fresh food items, through company-operated stores. We also sell a variety of coffee and tea products and license our trademarks through other channels such as licensed stores, grocery and national foodservice accounts. In addition to our flagship Starbucks brand, our portfolio also includes Tazo® Tea, Seattle' s Best Coffee®, and Starbucks VIA® Ready Brew.

Our objective is to maintain Starbucks standing as one of the most recognized and respected brands in the world. To achieve this goal, we are continuing the disciplined expansion of our store base, primarily focused on growth in countries outside of the US. In addition, by leveraging the experience gained through our traditional store model, we continue to offer consumers new coffee products in multiple forms, across new categories, and through diverse channels. Starbucks Global Responsibility strategy and commitments related to coffee and the communities we do business in, as well as our focus on being an employer of choice, are also key complements to our business strategies.

In this Annual Report on Form 10-K ("10-K" or "Report") for the fiscal year ended October 2, 2011 ("fiscal 2011"), Starbucks Corporation (together with its subsidiaries) is referred to as "Starbucks," the "Company," "we," "us" or "our".

Segment Financial Information

Starbucks has three reportable operating segments: United States ("US"), International, and Global Consumer Products Group ("CPG"). Our Seattle' s Best Coffee operating segment is reported in "Other" with our Digital Ventures business and unallocated corporate expenses that pertain to corporate administrative functions that support our operating segments but are not specifically attributable to or managed by any segment and are not included in the reported financial results of the operating segments. Segment revenues as a percentage of total net revenues for fiscal year 2011 were as follows: US (69%), International (22%), and CPG (7%). The Other category comprised 2% of total net revenues.

The US and International segments both include company-operated stores and licensed stores. The International segment also includes foodservice accounts primarily in Canada and the United Kingdom ("UK"). Our International segment' s largest markets, based on number of company-operated and licensed stores, are Canada, Japan and the UK. The CPG segment includes packaged coffee and tea, Starbucks VIA® Ready Brew and other branded products sold worldwide through channels such as grocery stores, warehouse clubs and convenience stores, and US foodservice accounts.

Financial information for Starbucks reportable operating segments and Other is included in Note 18 to the consolidated financial statements included in Item 8 of this 10-K.

Revenue Components

We generate our revenues through company-operated stores, licensed stores, consumer packaged goods and foodservice operations. Our consumer packaged goods and foodservice operations include packaged coffee and tea sold in grocery and warehouse club stores, licensing arrangements with business partners to use our brands on various products, and arrangements with foodservice companies that support a variety of locations outside our retail store footprint.

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Company-operated and Licensed Store Summary as of October 2, 2011

	US	As a% of Total US Stores	International	As a% of Total International Stores	Total	As a% of Total Stores
Company-operated stores	6,705	62 %	2,326	37 %	9,031	53 %
Licensed stores	4,082	38 %	3,890	63 %	7,972	47 %
Total	**10,787**	**100 %**	**6,216**	**100 %**	**17,003**	**100 %**

The mix of company-operated versus licensed stores in a given market will vary based on several factors, including the ability to access desirable local retail space, the complexity and expected ultimate size of the market for Starbucks, and the ability to leverage the support infrastructure in an existing geographic region.

Company-operated Stores

Revenue from company-operated stores accounted for 82% of total net revenues during fiscal 2011. Our retail objective is to be the leading retailer and brand of coffee in each of our target markets by selling the finest quality coffee and related products, and by providing each customer a unique *Starbucks Experience*. The *Starbucks Experience* is built upon superior customer service as well as clean and well-maintained company-operated stores that reflect the personalities of the communities in which they operate, thereby building a high degree of customer loyalty.

Our strategy for expanding our global retail business is to increase our market share in a disciplined manner, by selectively opening additional stores in new and existing markets, as well as increasing sales in existing stores, to support our long-term strategic objective to maintain Starbucks standing as one of the most recognized and respected brands in the world. Store growth in specific existing markets will vary due to many factors, including the maturity of the market.

The following is a summary of total company-operated store data for the periods indicated:

	Net Stores Opened (Closed) During the Fiscal Year Ended[1]		Stores Open as of	
	Oct 2, 2011	Oct 3, 2010	Oct 2, 2011	Oct 3, 2010
US	(2)	(57)	6,705	6,707
International:				
Canada	37	24	836	799
United Kingdom	6	(65)	607	601
China	58	29	278	220
Germany	8	(2)	150	142
Thailand	8	2	141	133
Other	27	(3)	314	287
Total International	144	(15)	2,326	2,182
Total company-operated	142	(72)	9,031	8,889

(1) Store openings are reported net of closures. In the US, 49 and 13 company-operated stores were opened during 2011 and 2010, respectively, and 51 and 70 stores were closed during 2011 and 2010, respectively. Internationally, 180 and 97 company-operated stores were opened during 2011 and 2010, respectively, and 36 and 112 stores were closed during 2011 and 2010, respectively.

Starbucks retail stores are typically located in high-traffic, high-visibility locations. Our ability to vary the size and format of our stores allows us to locate them in or near a variety of settings, including downtown and suburban retail centers, office buildings, university campuses, and in select rural and off-highway locations. To provide a greater degree of access and convenience for non-pedestrian customers, we continue to selectively expand development of drive-thru retail stores.

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Starbucks stores offer a choice of regular and decaffeinated coffee beverages, a broad selection of Italian-style espresso beverages, cold blended beverages, iced shaken refreshment beverages, a selection of premium teas, distinctively packaged roasted whole bean coffees, and a variety of Starbucks VIA® Ready Brew soluble coffees. Starbucks stores also offer a variety of fresh food items, including selections focusing on high-quality ingredients, nutritional value and great flavor. Food items include pastries, prepared breakfast and lunch sandwiches, oatmeal and salads, as well as juices and bottled water. In addition to being offered in our US and Canada stores, during fiscal 2011, we expanded our food warming program into our stores in China, with over 90% of the stores in these markets providing warm food items as of the end of fiscal 2011. A focused selection of beverage-making equipment and accessories are also sold in the stores. Each Starbucks store varies its product mix depending upon the size of the store and its location. To compliment the in-store experience, in company-operated Starbucks stores in the US, we also provide customers free access to wireless internet.

Retail sales mix by product type for company-operated stores:

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Beverages	75 %	75 %	76 %
Food	19 %	19 %	18 %
Whole bean and soluble coffees	4 %	4 %	3 %
Coffee-making equipment and other merchandise	2 %	2 %	3 %
Total	100 %	100 %	100 %

Starbucks Card

The Starbucks Card program is designed to increase customer loyalty and the frequency of store visits by registered cardholders. Starbucks customers in the US can earn free beverages through the My Starbucks Rewards® program. Gold Level members earn a free drink after fifteen purchases at participating Starbucks stores. Members also receive free select syrups, milk options and refills on tea or brewed coffee during a store visit. Starbucks Cards are accepted at all company-operated and most licensed stores in North America. The cards are also accepted at a number of international locations.

Licensed Stores

Product sales to and royalty and license fee revenues from US and International licensed stores accounted for 9% of total revenues in fiscal 2011. In our licensed store operations, we leverage the expertise of our local partners and share our operating and store development experience. Licensees provide improved, and at times the only, access to desirable retail space. Most licensees are prominent retailers with in-depth market knowledge and access. As part of these arrangements, we receive royalties and license fees and sell coffee, tea and related products for resale in licensed locations. Employees working in licensed retail locations are required to follow our detailed store operating procedures and attend training classes similar to those given to employees in company-operated stores. For our Seattle' s Best Coffee brand, we use various forms of licensing, including traditional franchising.

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Starbucks total licensed stores by region and country as of October 2, 2011 are as follows:

Asia Pacific		Europe/Middle East/Africa		Americas	
Japan	935	Turkey	153	US	4,082
South Korea	367	UK	128	Mexico	318
Taiwan	249	United Arab Emirates	94	Canada	284
China	218	Spain	75	Other	92
Philippines	183	Kuwait	67		
Malaysia	121	Saudi Arabia	65		
Hong Kong	117	Greece	59		
Indonesia	109	Russia	52		
New Zealand	35	Other	169		
Total	2,334	Total	862	Total	4,776

In the US, 215 and 166 licensed stores were opened during 2011 and 2010, respectively, and 557 and 106 licensed stores were closed during 2011 and 2010, respectively. The 557 licensed stores that were closed in the US during fiscal 2011 include 475 Seattle' s Best Coffee locations in Borders Bookstores. Internationally, 455 and 335 licensed stores were opened during 2011 and 2010, respectively, and 110 and 100 licensed stores were closed during 2011 and 2010, respectively.

Consumer Packaged Goods

Consumer packaged goods includes both domestic and international sales of packaged coffee and tea to grocery and warehouse club stores. It also includes revenues from product sales to and licensing revenues from manufacturers that produce and market Starbucks and Seattle' s Best Coffee branded products through licensing agreements. Revenues from sales of packaged coffee and tea comprised 4% of total net revenues in fiscal 2011. In prior years through the first several months of fiscal 2011, we sold a selection of Starbucks and Seattle' s Best Coffee branded packaged coffees and Tazo® teas in grocery and warehouse club stores throughout the US and to grocery stores in Canada, the UK and other European countries through a distribution arrangement with Kraft Foods Global, Inc. Kraft managed the distribution, marketing, advertising and promotion of these products as a part of that arrangement. During fiscal 2011, we successfully transitioned these businesses, including the marketing, advertising, and promotion of these products, from our previous distribution arrangement with Kraft and began selling these products directly to the grocery and warehouse club stores. We also sell packaged coffee and tea directly to warehouse club stores in international markets.

Revenues from licensing our branded products accounted for 1% of total net revenues in fiscal 2011. We license the rights to produce and market Starbucks and Seattle' s Best Coffee branded products through several partnerships both domestically and internationally. We also sell ingredients to these licensees to manufacturer our branded products. Significant licensing agreements include:

- The North American Coffee Partnership, a joint venture with the Pepsi-Cola Company in which Starbucks is a 50% equity investor, manufactures and markets ready-to-drink beverages, including bottled Frappuccino® beverages and Starbucks DoubleShot® espresso drink and Seattle' s Best Coffee® ready-to-drink espresso beverages in the US and Canada;
- licensing agreements with Arla, Suntory, and Dong Suh Foods for the manufacturing, marketing and distribution of Starbucks Discoveries®, a ready-to-drink chilled cup coffee beverage, in Europe, Japan and South Korea, respectively;
- a licensing agreement with a partnership formed by Unilever and Pepsi-Cola Company for the manufacturing, marketing and distribution of Starbucks super-premium Tazo® Tea beverages in the US; and
- a licensing agreement with Unilever for the manufacturing, marketing and distribution of Starbucks® super-premium ice cream products in the US.

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Foodservice

Revenues from foodservice accounts comprised 4% of total net revenues in fiscal 2011. We sell Starbucks® and Seattle' s Best Coffee® whole bean and ground coffees, a selection of premium Tazo® teas, Starbucks VIA® Ready Brew, and other related products to institutional foodservice companies that service business and industry, education, healthcare, office coffee distributors, hotels, restaurants, airlines and other retailers. We also sell our Seattle' s Best Coffee® through arrangements with national accounts. The majority of the sales in this channel come through national broadline distribution networks with SYSCO Corporation, US Foodservice™, and other distributors.

Product Supply

Starbucks is committed to selling only the finest whole bean coffees and coffee beverages. To ensure compliance with our rigorous coffee standards, we control coffee purchasing, roasting and packaging, and the global distribution of coffee used in our operations. We purchase green coffee beans from multiple coffee-producing regions around the world and custom roast them to our exacting standards, for our many blends and single origin coffees.

The price of coffee is subject to significant volatility. Although most coffee trades in the commodity market, high-altitude arabica coffee of the quality sought by Starbucks tends to trade on a negotiated basis at a premium above the "C" coffee commodity coffee price. Both the premium and the commodity price depend upon the supply and demand at the time of purchase. Supply and price can be affected by multiple factors in the producing countries, including weather, political and economic conditions. Price is also impacted by trading activities in the arabica coffee futures market, including hedge funds and commodity index funds. In addition, green coffee prices have been affected in the past, and may be affected in the future, by the actions of certain organizations and associations that have historically attempted to influence prices of green coffee through agreements establishing export quotas or by restricting coffee supplies.

We buy coffee using fixed-price and price-to-be-fixed purchase commitments, depending on market conditions, to secure an adequate supply of quality green coffee. Price-to-be-fixed contracts are purchase commitments whereby the quality, quantity, delivery period, and other negotiated terms are agreed upon, but the date at which the base "C" coffee commodity price component will be fixed has not yet been established. For these types of contracts, either Starbucks or the seller has the option to select a date on which to "fix" the base "C" coffee commodity price prior to the delivery date. Until prices are fixed, we estimate the total cost of these purchase commitments. As of October 2, 2011, we had a total of $1.0 billion in purchase commitments, of which $193 million represented the estimated cost of price-to-be-fixed contracts. All price-to-be-fixed contracts as of October 2, 2011 were at the Company' s option to fix the base "C" coffee commodity price component. Total purchase commitments, together with existing inventory, are expected to provide an adequate supply of green coffee through fiscal 2012.

We depend upon our relationships with coffee producers, outside trading companies and exporters for our supply of green coffee. We believe, based on relationships established with our suppliers, the risk of non-delivery on such purchase commitments is remote.

To help ensure sustainability and future supply of high-quality green coffees and to reinforce our leadership role in the coffee industry, Starbucks operates Farmer Support Centers in Costa Rica and Rwanda, among other locations. The Farmer Support Centers are staffed with agronomists and sustainability experts who work with coffee farming communities to promote best practices in coffee production designed to improve both coffee quality and yields.

In addition to coffee, we also purchase significant amounts of dairy products, particularly fluid milk, to support the needs of our company-operated retail stores. Our highest volumes of dairy purchases are in the US, Canada and the UK. For these markets, we purchase substantially all of our fluid milk requirements from seven dairy suppliers. We believe, based on relationships established with these suppliers, that the risk of non-delivery of sufficient fluid milk to support these retail businesses is remote.

Products other than whole bean coffees and coffee beverages sold in Starbucks stores are obtained through a number of different channels. Beverage ingredients other than coffee and milk, including leaf teas as well as our selection of

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ready-to-drink beverages, are purchased from several specialty suppliers, usually under long-term supply contracts. Food products, such as fresh pastries, breakfast sandwiches and lunch items, are purchased from national, regional and local sources. We also purchase a broad range of paper and plastic products, such as cups and cutlery, from several companies to support the needs of our retail stores as well as our manufacturing and distribution operations. We believe, based on relationships established with these suppliers and manufacturers, that the risk of non-delivery is remote.

Competition

Our primary competitors for coffee beverage sales are quick-service restaurants and specialty coffee shops. In almost all markets in which we do business, there are numerous competitors in the specialty coffee beverage business. We believe that our customers choose among specialty coffee retailers primarily on the basis of product quality, service and convenience, as well as price. We continue to experience direct competition from large competitors in the US quick-service restaurant sector and continue to face competition from well-established companies in many international markets and in the US ready-to-drink coffee beverage market.

Our whole bean coffees, ground packaged coffees, Tazo® teas, and Starbucks VIA® Ready Brew compete directly against specialty coffees and teas sold through supermarkets, club stores and specialty retailers. Our whole bean coffees, coffee beverages, and Starbucks VIA® Ready Brew compete indirectly against all other coffees on the market. Starbucks also faces competition from both restaurants and other specialty retailers for prime retail locations and qualified personnel to operate both new and existing stores.

Patents, Trademarks, Copyrights and Domain Names

Starbucks owns and has applied to register numerous trademarks and service marks in the US and in many additional countries throughout the world. Some of our trademarks, including Starbucks, the Starbucks logo, Seattle' s Best Coffee, Frappuccino, Starbucks VIA and Tazo are of material importance. The duration of trademark registrations varies from country to country. However, trademarks are generally valid and may be renewed indefinitely as long as they are in use and/or their registrations are properly maintained.

We own numerous copyrights for items such as product packaging, promotional materials, in-store graphics and training materials. We also hold patents on certain products, systems and designs. In addition, Starbucks has registered and maintains numerous Internet domain names, including "Starbucks.com", "Starbucks.net", and "Seattlesbest.com."

Research and Development

Our research and development teams are responsible for the technical development of food and beverage products and new equipment. We spent approximately $15 million, $9 million and $7 million during fiscal 2011, 2010 and 2009, respectively, on technical research and development activities, in addition to customary product testing and product and process improvements in all areas of our business.

Seasonality and Quarterly Results

Our business is subject to seasonal fluctuations, including fluctuations resulting from the holiday season. Cash flows from operations are considerably higher in the first fiscal quarter than the remainder of the year. This is largely driven by cash received as Starbucks Cards are purchased and loaded during the holiday season. Since revenues from the Starbucks Cards are recognized upon redemption and not when purchased, seasonal fluctuations on the consolidated statements of earnings are much less pronounced. Quarterly results can also be affected by the timing of the opening of new stores and the closing of existing stores. For these reasons, results for any quarter are not necessarily indicative of the results that may be achieved for the full fiscal year.

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Employees

Starbucks employed approximately 149,000 people worldwide as of October 2, 2011. In the US, Starbucks employed approximately 112,000 people, with 106,000 in company-operated stores and the remainder in support facilities, store development, and roasting and warehousing operations. Approximately 37,000 employees were employed outside of the US, with 35,000 in company-operated stores and the remainder in regional support facilities and roasting and warehousing operations. The number of Starbucks employees represented by unions is not significant. We believe our current relations with our employees are good.

Executive officers of the registrant

Name	Age	Position
Howard Schultz	58	chairman, president and chief executive officer
Cliff Burrows	52	president, Starbucks Coffee Americas and US
John Culver	51	president, Starbucks Coffee China and Asia Pacific
Jeff Hansberry	47	president, Channel Development and president, Seattle' s Best Coffee
Michelle Gass	43	president, Starbucks Coffee EMEA
Troy Alstead	48	chief financial officer and chief administrative officer
Paula E. Boggs	52	executive vice president, general counsel and secretary

Howard Schultz is the founder of Starbucks and serves as the chairman, president and chief executive officer. Mr. Schultz has served as chairman of the board since Starbucks inception in 1985 and he resumed his role as president and chief executive officer in January 2008. From June 2000 to February 2005, Mr. Schultz held the title of chief global strategist. From November 1985 to June 2000, he served as chief executive officer. From November 1985 to June 1994, Mr. Schultz also served as president.

Cliff Burrows joined Starbucks in April 2001 and has served as president, Starbucks Coffee Americas and US since October 2011. From March 2008 to October 2011, Mr. Burrows served as president, Starbucks Coffee US. He served as president, Europe, Middle East and Africa (EMEA) from April 2006 to March 2008. He served as vice president and managing director, UK prior to April 2006. Prior to joining Starbucks, Mr. Burrows served in various management positions with Habitat Designs Limited, a furniture and house wares retailer.

John Culver joined Starbucks in August 2002 and has served as president, Starbucks Coffee China and Asia Pacific since October 2011. From December 2009 to October 2011, he served as president, Starbucks Coffee International. Mr. Culver served as executive vice president; president, Global Consumer Products, Foodservice and Seattle' s Best Coffee from February 2009 to September 2009, and then as president, Global Consumer Products and Foodservice from October 2009 to November 2009. He previously served as senior vice president; president, Starbucks Coffee Asia Pacific from January 2007 to February 2009, and vice president; general manager, Foodservice from August 2002 to January 2007.

Jeff Hansberry joined Starbucks in June 2010 and has served as president, Channel Development, which includes CPG, and president, Seattle' s Best Coffee since October 2011. From June 2010 to October 2011, he served as president, Global Consumer Products and Foodservice. Prior to joining Starbucks, Mr. Hansberry served as vice president and general manager, Popular BU for E. & J. Gallo Winery, a family-owned winery, from November 2008 to May 2010. From September 2007 to November 2008, Mr. Hansberry served as vice president and general manager, Value BU, and from April 2005 to August 2007, he served as vice president and general manager Asia, for E. & J. Gallo Winery. Prior to E. & J. Gallo, Mr. Hansberry held various positions with Procter & Gamble.

Michelle Gass joined Starbucks in 1996 and has served as president, Starbucks Coffee EMEA since October 2011. From September 2009 to October 2011, she served as president, Seattle' s Best Coffee. Ms. Gass served as senior vice president, Marketing and Category from July 2008 to November 2008, and then as executive vice president, Marketing and Category from December 2008 to September 2009. Ms. Gass previously served as senior vice president, Global Strategy, Office of the ceo from January 2008 to July 2008, senior vice president, Global Product

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and Brand from August 2007 to January 2008, senior vice president, and U.S. Category Management from May 2004 to August 2007. Ms. Gass served in a number of other positions with Starbucks prior to 2004.

Troy Alstead joined Starbucks in 1992 and has served as chief financial officer and chief administrative officer since November 2008. Mr. Alstead previously served as chief operating officer, Starbucks Greater China from April 2008 to October 2008, senior vice president, Global Finance and Business Operations from August 2007 to April 2008, and senior vice president, Corporate Finance from September 2004 to August 2007. Mr. Alstead served in a number of other senior positions with Starbucks prior to 2004.

Paula E. Boggs joined Starbucks in September 2002 as executive vice president, general counsel and secretary. Prior to joining Starbucks, Ms. Boggs served as vice president, legal, for products, operations and information technology at Dell Computer Corporation from 1997 to 2002. From 1995 to 1997, Ms. Boggs was a partner with the law firm of Preston Gates & Ellis (now K&L Gates). Ms. Boggs served in several roles at the Pentagon, White House and US Department of Justice between 1984 and 1995.

There are no family relationships among any of our directors or executive officers.

Global Responsibility

We are committed to being a deeply responsible company in the communities where we do business around the world. Our focus is on ethically sourcing high-quality coffee, reducing our environmental impacts and contributing positively to communities. Starbucks Global Responsibility strategy and commitments are integral to our overall business strategy. As a result, we believe we deliver benefits to our stakeholders, including employees, business partners, customers, suppliers, shareholders, community members and others. For an overview of Starbucks Global Responsibility strategy and commitments, please visit www.starbucks.com.

Available Information

Starbucks 10-K reports, along with all other reports and amendments filed with or furnished to the Securities and Exchange Commission ("SEC"), are publicly available free of charge on the Investor Relations section of our website at http://investor.starbucks.com or at www.sec.gov as soon as reasonably practicable after these materials are filed with or furnished to the SEC. Our corporate governance policies, code of ethics and Board committee charters and policies are also posted on the Investor Relations section of Starbucks website at http://investor.starbucks.com. The information on our website is not part of this or any other report Starbucks files with, or furnishes to, the SEC.

Item 1A. *Risk Factors*

You should carefully consider the risks described below. If any of the risks and uncertainties described in the cautionary factors described below actually occurs, our business, financial condition and results of operations could be materially and adversely affected. The risks and factors listed below, however, are not exhaustive. Other sections of this 10-K include additional factors that could materially and adversely impact our business, financial condition and results of operations. Moreover, we operate in a very competitive and rapidly changing environment. New factors emerge from time to time and it is not possible to predict the impact of all these factors on our business, financial condition or results of operation.

Our financial condition and results of operations are sensitive to, and may be adversely affected by, a number of factors, many of which are largely outside our control.

Our operating results have been in the past and will continue to be subject to a number of factors, many of which are largely outside our control. Any one or more of the factors set forth below could adversely impact our business, financial condition and/or results of operations:

- lower customer traffic or average value per transaction, which negatively impacts comparable store sales, net revenues, operating income, operating margins and earnings per share, due to:
  - the impact of initiatives by competitors and increased competition generally;

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- customers trading down to lower priced products within Starbucks, and/or shifting to competitors with lower priced products;
- lack of customer acceptance of new products or price increases necessary to cover costs of new products and/or higher input costs;
- unfavorable general economic conditions in the markets in which we operate that adversely affect consumer spending;
- declines in general consumer demand for specialty coffee products; or
- adverse impacts resulting from negative publicity regarding our business practices or the health effects of consuming our products;

cost increases that are either wholly or partially beyond our control, such as:

- commodity costs for commodities that can only be partially hedged, such as fluid milk, and high quality arabica coffee;
- labor costs such as increased health care costs, general market wage levels and workers' compensation insurance costs;
- adverse outcomes of current or future litigation; or
- construction costs associated with new store openings;

any material interruption in our supply chain beyond our control, such as material interruption of roasted coffee supply due to the casualty loss of any of our roasting plants or the failures of third-party suppliers, or interruptions in service by common carriers that ship goods within our distribution channels, or trade restrictions, such as increased tariffs or quotas, embargoes or customs restrictions;

delays in store openings for reasons beyond our control, or a lack of desirable real estate locations available for lease at reasonable rates, either of which could keep us from meeting annual store opening targets and, in turn, negatively impact net revenues, operating income and earnings per share;

the degree to which we enter into, maintain, develop, and are able to negotiate appropriate terms and conditions, and enforce, commercial and other agreements;

the impact on our business due to labor discord, war, terrorism (including incidents targeting us), political instability and natural disasters; and

deterioration in our credit ratings, which could limit the availability of additional financing and increase the cost of obtaining financing.

Economic conditions in the US and certain International markets could adversely affect our business and financial results.

As a retailer that is dependent upon consumer discretionary spending, our results of operations are sensitive to changes in macro-economic conditions. Our customers may have less money for discretionary purchases as a result of job losses, foreclosures, bankruptcies, increased fuel and energy costs, higher interest rates, higher taxes, reduced access to credit and lower home prices. Any resulting decreases in customer traffic and/or average value per transaction will negatively impact our financial performance as reduced revenues result in sales de-leveraging which creates downward pressure on margins. There is also a risk that if negative economic conditions persist for a long period of time or worsen, consumers may make long-lasting changes to their discretionary purchasing behavior, including less frequent discretionary purchases on a more permanent basis.

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We may not be successful in implementing important strategic initiatives, which may have an adverse impact on our business and financial results.

There is no assurance that we will be able to implement important strategic initiatives in accordance with our expectations, which may result in an adverse impact on our business and financial results. These strategic initiatives are designed to improve our results of operations and drive long-term shareholder value, and include:

successfully leveraging Starbucks brand portfolio outside the company-operated store base, including our increased focus on international licensed stores, Starbucks- and Tazo-branded Keurig® K-Cup® portion packs coffees and teas, Starbucks VIA® Ready Brew, and the Seattle' s Best Coffee brand;

focusing on relevant product innovation and profitable new growth platforms;

accelerating the growth of our global consumer products business now that we have transitioned from our distribution arrangement with Kraft Foods Global, Inc.;

balancing disciplined global store growth while meeting target store-level unit economics in a given market; and

executing a multi-channel advertising and marketing campaign to effectively communicate our message directly to Starbucks consumers and employees.

We face intense competition in each of our channels and markets, which could lead to reduced profitability.

The specialty coffee market is intensely competitive, including with respect to product quality, service, convenience, and price, and we face significant competition in each of our channels and markets. Accordingly, we do not have leadership positions in all channels and markets. In the US, the ongoing focus by large competitors in the quick-service restaurant sector on selling high-quality specialty coffee beverages could adversely affect our sales and results of operations. Similarly, continued competition from well-established competitors in our international markets could hinder growth and adversely affect our sales and results of operations in those markets. Increased competition in the US packaged coffee and tea and ready-to-drink coffee beverage markets could adversely affect the profitability of the CPG segment.

We are highly dependent on the financial performance of our US operating segment.

Our financial performance is highly dependent on our US operating segment, as it comprised approximately two thirds of consolidated total net revenues in fiscal 2011. If revenue trends slow or decline our business and financial results could be adversely affected, and because the US segment is relatively mature and produces the large majority of our operating cash flows, could result in reduced cash flows for funding the expansion of our international business and for returning cash to shareholders.

We are increasingly dependent on the success of our international operations in order to achieve our growth targets.

Our future growth increasingly depends on the growth and sustained profitability of our international operations. Some or all of our international market business units ("MBUs"), which we generally define by the countries in which they operate, may not be successful in their operations or in achieving expected growth, which ultimately requires achieving consistent, stable net revenues and earnings. The performance of our international operations may be adversely affected by economic downturns in one or more of our large MBUs. In particular, our Canada, Japan, UK, and China MBUs account for a significant portion of the net revenue and earnings of our international operations and a decline in the performance of any of these MBUs could have a material adverse impact on the results of our international operations.

Additionally, some factors that will be critical to the success of international MBUs are different than those affecting our US stores and licensees. Tastes naturally vary by region, and consumers in some international markets may not

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embrace our products to the same extent as consumers in our US market or other international markets. Occupancy costs and store operating expenses can be higher internationally than in the US due to higher rents for prime store locations or costs of compliance with country-specific regulatory requirements. Because many of our international operations are in an early phase of development, operating expenses as a percentage of related revenues are often higher compared to US operations. Additionally, our international joint venture partners or licensees may face capital constraints or other factors that may limit the speed at which they are able to expand and develop in a certain market.

Our international operations are also subject to additional inherent risks of conducting business abroad, such as:

- foreign currency exchange rate fluctuations;
- changes or uncertainties in economic, legal, regulatory, social and political conditions in our markets;
- interpretation and application of laws and regulations;
- restrictive actions of foreign or US governmental authorities affecting trade and foreign investment, including protective measures such as export and customs duties and tariffs, government intervention favoring local competitors, and restrictions on the level of foreign ownership;
- import or other business licensing requirements;
- the enforceability of intellectual property and contract rights;
- limitations on the repatriation of funds and foreign currency exchange restrictions due to current or new US and international regulations;
- in developing economies, the growth rate in the portion of the population achieving targeted levels of disposable income may not be as fast as we forecast;
- difficulty in staffing, developing and managing foreign operations and supply chain logistics, including ensuring the consistency of product quality and service, due to distance, language and cultural differences;
- local laws that make it more expensive and complex to negotiate with, retain or terminate employees; and
- delays in store openings for reasons beyond our control, competition with locally relevant competitors or a lack of desirable real estate locations available for lease at reasonable rates, any of which could keep us from meeting annual store opening targets and, in turn, negatively impact net revenues, operating income and earnings per share.

Moreover, many of the foregoing risks are particularly acute in developing countries, which are important to our long-term growth prospects.

Increases in the cost of high-quality arabica coffee beans or other commodities or decreases in the availability of high quality arabica coffee beans or other commodities could have an adverse impact on our business and financial results.

We purchase, roast, and sell high-quality whole bean arabica coffee beans and related coffee products. The price of coffee is subject to significant volatility and, over the last two years, the base “C” coffee commodity price has increased markedly. The high-quality arabica coffee of the quality we seek tends to trade on a negotiated basis at a premium above the “C” price. This premium depends upon the supply and demand at the time of purchase and the amount of the premium can vary significantly. Increases in the “C” coffee commodity price do increase the price of high-quality arabica coffee and also impact our ability to enter into fixed-price purchase commitments. The supply and price of coffee we purchase can also be affected by multiple factors in the producing countries, including weather, natural disasters and political and economic conditions, as well as the actions of certain organizations and associations that have historically attempted to influence prices of green coffee through agreements establishing export quotas or by restricting coffee supplies. Speculative trading in coffee commodities can also influence coffee prices. Because of the significance of coffee beans to our operations, combined with our ability to only partially

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mitigate future price risk through purchasing practices and hedging activities, increases in the cost of high-quality arabica coffee beans could have an adverse impact on our profitability. In addition, if we are not able to purchase sufficient quantities of green coffee due to any of the above factors or to a worldwide or regional shortage, we may not be able to fulfill the demand for our coffee, which could have an adverse impact on our profitability.

In addition to coffee, we also purchase significant amounts of dairy products, particularly fluid milk, to support the needs of our company-operated retail stores. Although less material to our operations than coffee or dairy, other commodities including but not limited to those related to food inputs and energy, are important to our operations. Increases in the cost of dairy products and other commodities could have an adverse impact on our profitability.

Our success depends substantially on the value of our brands.

We believe we have built an excellent reputation globally for the quality of our products, for delivery of a consistently positive consumer experience and for our corporate social responsibility programs. The Starbucks brand has been highly rated in several global brand value studies. To be successful in the future, particularly outside of US, where the Starbucks brand and our other brands are less well-known, we believe we must preserve, grow and leverage the value of our brands across all sales channels. Brand value is based in part on consumer perceptions on a variety of subjective qualities. Even isolated business incidents that erode consumer trust, such as contaminated food or privacy breaches particularly if the incidents receive considerable publicity or result in litigation, can significantly reduce brand value. Consumer demand for our products and our brand equity could diminish significantly if we or our licensees fail to preserve the quality of our products, are perceived to act in an unethical or socially irresponsible manner or fail to deliver a consistently positive consumer experience in each of our markets.

Our business depends in large part on the success of our business partners and suppliers, and our brand and reputation may be harmed by actions taken by third parties that are outside of our control.

Our business strategy, including our plans for new stores, foodservice, branded products and other initiatives, relies significantly on a variety of business partners, and licensee and partnership relationships, particularly in our international markets. Licensees are often authorized to use our logos and provide branded beverages, food and other products directly to customers. We provide training and support to, and monitor the operations of, these business partners, but the product quality and service they deliver may be diminished by any number of factors beyond our control, including financial pressures. We believe customers expect the same quality of products and service from our licensees as they do from us and we strive to ensure customers have the same experience whether they visit a company-operated or licensed store. Any shortcoming of a Starbucks business partner, particularly an issue affecting the quality of the service experience,the safety of beverages or food or compliance with laws and regulations, may be attributed by customers to us, thus damaging our reputation and brand value and potentially affecting our results of operations.

Our food and beverage products, are sourced from a wide variety of domestic and international business partners in our supply chain operations. We rely on these suppliers and vendors to provide high quality products and to comply with applicable laws. Our ability to find qualified suppliers and vendors who meet our standards and supply products in a timely and efficient manner is a significant challenge, especially with respect to goods sourced from outside the US. A vendor or supplier' s failure to meet our standards, provide products in a timely and efficient manner, and comply with applicable laws is beyond our control. These issues could negatively impact our business and profitability.

Failure to meet market expectations for our financial performance will likely adversely affect the market price and volatility of our stock.

Failure to meet market expectations going forward, particularly with respect to operating margins, earnings per share, comparable store sales, operating cash flows, and net revenues, will likely result in a decline and/or increased volatility in the market price of our stock. In addition, price and volume fluctuations in the stock market as a whole may affect the market price of our stock in ways that may be unrelated to our financial performance.

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The loss of key personnel or difficulties recruiting and retaining qualified personnel could adversely impact our business and financial results.

Much of our future success depends on the continued availability and service of senior management personnel. The loss of any of our executive officers or other key senior management personnel could harm our business. We must continue to recruit, retain and motivate management and other employees sufficient both to maintain our current business and to execute our strategic initiatives, some of which involve ongoing expansion in business channels outside of our traditional company-operated store model. Our success also depends substantially on the contributions and abilities of our retail store employees who we rely on to give customers a superior in-store experience. Accordingly, our performance depends on our ability to recruit and retain high quality employees to work in and manage our stores. If we are unable to recruit, retain and motivate employees sufficient to maintain our current business and support our projected growth, our business and financial performance may be adversely affected.

Adverse public or medical opinions about the health effects of consuming our products, as well as reports of incidents involving food-borne illnesses, food tampering or food contamination, whether or not accurate, could harm our business.

Some of our products contain caffeine, dairy products, sugar and other active compounds, the health effects of which are the subject of public scrutiny, including the suggestion that excessive consumption of caffeine, dairy products, sugar and other active compounds can lead to a variety of adverse health effects. Particularly in the US, there is increasing consumer awareness of health risks, including obesity, due in part to increased publicity and attention from health organizations, as well as increased consumer litigation based on alleged adverse health impacts of consumption of various food products. While we have a variety of beverage and food items, including items that are coffee-free and have reduced calories, an unfavorable report on the health effects of caffeine or other compounds present in our products, or negative publicity or litigation arising from certain health risks could significantly reduce the demand for our beverages and food products.

Similarly, instances or reports, whether true or not, of unclean water supply, food-borne illnesses, food tampering and food contamination, either during manufacturing, packaging or preparation, have in the past severely injured the reputations of companies in the food processing, grocery and quick-service restaurant sectors and could affect us as well. Any report linking us to the use of unclean water, food-borne illnesses, food tampering or food contamination could damage our brand value and severely hurt sales of our beverages and food products, and possibly lead to product liability claims, litigation (including class actions) or damages. Clean water is critical to the preparation of coffee and tea beverages and our ability to ensure a clean water supply to our stores can be limited, particularly in some international locations. If customers become ill from food-borne illnesses, tampering or contamination, we could also be forced to temporarily close some stores. In addition, instances of food-borne illnesses, food tampering or food contamination, even those occurring solely at the restaurants or stores of competitors, could, by resulting in negative publicity about the foodservice industry, adversely affect our sales on a regional or global basis. A decrease in customer traffic as a result of these health concerns or negative publicity, or as a result of a temporary closure of any of our stores, as well adverse results of claims or litigation, could materially harm our business and results of operations.

A regional or global health pandemic could severely affect our business.

A health pandemic is a disease outbreak that spreads rapidly and widely by infection and affects many individuals in an area or population at the same time. If a regional or global health pandemic were to occur, depending upon its duration and severity, our business could be severely affected. Customers might avoid public gathering places, such as our stores, in the event of a health pandemic, and governments might limit or ban public gatherings to halt or delay the spread of disease. There is also a risk of customer contamination from being served food or beverage by an employee who has been infected with the disease. A regional or global health pandemic might also adversely impact our business by disrupting or delaying production and delivery of materials and products in the supply chain and by causing staffing shortages in our stores. The impact of a health pandemic on us might be disproportionately greater than on other companies that depend less on the gathering of people together for the sale, use or license of their products and services.

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Effectively managing growth both in our retail store business and our global consumer products business is challenging and places significant strain on our management and employees and our operational, financial, and other resources.

Effectively managing growth can be challenging, particularly as we continue to expand into new channels outside the retail store model, increase our focus on our global consumer products business, and expand into new markets internationally where we must balance the need for flexibility and a degree of autonomy for local management against the need for consistency with our goals, philosophy and standards. Growth can make it increasingly difficult to ensure a consistent supply of high quality raw materials, to locate and hire sufficient numbers of key employees, to maintain an effective system of internal controls for a globally dispersed enterprise and to train employees worldwide to deliver a consistently high quality product and customer experience.

If we pursue strategic acquisitions, divestitures or joint ventures, we may not be able to successfully consummate favorable transactions or successfully integrate acquired businesses.

From time to time we may evaluate potential acquisitions, divestitures, or joint ventures with third parties. These transactions create risks such as:

- disruption of our ongoing business, including loss of management focus on existing businesses;
- problems retaining key personnel;
- operating losses and expenses of the businesses we acquire or in which we invest;
- the potential impairment of tangible assets, intangible assets and goodwill acquired in the acquisitions;
- the difficulty of incorporating an acquired business into our business and unanticipated expenses related to such integration; and
- potential unknown liabilities associated with a business we acquire or in which we invest

In the event of any future acquisitions, we might need to issue additional equity securities, spend our cash, incur debt, or take on contingent liabilities, any of which could reduce our profitability and harm our business.

We rely heavily on information technology in our operations, and any material failure, inadequacy, interruption or security failure of that technology could harm our ability to effectively operate our business.

We rely heavily on information technology systems across our operations, including for management of our supply chain, point-of-sale processing in our stores, Starbucks Cards, online business and various other processes and transactions. Our ability to effectively manage our business and coordinate the production, distribution and sale of our products depends significantly on the reliability and capacity of these systems. The failure of these systems to operate effectively, problems with transitioning to upgraded or replacement systems, or a breach in security of these systems could cause delays in product sales and reduced efficiency of our operations, and significant capital investments could be required to remediate the problem. Security breaches of our employees or customer private data could also adversely impact our reputation, and could result in litigation against us or the imposition of penalties,

Failure to comply with applicable laws and regulations could harm our business and financial results.

Our policies and procedures are designed to comply with all applicable laws, accounting and reporting requirements, regulations and tax requirements, including those imposed by the SEC, NASDAQ, and foreign countries, as well as applicable trade, labor, privacy, food, anti-bribery and corruption and merchandise laws. The complexity of the regulatory environment in which we operate and the related cost of compliance are both increasing due to additional legal and regulatory requirements, our ongoing expansion into new markets and new channels, together with the fact that foreign laws occasionally conflict with domestic laws. Failure to comply with the various laws and regulations as well as changes in laws and regulations or the manner in which they are interpreted or applied, may result in damage to our reputation, civil and criminal liability, damages, fines and penalties, increased cost of regulatory compliance and restatements of our financial statements.

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Item 1B. ***Unresolved Staff Comments***

None.

Item 2. ***Properties***

The significant properties used by Starbucks in connection with its roasting and distribution operations, serving all segments, are as follows:

Location	Approximate Size in Square Feet	Owned or Leased	Purpose
Auburn, WA	351,000	Leased	Warehouse and distribution
Kent, WA	332,000	Owned	Roasting and distribution
Renton, WA	125,000	Leased	Warehouse
York County, PA	450,000	Owned	Roasting and distribution
York County, PA	298,000	Owned	Warehouse
Carson Valley, NV	360,000	Owned	Roasting and distribution
Carson Valley, NV	24,000	Leased	Warehouse
Sandy Run, SC	117,000	Owned	Roasting and distribution
Portland, OR	68,000	Leased	Warehouse
Atlanta, GA	32,000	Leased	Warehouse and distribution
Basildon, United Kingdom	142,000	Leased	Warehouse and distribution
Amsterdam, Netherlands	97,000	Leased	Roasting and distribution

We lease approximately one million square feet of office space in Seattle, Washington for corporate administrative purposes. On August 8, 2011, we completed the sale of two commercial buildings located in Seattle, Washington, a 205,000 square foot office building and an adjacent 285,000 square foot office building.

As of October 2, 2011, Starbucks had more than 9,000 company-operated stores, almost all of which are leased. We also lease space in various locations worldwide for regional, district and other administrative offices, training facilities and storage.

Item 3. ***Legal Proceedings***

In the first quarter of fiscal 2011, Starbucks notified Kraft Foods Global, Inc. ("Kraft") that we were discontinuing our distribution arrangement with Kraft on March 1, 2011 due to material breaches by Kraft of its obligations under the Supply and License Agreement between the Company and Kraft, dated March 29, 2004 (the "Agreement"), which defined the main distribution arrangement between the parties. Through our arrangement with Kraft, Starbucks sold a selection of Starbucks and Seattle' s Best Coffee branded packaged coffees in grocery and warehouse club stores throughout the US, and to grocery stores in Canada, the UK and other European countries. Kraft managed the distribution, marketing, advertising and promotion of these products.

Kraft denies it has materially breached the Agreement. On November 29, 2010, Starbucks received a notice of arbitration from Kraft putting the commercial dispute between the parties into binding arbitration pursuant to the terms of the Agreement. In addition to denying it materially breached the Agreement, Kraft further alleges that if Starbucks wished to terminate the Agreement it must compensate Kraft as provided in the Agreement in an amount equal to the fair value of the Agreement, with an additional premium of up to 35% under certain circumstances. The parties are now engaged in extensive discovery with an arbitration trial expected in mid-2012.

On December 6, 2010, Kraft commenced a federal court action against Starbucks, entitled *Kraft Foods Global, Inc. v. Starbucks Corporation*, in the U.S. District Court for the Southern District of New York (the "District Court") seeking injunctive relief to prevent Starbucks from terminating the distribution arrangement until the parties' dispute is resolved through the arbitration proceeding. On January 28, 2011, the District Court denied Kraft' s request for

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injunctive relief. Kraft appealed the District Court' s decision to the Second Circuit Court of Appeals. On February 25, 2011, the Second Circuit Court of Appeals affirmed the District Court' s decision. As a result, Starbucks is in full control of our packaged coffee business as of March 1, 2011.

While Starbucks believes we have valid claims of material breach by Kraft under the Agreement that allowed us to terminate the Agreement and certain other relationships with Kraft without compensation to Kraft, there exists the possibility of material adverse outcomes to Starbucks in the arbitration or to resolve the matter. At this time, the Company is unable to estimate the range of possible outcomes with respect to the arbitration as we have not received any statement or articulation of damages from Kraft nor have we estimated the damages to Starbucks caused by Kraft' s breaches. Information in this regard will be provided during the discovery process and is currently expected to be available in late March or early April 2012. And, although Kraft disclosed to the press and in federal court filings a $750 million offer Starbucks made to Kraft in August 2010 to avoid litigation and ensure a smooth transition of the business, the figure is not a proper basis upon which to estimate a possible outcome of the arbitration but was based upon facts and circumstances at the time. Kraft rejected the offer immediately and did not provide a counter-offer, effectively ending the discussions between the parties with regard to any payment. Moreover, the offer was made prior to our investigation of Kraft' s breaches and without consideration of Kraft' s continuing failure to comply with material terms of the agreements.

Starbucks is party to various other legal proceedings arising in the ordinary course of business, including certain employment litigation cases that have been certified as class or collective actions, but, except as noted above, is not currently a party to any legal proceeding that management believes could have a material adverse effect on our consolidated financial position, results of operations or cash flows.

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PART II

Item 5. ***Market for the Registrant's Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities***

SHAREHOLDER INFORMATION

MARKET INFORMATION AND DIVIDEND POLICY

Starbucks common stock is traded on NASDAQ, under the symbol "SBUX."

The following table shows the quarterly high and low sale prices per share of Starbucks common stock as reported by NASDAQ for each quarter during the last two fiscal years and the quarterly cash dividend declared per share of our common stock during the periods indicated:

	High	Low	Cash Dividends Declared
2011:			
Fourth Quarter	$42.00	$33.72	$ 0.17
Third Quarter	40.26	34.61	0.13
Second Quarter	38.21	30.75	0.13
First Quarter	33.15	25.37	0.13
2010:			
Fourth Quarter	$27.08	$22.50	$ 0.13
Third Quarter	28.50	23.95	0.13
Second Quarter	26.00	21.26	0.10
First Quarter	23.80	18.69	0.00

As of November 11, 2011, we had approximately 21,900 shareholders of record. This does not include persons whose stock is in nominee or "street name" accounts through brokers.

Future decisions to pay cash dividends continue to be at the discretion of the Board of Directors and will be dependent on our operating performance, financial condition, capital expenditure requirements, and other such factors that the Board of Directors considers relevant.

ISSUER PURCHASES OF EQUITY SECURITIES

The following table provides information regarding repurchases of our common stock during the quarter ended October 2, 2011:

	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs(2)
Period(1)				
July 4, 2011 − July 31, 2011	0	$0	0	10,929,456
August 1, 2011 − August 28, 2011	5,454,600	35.86	5,454,600	5,474,856
August 29, 2011 − October 2, 2011	1,028,600	37.41	1,028,600	24,446,256
Total	6,483,200	$36.10	6,483,200	

(1) Monthly information is presented by reference to our fiscal months during the fourth quarter of fiscal 2011.

(2) The share repurchase program is conducted under authorizations made from time to time by our Board of Directors. On March 24, 2010 we publicly announced the authorization of up to an additional 15 million shares, on November 15, 2010 we publicly

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announced the authorization of up to an additional 10 million shares and on November 3, 2011 we publicly announced the authorization of up to an additional 20 million shares. These authorizations have no expiration date.

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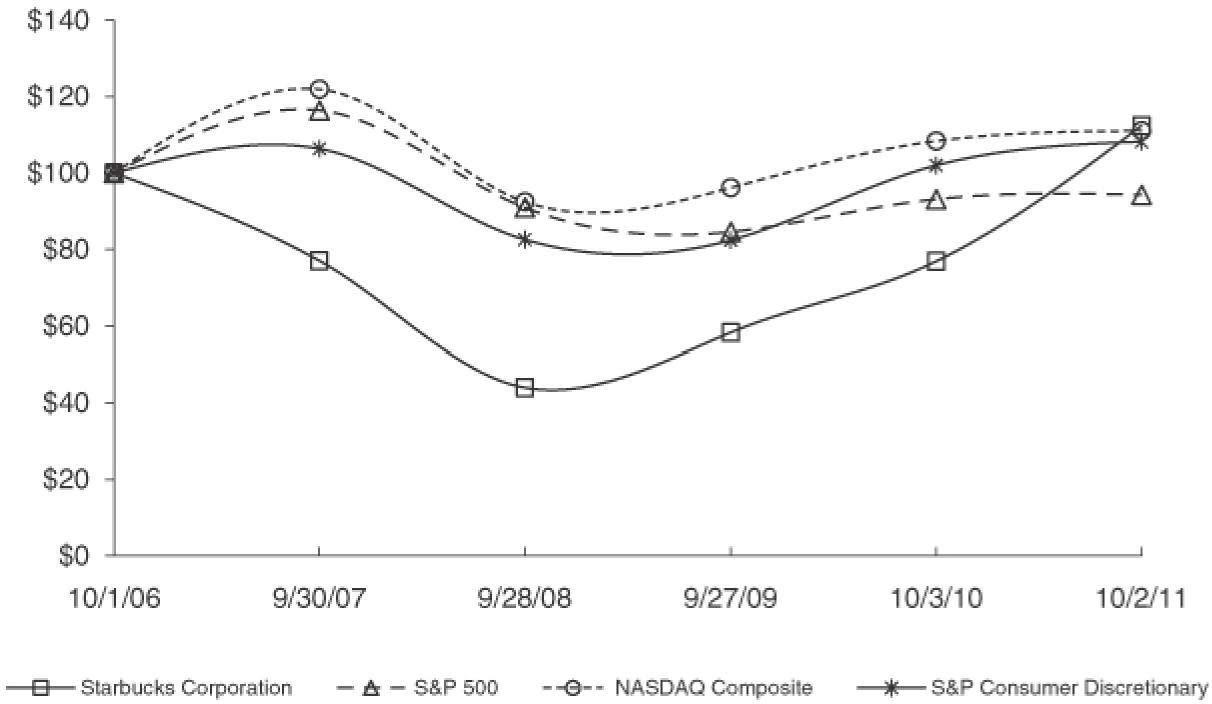
Performance Comparison Graph

The following graph depicts the total return to shareholders from October 1, 2006 through October 2, 2011, relative to the performance of the Standard & Poor' s 500 Index, the NASDAQ Composite Index, and the Standard & Poor' s 500 Consumer Discretionary Sector, a peer group that includes Starbucks. All indices shown in the graph have been reset to a base of 100 as of October 1, 2006, and assume an investment of $100 on that date and the reinvestment of dividends paid since that date. The stock price performance shown in the graph is not necessarily indicative of future price performance.



	10/1/06	9/30/07	9/28/08	9/27/09	10/3/10	10/2/11
Starbucks Corporation	$100.00	$76.95	$43.94	$58.24	$76.89	$112.30
S&P 500	$100.00	$116.44	$90.85	$84.58	$93.17	$94.24
NASDAQ Composite	$100.00	$121.84	$92.48	$96.08	$108.39	$110.99
S&P Consumer Discretionary	$100.00	$106.33	$82.51	$82.46	$101.94	$108.24

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Item 6. ***Selected Financial Data***

In millions, except earnings per share and store information

The following selected financial data are derived from the consolidated financial statements. The data below should be read in conjunction with "Management' s Discussion and Analysis of Financial Condition and Results of Operations," "Risk Factors," and the consolidated financial statements and notes.

As of and for the Fiscal Year Ended(1)	Oct 2, 2011 (52 Wks)	Oct 3, 2010 (53 Wks)	Sep 27, 2009 (52 Wks)	Sep 28, 2008 (52 Wks)	Sep 30, 2007 (52 Wks)
RESULTS OF OPERATIONS					
Net revenues:					
Company-operated stores	$9,632.4	$8,963.5	$8,180.1	$8,771.9	$7,998.3
Licensed stores(2)	1,007.5	875.2	795.0	779.0	660.0
CPG, foodservice and other(2)	1,060.5	868.7	799.5	832.1	753.2
Total net revenues	$11,700.4	$10,707.4	$9,774.6	$10,383.0	$9,411.5
Operating income(3)	$1,728.5	$1,419.4	$562.0	$503.9	$1,053.9
Net earnings including noncontrolling interests	1,248.0	948.3	391.5	311.7	673.7
Net earnings (loss) attributable to noncontrolling interests	2.3	2.7	0.7	(3.8)	1.1
Net earnings attributable to Starbucks	1,245.7	945.6	390.8	315.5	672.6
EPS − diluted	1.62	1.24	0.52	0.43	0.87
Cash dividends declared per share	0.56	0.36	0.00	0.00	0.00
Net cash provided by operating activities	1,612.4	1,704.9	1,389.0	1,258.7	1,331.2
Capital expenditures (additions to property, plant and equipment)	531.9	440.7	445.6	984.5	1,080.3
BALANCE SHEET					
Total assets	$7,360.4	$6,385.9	$5,576.8	$5,672.6	$5,343.9
Short-term borrowings	0.0	0.0	0.0	713.0	710.3
Long-term debt (including current portion)	549.5	549.4	549.5	550.3	550.9
Shareholders' equity	4,384.9	3,674.7	3,045.7	2,490.9	2,284.1
STORE INFORMATION					
Percentage change in comparable store sales(4)					
United States	8%	7%	(6)%	(5)%	4%
International	5%	6%	(2)%	2%	7%
Consolidated	8%	7%	(6)%	(3)%	5%
Net stores opened (closed) during the year:					
United States					
Company − operated stores	(2)	(57)	(474)	445	1,065
Licensed stores(5)	(342)	60	35	438	723
International(6)					
Company − operated stores	144	(16)	105	262	310
Licensed stores	345	236	289	524	473
Total	145	223	(45)	1,669	2,571
Stores open at year end:					
United States					
Company-operated stores	6,705	6,707	6,764	7,238	6,793
Licensed stores	4,082	4,424	4,364	4,329	3,891

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International[6]					
Company-operated stores	2,326	2,182	2,198	2,093	1,831
Licensed stores	3,890	3,545	3,309	3,020	2,496
Total	17,003	16,858	16,635	16,680	15,011

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(1) Our fiscal year ends on the Sunday closest to September 30. The fiscal year ended on October 3, 2010 included 53 weeks with the 53rd week falling in our fourth fiscal quarter.

(2) Includes the revenue reclassification described in Note 1. For fiscal years 2010, 2009, 2008, and 2007, we reclassified $465.7 million, $427.3 million, $392.6 million, and $366.3 million, respectively, from the previously named "Licensing" revenue to "CPG, foodservice and other" revenue.

(3) Fiscal 2010, 2009, and 2008 results include pretax restructuring charges of $53.0 million, $332.4 million, and $266.9 million, respectively.

(4) Includes only Starbucks company-operated stores open 13 months or longer. For fiscal year 2010, comparable store sales percentages were calculated excluding the 53rd week. Comparable store sales attributable to our International segment exclude the effect of fluctuations in foreign currency exchange rates.

(5) Includes the closure of 475 licensed Seattle' s Best Coffee locations in Borders Bookstores during fiscal 2011.

(6) International store data has been adjusted for the acquisition of store locations in Austria and Switzerland in Q4 fiscal 2011 by reclassifying historical information from licensed stores to company-operated stores.

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Item 7. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

General

Our fiscal year ends on the Sunday closest to September 30. The fiscal year ended on October 3, 2010 included 53 weeks with the 53rd week falling in the fourth fiscal quarter. The fiscal years ended on October 2, 2011 and September 27, 2009 both included 52 weeks. Comparable store sales percentages for fiscal 2010 are calculated excluding the 53rd week. All references to store counts, including data for new store openings, are reported net of related store closures, unless otherwise noted.

Financial Highlights

Consolidated operating income was $1.7 billion for fiscal 2011 compared to $1.4 billion in fiscal 2010 and operating margin increased to 14.8% compared to 13.3% in fiscal 2010. The operating margin expansion was driven by increased sales leverage, partially offset by higher commodity costs. Comparable store sales growth at company-operated stores was 8% in fiscal 2011 compared to 7% in fiscal 2010.

EPS for fiscal 2011 was $1.62, compared to EPS of $1.24 reported in fiscal 2010, with the increase driven by the improved sales leverage and certain gains recorded in the fourth quarter of fiscal 2011. We recognized a gain from a fair market value adjustment resulting from the acquisition of the remaining ownership interest in our joint venture in Switzerland and Austria as well as a gain on the sale of corporate real estate. These gains contributed approximately $0.10 to EPS in fiscal 2011.

Cash flow from operations was $1.6 billion in fiscal 2011 compared to $1.7 billion in fiscal 2010. Capital expenditures were approximately $532 million in fiscal 2011 compared to $440 million in fiscal 2010. Available operating cash flow after capital expenditures during fiscal 2011 was directed at returning approximately $945 million of cash to our shareholders via share repurchases and dividends.

Overview

Starbucks results for fiscal 2011 reflect the strength and resiliency of our business model, the global power of our brand and the talent and dedication of our employees. Our business has performed well this year despite significant headwinds from commodity costs and a continuingly challenging consumer environment. Strong global comparable stores sales growth of 8% for the full year (US 8% and International 5%) drove increased sales leverage and resulted in higher operating margins and net earnings. This helped mitigate the impact of higher commodity costs, which negatively impacted EPS by approximately $0.20 per share for the year, equivalent to approximately 220 basis points of operating margin. Most of the commodity pressure was related to coffee, with dairy, cocoa, sugar and fuel accounting for the rest.

Our US business continued its strong momentum and contributed 69% of total net revenues in fiscal 2011. We saw benefits from a variety of initiatives including our loyalty program, innovative products such as our Starbucks Petites® platform and other new food and beverage options. We also continued to refine our store efficiency efforts, including the rollout of our new point-of-sale and inventory management systems in our company-operated stores. The combination of these efforts resulted in strong comparable store sales of 8%, which translated to an increase in sales leverage, which more than offset the effect of higher commodity costs.

Our international portfolio, which contributed 22% of total net revenues in fiscal 2011, continues to improve, with an operating margin of 13% for the year. We continue to leverage the valuable lessons learned from the turnaround of our US business, and continue to make progress on scaling the infrastructure of this segment. We are aggressively pursuing the profitable expansion opportunities that exist outside the US, including disciplined growth and scale in our more mature markets, and faster expansion in key emerging markets like China.

Our global consumer products group ("CPG") represents another important profitable growth opportunity for us. During the second quarter, we successfully transitioned our packaged coffee and tea businesses to an in-house direct model, away from the previous distribution arrangement. This model now gives us total control over the sell-in and distribution to retailers of these products. We also aggressively pursued the opportunities beyond our more

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traditional store experience to offer consumers new coffee and other products in multiple forms, across new categories, and through diverse channels, leveraging our strong brand and established retail store base. Examples include the ongoing global expansion of our successful Starbucks VIA® Ready Brew product and Starbucks- and Tazo-branded K-Cup® portion packs which were added to the lineup at the start of fiscal 2012. CPG contributed 7% of total net revenues in fiscal 2011.

Looking toward the future, we recently announced a reorganization of our leadership structure that took effect at the beginning of fiscal 2012. The new structure will enable us to accelerate our global, multi-brand, multi-channel strategy, and to leverage the talent, experience and expertise resident in our senior leadership team. In this new structure, one president will oversee all operations within each of three distinct regions with responsibility for the performance of company-operated stores, as well as for working with licensed and joint-venture business partners in each market within their respective region. The region president will also be responsible for working with Starbucks Global Consumer Products and Foodservice teams to further develop those businesses and execute against our growth plan within the region. The three new regions will be 1) Americas, inclusive of the US, Canada, and Latin America, 2) China and Asia Pacific, and 3) Europe, Middle East, and Africa, collectively referred to as the EMEA region.

Fiscal 2012 − The View Ahead

For fiscal year 2012, we expect moderate revenue growth driven by mid single-digit increased comparable store sales, new store openings and strong growth in the CPG business. Licensed stores will comprise between one-half and two-thirds of new store openings in the Americas, EMEA and China and Asia Pacific regions.

We expect modest consolidated operating margin and EPS improvement compared to fiscal 2011, given our current revenue expectations, along with ongoing spend related to our expanding CPG in-house direct distribution model and higher commodity costs.

We expect increased capital expenditures in fiscal 2012 compared to fiscal 2011, reflecting additional investments in store renovations and in manufacturing capacity.

Operating Segment Overview

Through the end of fiscal 2011, Starbucks had three reportable operating segments: US, International, and CPG. Our Seattle' s Best Coffee operating segment is reported in "Other," along with our Digital Ventures business and unallocated corporate expenses that pertain to corporate administrative functions that support our operating segments but are not specifically attributable to or managed by any segment and are not included in the reported financial results of the operating segments.

The US and International segments both include company-operated stores and licensed retail stores. Licensed stores generally have a higher operating margin than company-operated stores. Under the licensed model, Starbucks receives a reduced share of the total store revenues, but this is more than offset by the reduction in its share of costs as these are primarily borne by the licensee. The International segment has a higher relative share of licensed stores versus company-operated stores compared to the US segment; however, the US segment has been operating significantly longer than the International segment and has developed deeper awareness of, and attachment to, the Starbucks brand and stores among its customer base. As a result, the more mature US segment has significantly more stores, and higher total revenues than the International segment. Average sales per store are also higher in the US due to various factors including length of time in market and local income levels. Further, certain market costs, particularly occupancy costs, are lower in the US segment compared to the average for the International segment, which comprise a more diverse group of operations. As a result of the relative strength of the brand in the US segment, the number of stores, the higher unit volumes, and the lower market costs, the US segment, despite its higher relative percentage of company-operated stores, has a higher operating margin than the less-developed International segment.

Starbucks International store base continues to expand and we continue to focus on achieving sustainable growth from established international markets while at the same time investing in emerging markets, such as China. Newer

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international markets require a more extensive support organization, relative to the current levels of revenue and operating income.

The CPG and Seattle' s Best Coffee segments include packaged coffee and tea and other branded products operations worldwide, as well as the US foodservice business. In prior years through the first several months of fiscal 2011, we sold a selection of Starbucks and Seattle' s Best Coffee branded packaged coffees and Tazo® teas in grocery and warehouse club stores throughout the US and to grocery stores in Canada, the UK and other European countries through a distribution arrangement with Kraft Foods Global, Inc. Kraft managed the distribution, marketing, advertising and promotion of these products as a part of that arrangement. Beginning in the second quarter of fiscal 2011, we successfully transitioned these businesses including the marketing, advertising, and promotion of these products, from our previous distribution arrangement with Kraft and began selling these products directly to the grocery and warehouse club stores. Our CPG segment also includes ready-to-drink beverages, which are primarily manufactured and distributed through The North American Coffee Partnership, a joint venture with the Pepsi-Cola Company. The proportionate share of the results of the joint venture is included, on a net basis, in income from equity investees on the consolidated statements of earnings. The US foodservice business sells coffee and other related products to institutional foodservice companies with the majority of its sales through national broad-line distribution networks. The CPG segment reflects relatively lower revenues, a modest cost structure, and a resulting higher operating margin, compared to the other two reporting segments, which consist primarily of retail stores.

Acquisitions

See Note 17 to the consolidated financial statements in this 10-K.

RESULTS OF OPERATIONS − FISCAL 2011 COMPARED TO FISCAL 2010

Consolidated results of operations (in millions):

Revenues

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	% Change	Oct 2, 2011	Oct 3, 2010
				% of Total Net Revenues	
Net revenues:					
Company-operated stores	$9,632.4	$8,963.5	7.5 %	82.3 %	83.7 %
Licensed stores	1,007.5	875.2	15.1 %	8.6 %	8.2 %
CPG, foodservice and other	1,060.5	868.7	22.1 %	9.1 %	8.1 %
Total net revenues	**$11,700.4**	**$10,707.4**	**9.3 %**	**100.0%**	**100.0%**

Consolidated net revenues were $11.7 billion for fiscal 2011, an increase of 9%, or $993 million over fiscal 2010. The increase was primarily due to an increase in company-operated retail revenues driven by an 8% increase in global comparable stores sales (contributing approximately $672 million). The increase in comparable store sales was due to a 6% increase in number of transactions (contributing approximately $499 million) and a 2% increase in average value per transaction (contributing approximately $173 million). Also contributing to the increase in total net revenues was favorable foreign currency translation (approximately $126 million) resulting from a weakening of the US dollar relative to foreign currencies and an increase in licensed stores revenues (approximately $106 million). This increase was partially offset by the impact of the extra week in fiscal 2010 (approximately $207 million).

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Operating Expenses

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Oct 2, 2011	Oct 3, 2010
			% of Total Net Revenues	
Cost of sales including occupancy costs	$4,949.3	$4,458.6	42.3%	41.6%
Store operating expenses	3,665.1	3,551.4	31.3%	33.2%
Other operating expenses	402.0	293.2	3.4 %	2.7 %
Depreciation and amortization expenses	523.3	510.4	4.5 %	4.8 %
General and administrative expenses	636.1	569.5	5.4 %	5.3 %
Restructuring charges	0.0	53.0	0.0 %	0.5 %
Total operating expenses	10,175.8	9,436.1	87.0%	88.1%
Gain on sale of properties	30.2	0.0	0.3 %	0.0 %
Income from equity investees	173.7	148.1	1.5 %	1.4 %
Operating income	**$1,728.5**	**$1,419.4**	**14.8%**	**13.3%**
Supplemental ratios as a % of related revenues:				
Store operating expenses			38.0%	39.6%

Cost of sales including occupancy costs as a percentage of total net revenues increased 70 basis points. The increase was primarily due to higher commodity costs (approximately 220 basis points), mainly driven by increased coffee costs. Partially offsetting this increase was lower occupancy costs as a percentage of total net revenues (approximately 70 basis points), driven by increased sales leverage.

Store operating expenses as a percentage of total net revenues decreased 190 basis points primarily due to increased sales leverage.

Other operating expenses as a percentage of total net revenues increased 70 basis points primarily due to higher expenses to support the direct distribution model for packaged coffee and tea (approximately 40 basis points) and the impairment of certain assets in our Seattle' s Best Coffee business associated with the Borders bankruptcy in April 2011 (approximately 20 basis points).

The above changes contributed to an overall increase in operating margin of 150 basis points for fiscal 2011. Considering the impact from all line items, the primary drivers for the increase in operating margin for fiscal 2011 were increased sales leverage (approximately 300 basis points), the absence of restructuring charges in the current year (approximately 50 basis points) and the gain on the sale of properties (approximately 30 basis points). These increases were partially offset by higher commodity costs (approximately 220 basis points).

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Other Income and Expenses

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Oct 2, 2011	Oct 3, 2010
			% of Total Net Revenues	
Operating income	$1,728.5	$1,419.4	14.8%	13.3%
Interest income and other, net	115.9	50.3	1.0 %	0.5 %
Interest expense	(33.3)	(32.7)	(0.3)%	(0.3)%
Earnings before income taxes	1,811.1	1,437.0	15.5%	13.4%
Income taxes	563.1	488.7	4.8 %	4.6 %
Net earnings including noncontrolling interests	1,248.0	948.3	10.7%	8.9 %
Net earnings (loss) attributable to noncontrolling interests	2.3	2.7	0.0 %	0.0 %
Net earnings attributable to Starbucks	**$1,245.7**	**$945.6**	**10.6%**	**8.8 %**
Effective tax rate including noncontrolling interests			31.1%	34.0%

Net interest income and other increased $66 million over the prior year. The increase primarily resulted from the gain recorded in the fourth quarter of fiscal 2011 related to our acquisition of the remaining ownership interest in our joint venture operations in Switzerland and Austria (approximately $55 million).

Income taxes for the fiscal year ended 2011 resulted in an effective tax rate of 31.1% compared to 34.0% for fiscal 2010. The lower rate in fiscal 2011 was primarily due to a benefit from the Switzerland and Austria transaction and to an increase in income in foreign jurisdictions having lower tax rates. The effective tax rate for fiscal 2012 is expected to be approximately 33%.

Operating Segments

The following tables summarize our results of operations by segment for fiscal 2011 and 2010 (*in millions*).

United States

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Oct 2, 2011	Oct 3, 2010
			As a % of US Total Net Revenues	
Total net revenues	**$8,038.0**	**$7,560.4**	**100.0%**	**100.0%**
Cost of sales including occupancy costs	$3,093.9	$2,906.1	38.5 %	38.4 %
Store operating expenses	2,891.3	2,831.9	36.0 %	37.5 %
Other operating expenses	62.7	55.6	0.8 %	0.7 %
Depreciation and amortization expenses	343.8	350.7	4.3 %	4.6 %
General and administrative expenses	83.7	97.8	1.0 %	1.3 %
Restructuring charges	0.0	27.2	0.0 %	0.4 %
Total operating expenses	6,475.4	6,269.3	80.6 %	82.9 %
Operating income	**$1,562.6**	**$1,291.1**	**19.4 %**	**17.1 %**
Supplemental ratios as a % of related revenues:				
Store operating expenses			38.8 %	40.3 %

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Revenues

Total US net revenues for fiscal 2011 increased 6%, or $478 million. The increase was primarily due to an 8% increase in comparable store sales (contributing approximately $576 million), comprised of a 6% increase in transactions (contributing approximately $420 million), and a 2% increase in average value per transaction (contributing approximately $156 million), partially offset by the absence of the extra week in the current year (approximately $143 million).

Operating Expenses

Cost of sales including occupancy costs as a percentage of total US net revenues increased by 10 basis points over the prior year. The increase was primarily due to higher commodity costs (approximately 160 basis points) driven by increased coffee costs, mostly offset by increased sales leverage (approximately 130 basis points).

Store operating expenses as a percentage of total US net revenues decreased 150 basis points primarily due to increased sales leverage.

The above changes contributed to an overall increase in operating margin of 230 basis points for fiscal 2011. Considering the impact from all line items, the primary drivers for the increase in operating margin were increased sales leverage (approximately 360 basis points) and the absence of restructuring charges in the current year (approximately 40 basis points). These increases were partially offset by higher commodity costs (approximately 160 basis points) driven by increased coffee costs.

International

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Oct 2, 2011	Oct 3, 2010
			As a % of International Total Net Revenues	
Total net revenues	**$2,626.1**	**$2,288.8**	**100.0 %**	**100.0 %**
Cost of sales including occupancy costs	$1,259.8	$1,078.2	48.0 %	47.1 %
Store operating expenses	773.8	719.5	29.5 %	31.4 %
Other operating expenses	91.9	85.7	3.5 %	3.7 %
Depreciation and amortization expenses	118.5	108.6	4.5 %	4.7 %
General and administrative expenses	132.9	126.6	5.1 %	5.5 %
Restructuring charges	0.0	25.8	0.0 %	1.1 %
Total operating expenses	2,376.9	2,144.4	90.5 %	93.7 %
Income from equity investees	100.5	80.8	3.8 %	3.5 %
Operating income	**$349.7**	**$225.2**	**13.3 %**	**9.8 %**
Supplemental ratios as a % of related revenues:				
Store operating expenses			35.4 %	37.2 %

Revenues

Total International net revenues for fiscal 2011 increased 15%, or $337 million. The increases were primarily driven by foreign currency translation resulting from the weakening of the US dollar (approximately $126 million), primarily in relation to the Canadian dollar, comparable store sales of 5% (contributing approximately $96 million), and net new company-operated store openings (approximately $57 million). These increases were partially offset by the absence of the extra week in fiscal 2011 (approximately $45 million). The increase in comparable store sales was due to a 4% increase in transactions (contributing approximately $74 million), and a 1% increase in average value per transaction (contributing approximately $22 million).

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Operating Expenses

Cost of sales including occupancy costs as a percentage of total International net revenues increased by 90 basis points compared to the prior year. The increase was primarily due to higher commodity costs (approximately 100 basis points), driven primarily by increased coffee costs. Partially offsetting this increase were lower occupancy costs as a percentage of total net revenues (approximately 40 basis points), primarily due to increased sales leverage.

Store operating expenses as a percentage of total International net revenues decreased 190 basis points primarily due to increased sales leverage (approximately 240 basis points) and fewer impairment charges in the current year compared to fiscal 2010 (approximately 80 basis points). These decreases were partially offset by an increase in salaries and benefits expense to support new store openings (approximately 110 basis points).

The above changes contributed to an overall increase in operating margin of 350 basis points for fiscal 2011. Considering the impact from all line items, the primary drivers for the increase in operating margin for fiscal 2011 were increased sales leverage (approximately 330 basis points), the absence of restructuring charges in the current year (approximately 110 basis points), fewer impairment charges in the current year compared to fiscal 2010 (approximately 80 basis points), partially offset by increased salaries and benefits (approximately 110 basis points) and higher commodity costs (approximately 100 basis points).

Global Consumer Products Group

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Oct 2, 2011	Oct 3, 2010
			As a % of CPG Total Net Revenues	
Total net revenues	**$860.5**	**$707.4**	**100.0%**	**100.0%**
Cost of sales including occupancy costs	$492.5	$384.9	57.2 %	54.4 %
Other operating expenses	153.9	117.0	17.9 %	16.5 %
Depreciation and amortization expenses	2.4	3.7	0.3 %	0.5 %
General and administrative expenses	14.3	11.0	1.7 %	1.6 %
Total operating expenses	663.1	516.6	77.1 %	73.0 %
Income from equity investees	75.6	70.6	8.8 %	10.0 %
Operating income	**$273.0**	**$261.4**	**31.7 %**	**37.0 %**

Revenues

Total CPG net revenues for fiscal 2011 increased 22%, or $153 million. The increase was primarily due to the benefit of recognizing full revenue from packaged coffee and tea sales under the direct distribution model for the majority of the year (approximately $70 million). On March 1, 2011, we successfully transitioned to a direct distribution model from our previous distribution arrangement with Kraft for the sale of packaged Starbucks® and Seattle' s Best Coffee® coffee products in grocery and warehouse club stores throughout the US, and to grocery stores in Canada, the UK and other European countries. We successfully transitioned the Tazo® tea business to a direct distribution model in January 2011. Also contributing to the increase were improved revenues from US foodservice (approximately $26 million) and the expanded distribution of Starbucks VIA® Ready Brew in fiscal 2011 (approximately $24 million), partially offset by the extra week in fiscal 2010 (approximately $16 million).

Operating Expenses

Operating margin decreased 530 basis points over the prior year primarily due to increased commodity costs (approximately 830 basis points), driven by higher coffee costs. Partially offsetting the increase in commodity costs were the benefit of price increases (approximately 200 basis points) and lower marketing expenses for Starbucks VIA® Ready Brew in the current year (approximately 120 basis points).

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Other

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	% Change
Total net revenues	**$175.8**	**$150.8**	**16.6 %**
Cost of sales	$103.1	$89.4	15.3 %
Other operating expenses	93.5	34.9	167.9%
Depreciation and amortization expenses	58.6	47.4	23.6 %
General and administrative expenses	405.2	334.1	21.3 %
Total operating expenses	660.4	505.8	30.6 %
Gain on sale of properties	30.2	0.0	nm
Loss from equity investee	(2.4)	(3.3)	(27.3)%
Operating loss	**$(456.8)**	**$(358.3)**	**27.5 %**

Other is comprised of the Seattle' s Best Coffee operating segment, the Digital Ventures business, and expenses pertaining to corporate administrative functions that support our operating segments but are not specifically attributable to or managed by any segment and are not included in the reported financial results of the operating segments.

Substantially all net revenues in Other are generated from the Seattle' s Best Coffee operating segment. The increase in revenues for Seattle' s Best Coffee was primarily due to the recognition of a full year of sales to national accounts added in the latter part of fiscal 2010 as well as new accounts added during fiscal 2011(approximately $20 million). This was partially offset by the impact of the closure of the Seattle' s Best Coffee locations in Borders Bookstores.

Total operating expenses in fiscal 2011 increased 31%, or $155 million. This increase is the result of an increase of $71 million in general and administrative expenses due to higher corporate expenses to support growth initiatives and higher donations to the Starbucks Foundation. Also contributing was an increase of $59 million in other operating expenses primarily due to the impairment of certain assets in our Seattle' s Best Coffee business associated with the Borders bankruptcy in April 2011 and an increase in marketing expenses. This increase in operating expenses was partially offset by a gain on the sale of corporate real estate in fiscal 2011 (approximately $30 million).

RESULTS OF OPERATIONS − FISCAL 2010 COMPARED TO FISCAL 2009

Consolidated results of operations (in millions):

Fiscal Year Ended	Oct 3, 2010	Sep 27, 2009	% Change	Oct 3, 2010	Sep 27, 2009
				% of Total Net Revenues	
Net revenues:					
Company-operated stores	$8,963.5	$8,180.1	9.6 %	83.7 %	83.7 %
Licensed stores	875.2	795.0	10.1 %	8.2 %	8.1 %
CPG, foodservice and other	868.7	799.5	8.7 %	8.1 %	8.2 %
Total net revenues	**$10,707.4**	**$9,774.6**	**9.5 %**	**100.0%**	**100.0%**

Consolidated net revenues were $10.7 billion for fiscal 2010, an increase of 9.5% over fiscal 2009. The increase was primarily due to an increase in company-operated retail revenues driven by a 7% increase in global comparable stores sales (contributing approximately $551 million). The increase in comparable store sales was due to a 4% increase in number of transactions (contributing approximately $298 million) and a 3% increase in average value per transaction (contributing approximately $253 million). Also contributing to the increase in revenues was the extra week in fiscal 2010 (approximately $207 million), foreign currency translation resulting from the weakening of the US dollar primarily in relation to the Canadian dollar (approximately $101 million), and the effect of consolidating our previous joint venture in France (approximately $87 million). This increase was partially offset by a net decrease of 72 company-operated stores from fiscal 2009 (approximately $119 million).

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Fiscal Year Ended	Oct 3, 2010	Sep 27, 2009	Oct 3, 2010	Sep 27, 2009
			% of Total Net Revenues	
Cost of sales including occupancy costs	$4,458.6	$4,324.9	41.6%	44.2 %
Store operating expenses	3,551.4	3,425.1	33.2%	35.0 %
Other operating expenses	293.2	264.4	2.7 %	2.7 %
Depreciation and amortization expenses	510.4	534.7	4.8 %	5.5 %
General and administrative expenses	569.5	453.0	5.3 %	4.6 %
Restructuring charges	53.0	332.4	0.5 %	3.4 %
Total operating expenses	9,436.1	9,334.5	88.1%	95.5 %
Income from equity investees	148.1	121.9	1.4 %	1.2 %
Operating income	**$1,419.4**	**$562.0**	**13.3%**	**5.7 %**
Supplemental ratios as a % of related revenues:				
Store operating expenses			39.6%	41.9 %

Cost of sales including occupancy costs as a percentage of total revenues decreased 260 basis points. The decrease was primarily driven by supply chain efficiencies which contributed to lower food costs (approximately 70 basis points) and lower beverage and paper packaging product costs (approximately 50 basis points). Also contributing to the decrease were lower occupancy costs as a percentage of total net revenues (approximately 80 basis points) primarily due to sales leverage.

Store operating expenses as a percentage of company-operated retail revenues decreased 230 basis points primarily due to increased sales leverage from increased revenues.

Restructuring charges include lease exit and related costs associated with the actions to rationalize our global store portfolio and reduce the global cost structure in fiscal 2009 and 2008. The restructuring charges incurred in fiscal 2010 reflect charges incurred on the previously announced store closures. With the previously-announced store closures essentially complete, we do not expect to report any further restructuring costs related to these activities.

Partially offsetting these favorable fluctuations were increased advertising costs included primarily in other operating expenses and higher performance based compensation expenses, which drove the 70 basis point increase in general and administrative expenses as a percentage of revenues.

Fiscal Year Ended	Oct 3, 2010	Sep 27, 2009	Oct 3, 2010	Sep 27, 2009
			% of Total Net Revenues	
Operating income	$1,419.4	$562.0	13.3%	5.7 %
Interest income and other, net	50.3	37.0	0.5 %	0.4 %
Interest expense	(32.7)	(39.1)	(0.3)%	(0.4)%
Earnings before income taxes	1,437.0	559.9	13.4%	5.7 %
Income taxes	488.7	168.4	4.6 %	1.7 %
Net earnings including noncontrolling interests	948.3	391.5	8.9 %	4.0 %
Net earnings (loss) attributable to noncontrolling interests	2.7	0.7	0.0 %	0.0 %
Net earnings attributable to Starbucks	**$945.6**	**$390.8**	**8.8 %**	**4.0 %**
Effective tax rate including noncontrolling interests			34.0%	30.1%

Net interest income and other increased $13 million over the prior period. The increase was driven by the impact of an accounting gain recorded in the first quarter of fiscal 2010 related to our acquisition of a controlling interest in our previous joint venture operations in

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France. In accordance with accounting principles generally accepted in the United States of America (“GAAP”), the carrying value of the previously held joint venture interest was adjusted to

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fair value upon the acquisition of the controlling interest. Also contributing to the increase were favorable fluctuations in unrealized holding gains on our trading securities portfolio of approximately $10 million. This favorability was partially offset by unfavorable foreign currency fluctuations (approximately $11 million), which related primarily to the revaluation of certain trade payables and receivables.

Income taxes for the fiscal year ended 2010 resulted in an effective tax rate of 34.0% compared to 30.1% for fiscal 2009. The lower rate in fiscal 2009 was primarily due to the benefits recognized for retroactive tax credits and an audit settlement.

United States

Fiscal Year Ended	Oct 3, 2010	Sep 27, 2009	Oct 3, 2010	Sep 27, 2009
			As a % of US Total Net Revenues	
Total net revenues	**$7,560.4**	**$7,061.7**	**100.0%**	**100.0%**
Cost of sales including occupancy costs	$2,906.1	$2,941.4	38.4 %	41.7 %
Store operating expenses	2,831.9	2,815.1	37.5 %	39.9 %
Other operating expenses	55.6	66.6	0.7 %	0.9 %
Depreciation and amortization expenses	350.7	377.9	4.6 %	5.4 %
General and administrative expenses	97.8	84.8	1.3 %	1.2 %
Restructuring charges	27.2	246.3	0.4 %	3.5 %
Total operating expenses	6,269.3	6,532.1	82.9 %	92.5 %
Income from equity investees	0.0	0.5	0.0 %	0.0 %
Operating income	**$1,291.1**	**$530.1**	**17.1 %**	**7.5 %**
Supplemental ratios as a % of related revenues:				
Store operating expenses			40.3 %	42.8 %

US net revenues increased primarily due to an increase in company-operated retail revenues of 7%. This increase is primarily due to a 7% increase in comparable store sales (contributing approximately $452 million), comprised of a 3% increase in transactions (contributing approximately $222 million), and a 4% increase in average value per transaction (contributing approximately $230 million). Also contributing to the increase in total net revenues was the extra week in fiscal 2010 (approximately $143 million), partially offset by a net decrease of 57 company-operated stores from fiscal 2009 (approximately $125 million).

Cost of sales including occupancy costs as a percentage of total revenues decreased by 330 basis points over the prior year. The decrease was primarily driven by supply chain efficiencies which contributed to lower food costs (approximately 90 basis points) and lower beverage and paper packaging product costs (approximately 60 basis points). Also contributing to the decrease were lower occupancy costs as a percentage of total net revenues (approximately 100 basis points) primarily due to sales leverage.

Store operating expenses as a percent of related retail revenues decreased 250 basis points primarily due to increased sales leverage.

Restructuring charges include lease exit and related costs associated with the actions to rationalize our global store portfolio. Restructuring charges in fiscal 2010 decreased $219 million from 2009 due to the completion of our restructuring efforts in the US during fiscal 2010.

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International

Fiscal Year Ended	Oct 3, 2010	Sep 27, 2009	Oct 3, 2010	Sep 27, 2009
			As a % of International Total Net Revenues	
Total net revenues	**$2,288.8**	**$1,914.3**	**100.0%**	**100.0%**
Cost of sales including occupancy costs	$1,078.2	$961.3	47.1 %	50.2 %
Store operating expenses	719.5	610.0	31.4 %	31.9 %
Other operating expenses	85.7	71.2	3.7 %	3.7 %
Depreciation and amortization expenses	108.6	102.2	4.7 %	5.3 %
General and administrative expenses	126.6	105.0	5.5 %	5.5 %
Restructuring charges	25.8	27.0	1.1 %	1.4 %
Total operating expenses	2,144.4	1,876.7	93.7 %	98.0 %
Income from equity investees	80.8	53.6	3.5 %	2.8 %
Operating income	**$225.2**	**$91.2**	**9.8 %**	**4.8 %**
Supplemental ratios as a % of related revenues:				
Store operating expenses			37.2 %	37.9 %

International net revenues increased due to foreign currency translation resulting from the weakening of the US dollar primarily in relation to the Canadian dollar (approximately $101 million), comparable store sales of 6% (contributing approximately $99 million), the effect of consolidating our previous joint venture in France (approximately $87 million), and the extra week in fiscal 2010 (approximately $45 million). The increase in comparable store sales was due to a 5% increase in transactions (contributing approximately $78 million), and a 1% increase in average value per transaction (contributing approximately $21 million).

Cost of sales including occupancy costs as a percentage of total revenues decreased by 310 basis points compared to the prior year. The decrease was primarily driven by lower costs for food and beverage components resulting from supply chain efficiencies (approximately 120 basis points). Also contributing to the decrease were lower occupancy costs as a percentage of total net revenues (approximately 120 basis points) primarily due to sales leverage.

Store operating expenses as a percent of related retail revenues decreased 70 basis points primarily due to reduced impairments in fiscal 2010 compared to fiscal 2009.

Restructuring charges include lease exit and related costs associated with the actions to rationalize our global store portfolio. Restructuring charges in fiscal 2010 decreased slightly from 2009 due to the completion of our restructuring efforts internationally by the end of fiscal 2010.

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Global Consumer Products Group

Fiscal Year Ended	Oct 3, 2010	Sep 27, 2009	Oct 3, 2010	Sep 27, 2009
			As a % of CPG Total Net Revenues	
Total net revenues	**$707.4**	**$674.4**	**100.0 %**	**100.0 %**
Cost of sales including occupancy costs	$384.9	$350.5	54.4 %	52.0 %
Other operating expenses	117.0	95.3	16.5 %	14.1 %
Depreciation and amortization expenses	3.7	4.8	0.5 %	0.7 %
General and administrative expenses	11.0	8.8	1.6 %	1.3 %
Restructuring charges	0.0	1.0	0.0 %	0.1 %
Total operating expenses	516.6	460.4	73.0 %	68.3 %
Income from equity investees	70.6	67.8	10.0 %	10.1 %
Operating income	**$261.4**	**$281.8**	**37.0 %**	**41.8 %**

CPG net revenues increased primarily due to the launch of Starbucks VIA® Ready Brew (approximately $22 million) and the extra week in fiscal 2010 (approximately $16 million).

Operating margin decreased 480 basis points over the prior year due primarily to increased Starbucks VIA® Ready Brew launch expenses.

Other

Fiscal Year Ended	Oct 3, 2010	Sep 27, 2009	% Change
Total net revenues	**$150.8**	**$124.2**	**21.4 %**
Cost of sales	$89.4	$71.7	24.7 %
Other operating expenses	34.9	31.3	11.5 %
Depreciation and amortization expenses	47.4	49.8	(4.8)%
General and administrative expenses	334.1	254.4	31.3 %
Restructuring charges	0.0	58.1	(100.0)%
Total operating expenses	505.8	465.3	8.7 %
Loss from equity investee	(3.3)	0.0	nm
Operating loss	**$(358.3)**	**$(341.1)**	**5.0 %**

Substantially all of net revenues in Other are generated from the Seattle’ s Best Coffee operating segment. The increase in revenues for Seattle’ s Best Coffee was primarily due to sales to new national accounts (contributing approximately $13 million).

Operating expenses included in Other relate to Seattle’ s Best Coffee and Digital Ventures as well as expenses pertaining to corporate administrative functions that support our operating segments but are not specifically attributable to or managed by any segment and are not included in the reported financial results of the operating segments. Total operating expenses increased $40.5 million primarily as a result of increased general and administrative expenses ($80 million) primarily due to higher performance-based compensation in 2010. This increase was partially offset by a decrease of $58 million in restructuring charges due to the completion of our restructuring activities within the non-store support organization.

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SUMMARIZED QUARTERLY FINANCIAL INFORMATION (unaudited; in millions, except EPS)

	First	Second	Third	Fourth	Total
2011:					
Net revenues	$2,950.8	$2,785.7	$2,932.2	$3,031.9	$11,700.4
Operating income	501.9	376.1	402.2	448.3	1,728.5
Net earnings attributable to Starbucks	346.6	261.6	279.1	358.5	1,245.7
EPS − diluted	$0.45	$0.34	$0.36	$0.47	$1.62
2010:					
Net revenues	$2,722.7	$2,534.7	$2,612.0	$2,838.0	$10,707.4
Operating income(1)	352.6	339.8	327.7	399.3	1,419.4
Net earnings attributable to Starbucks(1)	241.5	217.3	207.9	278.9	945.6
EPS − diluted	$0.32	$0.28	$0.27	$0.37	$1.24

(1) Includes pretax restructuring charges of $18.3 million, $7.9 million, $20.4 million and $6.4 million for the first, second, third and fourth fiscal quarters respectively.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

Investment Overview

Starbucks cash and short-term investments were $2.1 billion and $1.4 billion and as of October 2, 2011 and October 3, 2010, respectively. As of October 2, 2011, approximately $367.5 million of cash was held in foreign subsidiaries. Of our cash held in foreign subsidiaries, $69.5 million is denominated in the US dollar. We actively manage our cash and short-term investments in order to internally fund operating needs domestically and internationally, make scheduled interest and principal payments on our borrowings, and return cash to shareholders through common stock cash dividend payments and share repurchases. Our short-term investments consisted predominantly of US Treasury securities, commercial paper, corporate bonds, and US Agency securities. Also included in our short-term investment portfolio are certificates of deposit placed through an account registry service (“CDARS”), with maturities ranging from 91 days to one year, which we began investing into during the fourth quarter of fiscal year 2011. The principal amounts of the individual certificates of deposit do not exceed the Federal Deposit Insurance Corporation limits.

Our portfolio of long-term available for sale securities consists predominantly of high investment-grade corporate bonds, diversified among industries and individual issuers, as well as certificates of deposits placed through CDARS with maturities greater than 1 year. We also have investments in auction rate securities (“ARS”), all of which are classified as long-term. ARS totaling $28 million and $41 million were outstanding as of October 2, 2011 and October 3, 2010, respectively. The reduction in ARS was due to $16 million in redemptions during the fiscal year, with all redemptions done at par. While the ongoing auction failures will limit the liquidity of these ARS investments for some period of time, we do not believe this will materially impact our ability to fund our working capital needs, capital expenditures, shareholder dividends or other business requirements.

Borrowing capacity

Starbucks previous $1 billion unsecured credit facility (the “2005 credit facility”) was available through November of 2010, when we replaced the 2005 credit facility with a new $500 million unsecured credit facility (the “2010 credit facility”) with various banks, of which $100 million may be used for issuances of letters of credit.

The 2010 credit facility is available for working capital, capital expenditures and other corporate purposes, including acquisitions and share repurchases and is currently set to mature in November 2014. Starbucks has the option, subject to negotiation and agreement with the related banks, to increase the maximum commitment amount by an additional $500 million. The interest rate for any borrowings under the credit facility, based on Starbucks current ratings and fixed charge coverage ratio, is 1.075% over LIBOR. The specific spread over LIBOR will depend upon

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our long-term credit ratings assigned by Moody' s and Standard & Poor' s rating agencies and our fixed charge coverage ratio. As with the 2005 credit facility, the 2010 credit facility contains provisions requiring us to maintain compliance with certain covenants, including a minimum fixed charge coverage ratio, which measures our ability to cover financing expenses. As of October 2, 2011 and October 3, 2010, we were in compliance with each of these covenants.

Under Starbucks commercial paper program we may issue unsecured commercial paper notes, up to a maximum aggregate amount outstanding at any time of $500 million, with individual maturities that may vary, but not exceed 397 days from the date of issue. The program is backstopped by the 2010 credit facility, and the combined borrowing limit is $500 million for the commercial paper program and the credit facility. Starbucks may issue commercial paper from time to time, and the proceeds of the commercial paper financing will be used for working capital needs, capital expenditures and other corporate purposes, including acquisitions and share repurchases. The 2005 credit facility was also paired with a commercial paper program whereby we could issue unsecured commercial paper notes, up to a maximum amount outstanding at any time of $1 billion. The commercial paper program was secured by the 2005 credit facility, and the combined borrowing limit was $1 billion for the commercial paper program and the credit facility. During fiscal 2011 and fiscal 2010, there were no borrowings under the credit facilities or commercial paper programs. As of October 2, 2011 and October 3, 2010, a total of $17 million and $15 million in letters of credit were outstanding under the respective revolving credit facility.

The $550 million of 10-year 6.25% Senior Notes also require us to maintain compliance with certain covenants, including limits on future liens and sale and leaseback transactions on certain material properties. As of October 2, 2011 and October 3, 2010, we were in compliance with each of these covenants.

Use of Cash

We expect to use our cash and short-term investments, including any potential future borrowings under the credit facility and commercial paper program, to invest in our core businesses, including new product innovations and related marketing support, as well as other new business opportunities related to our core businesses. We believe that future cash flows generated from operations and existing cash and short-term investments both domestically and internationally will be sufficient to finance capital requirements for our core businesses in those respective markets as well as shareholder distributions for the foreseeable future. However, in the event that we need to repatriate all or a portion of our international cash to the US we would be subject to additional US income taxes.

We may use our available cash resources to make proportionate capital contributions to our equity method and cost method investees. We may also seek strategic acquisitions to leverage existing capabilities and further build our business in support of our growth agenda. Acquisitions may include increasing our ownership interests in our equity method and cost method investees. Any decisions to increase such ownership interests will be driven by valuation and fit with our ownership strategy. Significant new joint ventures, acquisitions and/or other new business opportunities may require additional outside funding.

Other than normal operating expenses, cash requirements for fiscal 2012 are expected to consist primarily of capital expenditures for remodeling and refurbishment of, and equipment upgrades for, existing company-operated stores; systems and technology investments in the stores and in the support infrastructure; new company-operated stores; and additional investments in manufacturing capacity. Total capital expenditures for fiscal 2012 are expected to be in the range of approximately $800 million to $900 million.

During the second quarter of fiscal 2010, we declared our first ever cash dividend to shareholders of $0.10 per share. During the third quarter of fiscal 2010 and each subsequent quarter through the third quarter of fiscal 2011, we declared and paid a cash dividend to shareholders of $0.13 per share totaling $390 million and $171 million paid in fiscal 2011 and 2010, respectively. In the fourth quarter, we declared a cash dividend of $0.17 per share to be paid on December 2, 2011 with an expected payout of $127 million.

During fiscal years 2011 and 2010, we repurchased 16 million and 11 million shares of common stock ($556 million and $286 million, respectively) under share repurchase authorizations. The number of remaining shares authorized for repurchase at October 2, 2011 totaled 24 million.

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Cash Flows

Cash provided by operating activities was $1.6 billion for fiscal year 2011, compared to $1.7 billion for fiscal year 2010. The slight decrease was primarily attributable to an increase in inventories, resulting in part from higher coffee prices, partially offset by higher net earnings for the period and an increase in payables, primarily related to green coffee purchases.

Cash used by investing activities for fiscal year 2011 totaled $1.0 billion, compared to $790 million for fiscal year 2010. The increase was primarily due to increased purchases of available-for-sale securities and increased capital expenditures for remodeling and renovating existing company-operated stores, opening new retail stores and investments in information technology systems. The increase was partially offset by increased maturities and calls of available-for-sale securities and cash proceeds from the sale of corporate real estate during the year.

Cash used by financing activities for fiscal year 2011 totaled $608 million, compared to $346 million for fiscal year 2010. The increase was primarily due to an increase in cash returned to shareholders through dividend payments and common share repurchases in fiscal 2011. The increase was partially offset by increased proceeds from the exercise of stock options and the related excess tax benefits, resulting from more stock option exercises during the period.

The following table summarizes our contractual obligations and borrowings as of October 2, 2011, and the timing and effect that such commitments are expected to have on our liquidity and capital requirements in future periods (*in millions*):

	Payments Due by Period				
Contractual Obligations[1]	**Total**	**Less than 1 Year**	**1 - 3 Years**	**3 - 5 Years**	**More than 5 Years**
Operating lease obligations[2]	$4,057.9	$751.2	$1,330.6	$988.1	$988.0
Purchase obligations[3]	1,099.5	1,018.9	74.6	6.0	0.0
Debt obligations[4]	756.3	34.4	68.8	68.8	584.3
Other obligations[5]	125.1	22.3	19.7	11.4	71.7
Total	$6,038.8	$1,826.8	$1,493.7	$1,074.3	$1,644.0

(1) Income tax liabilities for uncertain tax positions were excluded as we are not able to make a reasonably reliable estimate of the amount and period of related future payments. As of October 2, 2011, we had $52.9 million of gross unrecognized tax benefits for uncertain tax positions.

(2) Amounts include the direct lease obligations, excluding any taxes, insurance and other related expenses.

(3) Purchase obligations include agreements to purchase goods or services that are enforceable and legally binding on Starbucks and that specify all significant terms. Green coffee purchase commitments comprise 94% of total purchase obligations.

(4) Debt amounts include principal maturities and scheduled interest payments on our long-term debt.

(5) Other obligations include other long-term liabilities primarily consisting of asset retirement obligations, capital lease obligations and hedging instruments.

Starbucks currently expects to fund these commitments with operating cash flows generated in the normal course of business.

Off-Balance Sheet Arrangement

Off-balance sheet arrangements relate to certain guarantees and are detailed in Note 15 to the consolidated financial statements in this 10-K.

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COMMODITY PRICES, AVAILABILITY AND GENERAL RISK CONDITIONS

Commodity price risk represents Starbucks primary market risk, generated by our purchases of green coffee and dairy products, among other things. We purchase, roast and sell high-quality whole bean arabica coffee and related products and risk arises from the price volatility of green coffee. In addition to coffee, we also purchase significant amounts of dairy products to support the needs of our company-operated stores. The price and availability of these commodities directly impacts our results of operations and can be expected to impact our future results of operations. For additional details see Product Supply in Item 1, as well as Risk Factors in Item 1A of this 10-K.

FINANCIAL RISK MANAGEMENT

Market risk is defined as the risk of losses due to changes in commodity prices, foreign currency exchange rates, equity security prices, and interest rates. We manage our exposure to various market-based risks according to an umbrella risk management policy. Under this policy, market-based risks are quantified and evaluated for potential mitigation strategies, such as entering into hedging transactions. The umbrella risk management policy governs the hedging instruments the business may use and limits the risk to net earnings. We also monitor and limit the amount of associated counterparty credit risk. Additionally, this policy restricts, among other things, the amount of market-based risk we will tolerate before implementing approved hedging strategies and prohibits speculative trading activity. In general, hedging instruments do not have maturities in excess of five years.

The sensitivity analyses disclosed below provide only a limited, point-in-time view of the market risk of the financial instruments discussed. The actual impact of the respective underlying rates and price changes on the financial instruments may differ significantly from those shown in the sensitivity analyses.

Commodity Price Risk

We purchase commodity inputs, including coffee, dairy products and diesel that are used in our operations and are subject to price fluctuations that impact our financial results. In addition to fixed-price and price-to-be-fixed contracts for coffee purchases, we have entered into commodity hedges to manage commodity price risk using financial derivative instruments. We performed a sensitivity analysis based on a 10% change in the underlying commodity prices of our commodity hedges, as of October 2, 2011, and determined that such a change would not have a significant impact on the fair value of these instruments.

Foreign Currency Exchange Risk

The majority of our revenue, expense and capital purchasing activities are transacted in US dollars. However, because a portion of our operations consists of activities outside of the US, we have transactions in other currencies, primarily the Canadian dollar, British pound, euro, and Japanese yen. As a result, we may engage in transactions involving various derivative instruments to hedge revenues, inventory purchases, assets, and liabilities denominated in foreign currencies.

As of October 2, 2011, we had forward foreign exchange contracts that hedge portions of anticipated international revenue streams and inventory purchases. In addition, we had forward foreign exchange contracts that qualify as accounting hedges of our net investment in Starbucks Japan to minimize foreign currency exposure.

Starbucks also had forward foreign exchange contracts that are not designated as hedging instruments for accounting purposes (free standing derivatives), but which largely offset the financial impact of translating certain foreign currency denominated payables and receivables. Increases or decreases in the fair value of these derivatives are generally offset by corresponding decreases or increases in the US dollar value of our foreign currency denominated payables and receivables (i.e. "hedged items") that would occur within the period.

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The following table summarizes the potential impact as of October 2, 2011 to Starbucks future net earnings and other comprehensive income ("OCI") from changes in the fair value of these derivative financial instruments due in turn to a change in the value of the US dollar as compared to the level of foreign exchange rates. The information provided below relates only to the hedging instruments and does not represent the corresponding changes in the underlying hedged items (*in millions*):

	Increase/(Decrease) to Net Earnings		Increase/(Decrease) to OCI	
	10% Increase in Underlying Rate	10% Decrease in Underlying Rate	10% Increase in Underlying Rate	10% Decrease in Underlying Rate
Foreign currency hedges	$ 35	$ (35)	$ 15	$ (15)

Equity Security Price Risk

We have minimal exposure to price fluctuations on equity mutual funds and equity exchange-traded funds within our trading portfolio. The trading securities approximate a portion of our liability under the Management Deferred Compensation Plan ("MDCP"). A corresponding liability is included in accrued compensation and related costs on the consolidated balance sheets. These investments are recorded at fair value with unrealized gains and losses recognized in net interest income and other in the consolidated statements of earnings. The offsetting changes in the MDCP liability are recorded in general and administrative expenses. We performed a sensitivity analysis based on a 10% change in the underlying equity prices of our investments as of October 2, 2011 and determined that such a change would not have a significant impact on the fair value of these instruments.

Interest Rate Risk

We utilize short-term and long-term financing and may use interest rate hedges to manage the effect of interest rate changes on our existing debt as well as the anticipated issuance of new debt. As of October 2, 2011 and October 3, 2010, we did not have any interest rate hedge agreements outstanding.

The following table summarizes the impact of a change in interest rates as of October 2, 2011 on the fair value of Starbucks debt *(in millions)*:

		Change in Fair Value	
	Fair Value	100 Basis Point Increase in Underlying Rate	100 Basis Point Decrease in Underlying Rate
Debt	$ 648	$ (33)	$ 33

Our available-for-sale securities comprise a diversified portfolio consisting mainly of fixed income instruments. The primary objectives of these investments are to preserve capital and liquidity. Available-for-sale securities are recorded on the consolidated balance sheets at fair value with unrealized gains and losses reported as a component of accumulated other comprehensive income. We do not hedge the interest rate exposure on our available-for-sale securities. We performed a sensitivity analysis based on a 100 basis point change in the underlying interest rate of our available-for-sale securities as of October 2, 2011, and determined that such a change would not have a significant impact on the fair value of these instruments.

APPLICATION OF CRITICAL ACCOUNTING POLICIES

Critical accounting policies are those that management believes are both most important to the portrayal of our financial condition and results and require the most difficult, subjective or complex judgments, often as a result of the need to make estimates about the effect of matters that are inherently uncertain. Judgments and uncertainties affecting the application of those policies may result in materially different amounts being reported under different conditions or using different assumptions.

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We consider financial reporting and disclosure practices and accounting policies quarterly to ensure that they provide accurate and transparent information relative to the current economic and business environment. We believe that of our significant accounting policies, the following policies involve a higher degree of judgment and/or complexity:

Asset Impairment

When facts and circumstances indicate that the carrying values of long-lived assets may not be recoverable, we evaluate long-lived assets for impairment. We first compare the carrying value of the asset to the asset' s estimated future undiscounted cash flows. If the estimated future cash flows are less than the carrying value of the asset, we measure an impairment loss based on the asset' s estimated fair value. For retail assets, the impairment test is performed at the individual store asset group level. The fair value of a store' s assets is estimated using a discounted cash flow model based on internal projections. Key assumptions used in this calculation include revenue growth, operating expenses and a discount rate that we believe a buyer would assume when determining a purchase price for the store. Estimates of revenue growth and operating expenses are based on internal projections and consider a store' s historical performance, local market economics and the business environment impacting the store' s performance. These estimates are subjective and can be significantly impacted by changes in the business or economic conditions. For non-retail assets, fair value is determined using an approach that is appropriate based on the relevant facts and circumstances, which may include discounted cash flows, comparable transactions, or comparable company analyses.

Our impairment loss calculations contain uncertainties because they require management to make assumptions and to apply judgment to estimate future cash flows and asset fair values, including forecasting asset useful lives. Further, our ability to realize undiscounted cash flows in excess of the carrying values of our assets is affected by factors such as the ongoing maintenance and improvement of the assets, changes in economic conditions, and changes in operating performance. During the past three fiscal years, we have not made any material changes in the accounting methodology that we use to assess long-lived asset impairment loss. For the foreseeable future, we do not believe there is a reasonable likelihood that there will be a material change in the estimates or assumptions that we use to calculate long-lived asset impairment losses. However, as we periodically reassess estimated future cash flows and asset fair values, changes in our estimates and assumptions may cause us to realize material impairment charges in the future.

Goodwill Impairment

We test goodwill for impairment on an annual basis during our third fiscal quarter, or more frequently if circumstances, such as material deterioration in performance or a significant number of store closures, indicate reporting unit carrying values may exceed their fair values. If the carrying amount of goodwill exceeds the implied estimated fair value, an impairment charge is recorded to reduce the carrying value to the implied estimated fair value. The fair value of our reporting units is the price a willing buyer would pay for the reporting unit and is typically calculated using a discounted cash flow model. Key assumptions used in this calculation include revenue growth, operating expenses and discount rate that we believe a buyer would assume when determining a purchase price for the reporting unit. Estimates of revenue growth and operating expenses are based on internal projections considering a reporting unit' s past performance and forecasted growth, local market economics and the local business environment impacting the reporting unit' s performance. The discount rate is calculated using an estimated cost of capital for a retail operator to operate the reporting unit in the region. These estimates are highly subjective judgments and can be significantly impacted by changes in the business or economic conditions.

Our impairment loss calculations contain uncertainties because they require management to make assumptions and to apply judgment to estimate the fair value of our reporting units, including estimating future cash flows, and if necessary, the fair value of a reporting units' assets and liabilities. Further, our ability to realize the future cash flows used in our fair value calculations is affected by factors such as changes in economic conditions, changes in our operating performance, and changes in our business strategies.

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As a part of our ongoing operations, we may close certain stores within a reporting unit containing goodwill due to underperformance of the store or inability to renew our lease, among other reasons. We abandon certain assets associated with a closed store including leasehold improvements and other non-transferrable assets. Under GAAP, when a portion of a reporting unit that constitutes a business is to be disposed of, goodwill associated with the business is included in the carrying amount of the business in determining any loss on disposal. Our evaluation of whether the portion of a reporting unit being disposed of constitutes a business occurs on the date of abandonment. Although an operating store meets the accounting definition of a business prior to abandonment, it does not constitute a business on the closure date because the remaining assets on that date do not constitute an integrated set of assets that are capable of being conducted and managed for the purpose of providing a return to investors. As a result, when closing individual stores, we do not include goodwill in the calculation of any loss on disposal of the related assets. As noted above, if store closures are indicative of potential impairment of goodwill at the reporting unit level, we perform an evaluation of our reporting unit goodwill when such closures occur.

During the past three fiscal years, we have not made any material changes in the accounting methodology that we use to assess goodwill impairment loss. For fiscal 2011, we determined the fair value of our reporting units was substantially in excess of their carrying values. Accordingly, we did not recognize any goodwill impairments during the current fiscal year. We do not believe there is a reasonable likelihood that there will be a material change in the estimates or assumptions that we use to test for impairment losses on goodwill in the foreseeable future. However, as we periodically reassess our fair value calculations, including estimated future cash flows, changes in our estimates and assumptions may cause us to realize material impairment charges in the future.

Stock-based Compensation

We measure the fair value of stock awards at the grant date based on the fair value of the award and recognize the expense over the related service period. For stock option awards we use the Black-Scholes-Merton option pricing model which requires the input of subjective assumptions. These assumptions include estimating the length of time employees will retain their stock options before exercising them ("expected term"), the estimated volatility of our common stock price over the expected term and the expected dividend yield. In addition, we are required to estimate the expected forfeiture rate and only recognize expense for those stock awards expected to vest. We estimate the forfeiture rate based on historical experience. Changes in our assumptions could materially affect the estimate of fair value of stock-based compensation.

We do not believe there is a reasonable likelihood that there will be a material change in the estimates or assumptions that we use to calculate stock-based compensation expense for the foreseeable future. However, if actual results are not consistent with our estimates or assumptions, we may be exposed to changes in stock-based compensation expense that could be material in the future. For fiscal 2011, a 10% change in our critical assumptions, including volatility and expected term, would have changed stock-based compensation expense by approximately $15 million for fiscal 2011.

Operating Leases

We lease retail stores, roasting and distribution facilities and office space under operating leases. We provide for an estimate of our asset retirement obligation ("ARO") at the lease inception date for operating leases with requirements to remove leasehold improvements at the end of the lease term. Our estimates of AROs involve assumptions regarding both the amount and timing of actual future retirement costs. The initial ARO asset and liability represent the present value of the estimated future costs to complete the required work. The ARO asset is depreciated over the same timeframe as the associate leasehold improvements, and the liability is accreted over time. Future actual costs could differ significantly from amounts initially estimated.

We occasionally vacate stores and other locations prior to the expiration of the related lease. For vacated locations with remaining lease commitments, we record an expense for the difference between the present value of our future lease payments and related costs (e.g., real estate taxes and common area maintenance) from the date of closure through the end of the remaining lease term, net of expected future sublease rental income. Key assumptions in our

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estimate of future cash flows include estimated sublease income and lease termination costs. These estimates are based on historical experience; our analysis of the specific real estate market, including input from independent real estate firms; and economic conditions that can be difficult to predict. Cash flows are discounted using a rate that coincides with the remaining lease term.

The liability recorded for location closures contains uncertainties because management is required to make assumptions and to apply judgment to estimate the duration of future vacancy periods, the amount and timing of future settlement payments, and the amount and timing of potential sublease rental income.

During the past three fiscal years, we have not made any material changes in the accounting methodology that we use to calculate our lease abandonment accrual. For the foreseeable future, we do not believe there is a reasonable likelihood that there will be a material change in the estimates or assumptions that we use to calculate our lease abandonment accrual. However, if actual results are not consistent with our estimates or assumptions, we may be exposed to losses or gains that could be material.

A 10% change in our key assumptions for our lease abandonment accrual at October 2, 2011, would not have had a significant impact on net earnings for fiscal 2011.

Self Insurance Reserves

We use a combination of insurance and self-insurance mechanisms, including a wholly owned captive insurance entity and participation in a reinsurance treaty, to provide for the potential liabilities for certain risks, including workers' compensation, healthcare benefits, general liability, property insurance, and director and officers' liability insurance. Key assumptions used in the estimate of our self insurance reserves include the amount of claims incurred but not reported at the balance sheet date. These liabilities, which are associated with the risks that are retained by Starbucks are not discounted and are estimated, in part, by considering historical claims experience, demographic, exposure and severity factors, and other actuarial assumptions. The estimated accruals for these liabilities could be significantly affected if future occurrences and claims differ from these assumptions and historical trends.

Our self-insured liabilities contain uncertainties because management is required to make assumptions and to apply judgment to estimate the ultimate cost to settle reported claims and claims incurred but not reported at the balance sheet date. Periodically, we review our assumptions to determine the adequacy of our self-insured liabilities.

During the past three fiscal years, we have not made any material changes in the accounting methodology that we use to calculate our self-insurance liabilities. We do not believe there is a reasonable likelihood that there will be a material change in the estimates or assumptions that we use to calculate our self-insurance liabilities for the foreseeable future. However, if actual results are not consistent with our estimates or assumptions, we may be exposed to losses or gains that could be material.

A 10% change in our self-insurance reserves at October 2, 2011 would have affected net earnings by approximately $13 million in fiscal 2011.

Income Taxes

We recognize deferred tax assets and liabilities based on the differences between the financial statement carrying amounts and the respective tax bases of our assets and liabilities. Deferred tax assets and liabilities are measured using current enacted tax rates expected to apply to taxable income in the years in which we expect the temporary differences to reverse. We routinely evaluate the likelihood of realizing the benefit of our deferred tax assets and may record a valuation allowance if, based on all available evidence, we determine that some portion of the tax benefit will not be realized.

In addition, our income tax returns are periodically audited by domestic and foreign tax authorities. These audits include questions regarding our tax filing positions, including the timing and amount of deductions taken and the allocation of income among various tax jurisdictions. We evaluate our exposures associated with our various tax filing positions and record a related liability. We adjust our liability for unrecognized tax benefits and income tax provision in the period in which an uncertain tax position is effectively settled, the statute of limitations expires for the relevant taxing authority to examine the tax position, or when more information becomes available.

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Deferred tax asset valuation allowances and our liability for unrecognized tax benefits require significant management judgment regarding applicable statutes and their related interpretation, the status of various income tax audits, and our particular facts and circumstances. Although we believe that the judgments and estimates discussed herein are reasonable, actual results could differ, and we may be exposed to losses or gains that could be material. To the extent we prevail in matters for which a liability has been established, or are required to pay amounts in excess of our established liability, our effective income tax rate in a given financial statement period could be materially affected.

Litigation Accruals

We are involved in various claims and legal actions that arise in the ordinary course of business. Legal and other contingency reserves and related disclosures are based on our assessment of the likelihood of a potential loss and our ability to estimate the loss or range of loss, which includes consultation with outside legal counsel and advisors. We record reserves related to legal matters when it is probable that a loss has been incurred and the range of such loss can be reasonably estimated. Such assessments are reviewed each period and revised, based on current facts and circumstances and historical experience with similar claims, as necessary.

Our disclosures of and accruals for litigation claims, if any, contain uncertainties because management is required to use judgment to estimate the probability of a loss and a range of possible losses related to each claim. Footnote 15 to the consolidated financial statements describes the Company' s legal and other contingent liability matters.

As we periodically review our assessments of litigation accruals, we may change our assumptions with respect to loss probabilities and ranges of potential losses. Any changes in these assumptions could have a material impact on our future results of operations.

RECENT ACCOUNTING PRONOUNCEMENTS

See Note 1 to the consolidated financial statements in this 10-K for a detailed description of recent accounting pronouncements. We do not expect these recently issued accounting pronouncements to have a material impact on our results of operations, financial condition, or liquidity in future periods.

Item 7A. ***Quantitative and Qualitative Disclosures About Market Risk***

The information required by this item is incorporated by reference to the section entitled "Management' s Discussion and Analysis of Financial Condition and Results of Operations − Commodity Prices, Availability and General Risk Conditions" and "Management' s Discussion and Analysis of Financial Condition and Results of Operations − Financial Risk Management" in Item 7 of this Report.

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Item 8. ***Financial Statements and Supplementary Data***

STARBUCKS CORPORATION

CONSOLIDATED STATEMENTS OF EARNINGS

(In millions, except per share data)

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Net revenues:			
Company-operated stores	$9,632.4	$8,963.5	$8,180.1
Licensed stores	1,007.5	875.2	795.0
CPG, foodservice and other	1,060.5	868.7	799.5
Total net revenues	11,700.4	10,707.4	9,774.6
Cost of sales including occupancy costs	4,949.3	4,458.6	4,324.9
Store operating expenses	3,665.1	3,551.4	3,425.1
Other operating expenses	402.0	293.2	264.4
Depreciation and amortization expenses	523.3	510.4	534.7
General and administrative expenses	636.1	569.5	453.0
Restructuring charges	0.0	53.0	332.4
Total operating expenses	10,175.8	9,436.1	9,334.5
Gain on sale of properties	30.2	0.0	0.0
Income from equity investees	173.7	148.1	121.9
Operating income	1,728.5	1,419.4	562.0
Interest income and other, net	115.9	50.3	37.0
Interest expense	(33.3)	(32.7)	(39.1)
Earnings before income taxes	1,811.1	1,437.0	559.9
Income taxes	563.1	488.7	168.4
Net earnings including noncontrolling interests	1,248.0	948.3	391.5
Net earnings (loss) attributable to noncontrolling interests	2.3	2.7	0.7
Net earnings attributable to Starbucks	$1,245.7	$945.6	$390.8
Earnings per share − basic	$1.66	$1.27	$0.53
Earnings per share − diluted	$1.62	$1.24	$0.52
Weighted average shares outstanding:			
Basic	748.3	744.4	738.7
Diluted	769.7	764.2	745.9
Cash dividends declared per share	$0.56	$0.36	$0.00

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STARBUCKS CORPORATION

CONSOLIDATED BALANCE SHEETS

(In millions, except per share data)

	Oct 2, 2011	Oct 3, 2010
ASSETS		
Current assets:		
Cash and cash equivalents	$1,148.1	$1,164.0
Short-term investments − available-for-sale securities	855.0	236.5
Short-term investments − trading securities	47.6	49.2
Accounts receivable, net	386.5	302.7
Inventories	965.8	543.3
Prepaid expenses and other current assets	161.5	156.5
Deferred income taxes, net	230.4	304.2
Total current assets	3,794.9	2,756.4
Long-term investments − available-for-sale securities	107.0	191.8
Equity and cost investments	372.3	341.5
Property, plant and equipment, net	2,355.0	2,416.5
Other assets	297.7	346.5
Other intangible assets	111.9	70.8
Goodwill	321.6	262.4
TOTAL ASSETS	$7,360.4	$6,385.9
LIABILITIES AND EQUITY		
Current liabilities:		
Accounts payable	540.0	282.6
Accrued compensation and related costs	364.4	400.0
Accrued occupancy costs	148.3	173.2
Accrued taxes	109.2	100.2
Insurance reserves	145.6	146.2
Other accrued liabilities	319.0	262.8
Deferred revenue	449.3	414.1
Total current liabilities	2,075.8	1,779.1
Long-term debt	549.5	549.4
Other long-term liabilities	347.8	375.1
Total liabilities	2,973.1	2,703.6
Shareholders' equity:		
Common stock ($0.001 par value) − authorized, 1,200.0 shares; issued and outstanding, 744.8 and 742.6 shares, respectively (includes 3.4 common stock units in both periods)	0.7	0.7
Additional paid-in capital	1.1	106.2
Other additional paid-in-capital	39.4	39.4
Retained earnings	4,297.4	3,471.2
Accumulated other comprehensive income	46.3	57.2
Total shareholders' equity	4,384.9	3,674.7
Noncontrolling interests	2.4	7.6
Total equity	4,387.3	3,682.3
TOTAL LIABILITIES AND EQUITY	$7,360.4	$6,385.9

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STARBUCKS CORPORATION

CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
OPERATING ACTIVITIES:			
Net earnings including noncontrolling interests	$1,248.0	$948.3	$391.5
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation and amortization	550.0	540.8	563.3
Gain on sale of properties	(30.2)	0.0	0.0
Provision for impairments and asset disposals	36.2	67.7	224.4
Deferred income taxes, net	106.2	(42.0)	(69.6)
Equity in income of investees	(118.5)	(108.6)	(78.4)
Distributions of income from equity investees	85.6	91.4	53.0
Gain resulting from acquisition of joint ventures	(55.2)	(23.1)	0.0
Stock-based compensation	145.2	113.6	83.2
Excess tax benefit from exercise of stock options	(103.9)	(36.9)	(15.9)
Other	(2.9)	7.8	5.4
Cash provided/(used) by changes in operating assets and liabilities:			
Accounts receivable	(88.7)	(33.4)	59.1
Inventories	(422.3)	123.2	28.5
Accounts payable	227.5	(3.6)	(53.0)
Accrued taxes	104.0	0.6	59.2
Deferred revenue	35.8	24.2	16.3
Other operating assets	(22.5)	17.3	61.4
Other operating liabilities	(81.9)	17.6	60.6
Net cash provided by operating activities	1,612.4	1,704.9	1,389.0
INVESTING ACTIVITIES:			
Purchase of available-for-sale securities	(966.0)	(549.0)	(129.2)
Maturities and calls of available-for-sale securities	430.0	209.9	111.0
Sales of available-for-sale securities	0.0	1.1	5.0
Acquisitions, net of cash acquired	(55.8)	(12.0)	0.0
Net (purchases)/sales of equity, other investments and other assets	(13.2)	1.2	(4.8)
Additions to property, plant and equipment	(531.9)	(440.7)	(445.6)
Proceeds from sale of property, plant and equipment	117.4	0.0	42.5
Net cash used by investing activities	(1,019.5)	(789.5)	(421.1)
FINANCING ACTIVITIES:			
Proceeds from issuance of commercial paper	0.0	0.0	20,965.4
Repayments of commercial paper	0.0	0.0	(21,378.5)
Proceeds from short-term borrowings	30.8	0.0	1,338.0
Repayments of short-term borrowings	0.0	0.0	(1,638.0)
Purchase of noncontrolling interest	(27.5)	(45.8)	0.0
Proceeds from issuance of common stock	235.4	127.9	57.3
Excess tax benefit from exercise of stock options	103.9	36.9	15.9
Principal payments on long-term debt	(4.3)	(6.6)	(0.7)
Cash dividends paid	(389.5)	(171.0)	0.0

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Repurchase of common stock	(555.9)	(285.6)	0.0
Other	(0.9)	(1.8)	(1.6)
Net cash used by financing activities	(608.0)	(346.0)	(642.2)
Effect of exchange rate changes on cash and cash equivalents	(0.8)	(5.2)	4.3
Net increase/(decrease) in cash and cash equivalents	(15.9)	564.2	330.0
CASH AND CASH EQUIVALENTS:			
Beginning of period	1,164.0	599.8	269.8
End of period	$1,148.1	$1,164.0	$599.8
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Cash paid during the period for:			
Interest, net of capitalized interest	$34.4	$32.0	$39.8
Income taxes	$350.1	$527.0	$162.0

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STARBUCKS CORPORATION

CONSOLIDATED STATEMENTS OF EQUITY
(In millions)

	Common Stock		Additional Paid-in Capital	Other Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income/(Loss)	Shareholders' Equity	Noncontrolling Interest	Total
	Shares	Amount							
Balance, September 28, 2008	735.5	$ 0.7	$ 0.0	$ 39.4	$2,402.4	$ 48.4	$ 2,490.9	$ 18.3	$2,509.2
Net earnings	0.0	0.0	0.0	0.0	390.8	0.0	390.8	0.7	391.5
Unrealized holding gain, net	0.0	0.0	0.0	0.0	0.0	1.8	1.8	0.0	1.8
Translation adjustment, net of tax	0.0	0.0	0.0	0.0	0.0	15.2	15.2	0.0	15.2
Comprehensive income							407.8	0.7	408.5
Stock-based compensation expense	0.0	0.0	84.3	0.0	0.0	0.0	84.3	0.0	84.3
Exercise of stock options, including tax benefit of $5.3	4.9	0.0	35.9	0.0	0.0	0.0	35.9	0.0	35.9
Sale of common stock, including tax benefit of $0.1	2.5	0.0	26.8	0.0	0.0	0.0	26.8	0.0	26.8
Net distributions to noncontrolling interests	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(7.8)	(7.8)
Balance, September 27, 2009	742.9	$ 0.7	$ 147.0	$ 39.4	$2,793.2	$ 65.4	$ 3,045.7	$ 11.2	$3,056.9
Net earnings	0.0	0.0	0.0	0.0	945.6	0.0	945.6	2.7	948.3
Unrealized holding loss, net	0.0	0.0	0.0	0.0	0.0	(17.0)	(17.0)	0.0	(17.0)
Translation adjustment, net of tax	0.0	0.0	0.0	0.0	0.0	8.8	8.8	0.0	8.8
Comprehensive income							937.4	2.7	940.1
Stock-based compensation expense	0.0	0.0	115.6	0.0	0.0	0.0	115.6	0.0	115.6
Exercise of stock options, including tax benefit of $27.7	10.1	0.0	137.5	0.0	0.0	0.0	137.5	0.0	137.5
Sale of common stock, including tax benefit of $0.1	0.8	0.0	18.5	0.0	0.0	0.0	18.5	0.0	18.5
Repurchase of common stock	(11.2)	0.0	(285.6)	0.0	0.0	0.0	(285.6)	0.0	(285.6)
Net distributions to noncontrolling interests	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(0.8)	(0.8)
Cash dividend	0.0	0.0	0.0	0.0	(267.6)	0.0	(267.6)	0.0	(267.6)
Purchase of noncontrolling interests	0.0	0.0	(26.8)	0.0	0.0	0.0	(26.8)	(5.5)	(32.3)
Balance, October 3, 2010	742.6	$ 0.7	$ 106.2	$ 39.4	$3,471.2	$ 57.2	$ 3,674.7	$ 7.6	$3,682.3
Net earnings	0.0	0.0	0.0	0.0	1,245.7	0.0	1,245.7	2.3	1,248.0
Unrealized holding loss, net	0.0	0.0	0.0	0.0	0.0	(4.4)	(4.4)	0.0	(4.4)
Translation adjustment, net of tax	0.0	0.0	0.0	0.0	0.0	(6.5)	(6.5)	0.0	(6.5)
Comprehensive income							1,234.8	2.3	1,237.1
Stock-based compensation expense	0.0	0.0	147.2	0.0	0.0	0.0	147.2	0.0	147.2
Exercise of stock options, including tax benefit of $96.1	17.3	0.0	312.5	0.0	0.0	0.0	312.5	0.0	312.5
Sale of common stock, including tax benefit of $0.1	0.5	0.0	19.1	0.0	0.0	0.0	19.1	0.0	19.1
Repurchase of common stock	(15.6)	0.0	(555.9)	0.0	0.0	0.0	(555.9)	0.0	(555.9)
Cash dividend	0.0	0.0	0.0	0.0	(419.5)	0.0	(419.5)	0.0	(419.5)

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Purchase of noncontrolling interests	0.0	0.0	(28.0)	0.0	0.0	0.0	(28.0)	(7.5)	(35.5)
Balance, October 2, 2011	744.8	$ 0.7	$ 1.1	$ 39.4	$4,297.4	$ 46.3	$ 4,384.9	$ 2.4	$4,387.3

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STARBUCKS CORPORATION

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Fiscal Years ended October 2, 2011, October 3, 2010 and September 27, 2009

Note 1: Summary of Significant Accounting Policies

Description of Business

We purchase and roast high-quality whole bean coffees that we sell, along with handcrafted coffee and tea beverages and a variety of fresh food items, through our company-operated stores. We also sell a variety of coffee and tea products and license our trademarks through other channels such as licensed stores, grocery and national foodservice accounts. Additional details on the nature of our business are in Item 1 of this 10-K.

In this 10-K, Starbucks Corporation (together with its subsidiaries) is referred to as “Starbucks,” the “Company,” “we,” “us” or “our.”

We have three reportable operating segments: United States (“US”), International, and Global Consumer Products Group (“CPG”).

Principles of Consolidation

The consolidated financial statements reflect the financial position and operating results of Starbucks, including wholly owned subsidiaries and investees controlled by us. Investments in entities that we do not control, but have the ability to exercise significant influence over operating and financial policies, are accounted for under the equity method. Investments in entities in which we do not have the ability to exercise significant influence are accounted for under the cost method. Intercompany transactions and balances have been eliminated.

Fiscal Year End

Our fiscal year ends on the Sunday closest to September 30. Fiscal years 2011 and 2009 included 52 weeks. Fiscal year 2010 included 53 weeks, with the 53rd week falling in the fourth fiscal quarter.

Estimates and Assumptions

Preparing financial statements in conformity with accounting principles generally accepted in the United States of America (“GAAP”) requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Examples include, but are not limited to, estimates for asset and goodwill impairments, stock-based compensation forfeiture rates, and future asset retirement obligations; assumptions underlying self-insurance reserves; and the potential outcome of future tax consequences of events that have been recognized in the financial statements. Actual results and outcomes may differ from these estimates and assumptions.

Cash and Cash Equivalents

We consider all highly liquid instruments with a maturity of three months or less at the time of purchase to be cash equivalents. Cash and cash equivalents are valued using active markets for identical assets (Level 1 of the fair value hierarchy). We maintain cash and cash equivalent balances with financial institutions that exceed federally insured limits. We have not experienced any losses related to these balances, and we believe credit risk to be minimal.

Cash Management

Our cash management system provides for the funding of all major bank disbursement accounts on a daily basis as checks are presented for payment. Under this system, outstanding checks are in excess of the cash balances at certain banks, which creates book overdrafts. Book overdrafts are presented as a current liability in accounts payable on the consolidated balance sheets.

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Short-term and Long-term Investments

Our short-term and long-term investments consist primarily of investment grade debt securities, including some auction rate securities, all of which are classified as available-for-sale. Also included in our available-for-sale investment portfolio are certificates of deposit placed through an account registry service. Available-for-sale securities are recorded at fair value, and unrealized holding gains and losses are recorded, net of tax, as a component of accumulated other comprehensive income. Available-for-sale securities with remaining maturities of less than one year and those identified by management at the time of purchase to be used to fund operations within one year are classified as short term. All other available-for-sale securities, including all of our auction rate securities, are classified as long term. Unrealized losses are charged against net earnings when a decline in fair value is determined to be other than temporary. We review several factors to determine whether a loss is other than temporary, such as the length and extent of the fair value decline, the financial condition and near term prospects of the issuer, and whether we have the intent to sell or will likely be required to sell before the securities anticipated recovery, which may be at maturity. Realized gains and losses are accounted for using the specific identification method. Purchases and sales are recorded on a trade date basis.

We also have a trading securities portfolio, which is comprised of marketable equity mutual funds and equity exchange-traded funds. Trading securities are recorded at fair value with unrealized holding gains and losses included in net earnings.

Fair Value

Fair value is the price we would receive to sell an asset or pay to transfer a liability (exit price) in an orderly transaction between market participants. For financial instruments and investments that we record or disclose at fair value, we determine fair value based upon the quoted market price as of the last day of the fiscal period, if available. If a quoted market price is not available for identical assets, we determine fair value based upon the quoted market price of similar assets or using a variety of other valuation methodologies. We determine fair value of our auction rate securities using an internally developed valuation model, using inputs that include interest rate curves, credit and liquidity spreads, and effective maturity.

The carrying value of cash and cash equivalents approximates fair value because of the short-term nature of these instruments. The fair value of our long-term debt is estimated based on the quoted market prices for the same or similar issues or on the current rates offered to us for debt of the same remaining maturities.

We measure our equity and cost method investments at fair value on a nonrecurring basis when they are determined to be other-than temporarily impaired. Fair values are determined using available quoted market prices or discounted cash flows.

Derivative Instruments

We manage our exposure to various risks within the consolidated financial statements according to an umbrella risk management policy. Under this policy, we may engage in transactions involving various derivative instruments, with maturities generally not longer than five years, to hedge interest rates, commodity prices and foreign currency denominated revenues, purchases, assets and liabilities.

We record all derivatives on the balance sheets at fair value. For a cash flow hedge, the effective portion of the derivative’ s gain or loss is initially reported as a component of other comprehensive income (“OCI”) and subsequently reclassified into net earnings when the hedged exposure affects net earnings. For a net investment hedge, the effective portion of the derivative’ s gain or loss is reported as a component of OCI.

Cash flow hedges related to anticipated transactions are designated and documented at the inception of each hedge by matching the terms of the contract to the underlying transaction. We classify the cash flows from hedging transactions in the same categories as the cash flows from the respective hedged items. Once established, cash flow hedges are generally not removed until maturity unless an anticipated transaction is no longer likely to occur. For discontinued or dedesignated cash flow hedges, the related accumulated derivative gains or losses are recognized in net interest income and other on the consolidated statements of earnings.

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Forward contract effectiveness for cash flow hedges is calculated by comparing the fair value of the contract to the change in value of the anticipated transaction using forward rates on a monthly basis. For net investment hedges, the spot-to-spot method is used to calculate effectiveness. Under this method, the change in fair value of the forward contract attributable to the changes in spot exchange rates (the effective portion) is reported as a component of OCI. The remaining change in fair value of the forward contract (the ineffective portion) is reclassified into net earnings. Any ineffectiveness is recognized immediately in net interest income and other on the consolidated statements of earnings.

We also enter into certain foreign currency forward contracts, commodity swap contracts, and futures contracts that are not designated as hedging instruments for accounting purposes. These contracts are recorded at fair value, with the changes in fair value recognized in net interest income and other on the consolidated statements of earnings.

Allowance for Doubtful Accounts

Allowance for doubtful accounts is calculated based on historical experience, customer credit risk and application of the specific identification method. As of October 2, 2011, October 3, 2010, and September 27, 2009, the allowance for doubtful accounts was $3.3 million, $3.3 million, and $5.0 million respectively.

Inventories

Inventories are stated at the lower of cost (primarily moving average cost) or market. We record inventory reserves for obsolete and slow-moving inventory and for estimated shrinkage between physical inventory counts. Inventory reserves are based on inventory turnover trends, historical experience and application of the specific identification method. As of October 2, 2011, October 3, 2010, and September 27, 2009, inventory reserves were $19.5 million, $18.1 million, and $21.1 million, respectively.

Property, Plant and Equipment

Property, plant and equipment are carried at cost less accumulated depreciation. Depreciation of property, plant and equipment, which includes assets under capital leases, is provided on the straight-line method over estimated useful lives, generally ranging from two to 15 years for equipment and 30 to 40 years for buildings. Leasehold improvements are amortized over the shorter of their estimated useful lives or the related lease life, generally 10 years. For leases with renewal periods at our option, we generally use the original lease term, excluding renewal option periods, to determine estimated useful lives. If failure to exercise a renewal option imposes an economic penalty to us, we may determine at the inception of the lease that renewal is reasonably assured and include the renewal option period in the determination of appropriate estimated useful lives. The portion of depreciation expense related to production and distribution facilities is included in cost of sales including occupancy costs on the consolidated statements of earnings. The costs of repairs and maintenance are expensed when incurred, while expenditures for refurbishments and improvements that significantly add to the productive capacity or extend the useful life of an asset are capitalized. When assets are retired or sold, the asset cost and related accumulated depreciation are eliminated with any remaining gain or loss recognized in net earnings.

Goodwill

We test goodwill for impairment on an annual basis during our third fiscal quarter, or more frequently if circumstances, such as material deterioration in performance or a significant number of store closures, indicate reporting unit carrying values may exceed their fair values. If the carrying amount of goodwill exceeds the implied estimated fair value, an impairment charge to current operations is recorded to reduce the carrying value to the implied estimated fair value.

As a part of our ongoing operations, we may close certain stores within a reporting unit containing goodwill due to underperformance of the store or inability to renew our lease, among other reasons. We abandon certain assets associated with a closed store including leasehold improvements and other non-transferrable assets. Under GAAP,

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when a portion of a reporting unit that constitutes a business is to be disposed of, goodwill associated with the business is included in the carrying amount of the business in determining any loss on disposal. Our evaluation of whether the portion of a reporting unit being disposed of constitutes a business occurs on the date of abandonment. Although an operating store meets the accounting definition of a business prior to abandonment, it does not constitute a business on the closure date because the remaining assets on that date do not constitute an integrated set of assets that are capable of being conducted and managed for the purpose of providing a return to investors. As a result, when closing individual stores, we do not include goodwill in the calculation of any loss on disposal of the related assets. As noted above, if store closures are indicative of potential impairment of goodwill at the reporting unit level, we perform an evaluation of our reporting unit goodwill when such closures occur. During Fiscal 2011 we recorded no impairment charges and recorded $1.6 million in fiscal 2010 and $7.0 million in fiscal 2009.

Other Intangible Assets

Other intangible assets consist primarily of trademarks with indefinite lives, which are tested for impairment annually or more frequently if events or changes in circumstances indicate that the asset might be impaired. Definite-lived intangible assets, which mainly consist of contract-based patents and copyrights, are amortized over their estimated useful lives, and are tested for impairment when facts and circumstances indicate that the carrying values may not be recoverable. Based on the impairment tests performed, there was no impairment of other intangible assets in fiscal 2011, 2010, and 2009.

Long-lived Assets

When facts and circumstances indicate that the carrying values of long-lived assets may not be recoverable, we evaluate long-lived assets for impairment. We first compare the carrying value of the asset to the asset' s estimated future cash flows (undiscounted). If the estimated future cash flows are less than the carrying value of the asset, we calculate an impairment loss based on the asset' s estimated fair value. The fair value of the assets is estimated using a discounted cash flow model based on forecasted future revenues and operating costs, using internal projections. Property, plant and equipment assets are grouped at the lowest level for which there are identifiable cash flows when assessing impairment. Cash flows for company-operated store assets are identified at the individual store level. Long-lived assets to be disposed of are reported at the lower of their carrying amount, or fair value less estimated costs to sell.

We recognized net impairment and disposition losses of $36.2 million, $67.7 million, and $224.4 million in fiscal 2011, 2010, and 2009, respectively, primarily due to underperforming company-operated stores. The net losses in fiscal 2009 include $129.2 million of asset impairments related primarily to the US and International store closures that occurred as part of our store portfolio rationalization which began in fiscal 2008. Depending on the underlying asset that is impaired, these losses may be recorded in any one of the operating expense lines on the consolidated statements of earnings: for retail operations, the net impairment and disposition losses are recorded in restructuring charges and store operating expenses and for all other operations, these losses are recorded in cost of sales including occupancy costs, other operating expenses, general and administrative expenses, or restructuring charges.

Insurance Reserves

We use a combination of insurance and self-insurance mechanisms, including a wholly owned captive insurance entity and participation in a reinsurance treaty, to provide for the potential liabilities for certain risks, including workers' compensation, healthcare benefits, general liability, property insurance, and director and officers' liability insurance. Liabilities associated with the risks that are retained by us are not discounted and are estimated, in part, by considering historical claims experience, demographic, exposure and severity factors, and other actuarial assumptions.

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Revenue Recognition

Consolidated revenues are presented net of intercompany eliminations for wholly owned subsidiaries and investees controlled by us and for licensees accounted for under the equity method, based on our percentage ownership. Additionally, consolidated revenues are recognized net of any discounts, returns, allowances and sales incentives, including coupon redemptions and rebates.

Any revenue arrangements involving multiple elements and deliverables as well as upfront fees are individually evaluated for revenue recognition. Cash payments received in advance of product or service delivery are recorded in deferred revenue until earned.

Company-operated Stores Revenues

Company-operated store revenues are recognized when payment is tendered at the point of sale. Retail store revenues are reported net of sales, use or other transaction taxes that are collected from customers and remitted to taxing authorities.

Stored Value Cards

Revenues from our stored value cards, primarily Starbucks Cards, are recognized when redeemed, or when we recognize breakage income. We recognize breakage income when the likelihood of redemption, based on historical experience, is deemed to be remote. Outstanding customer balances are included in deferred revenue on the consolidated balance sheets. There are no expiration dates on our stored value cards, and we do not charge any service fees that cause a decrement to customer balances. While we will continue to honor all stored value cards presented for payment, management may determine the likelihood of redemption to be remote for certain cards due to, among other things, long periods of inactivity. In these circumstances, if management also determines there is no requirement for remitting balances to government agencies under unclaimed property laws, card balances may then be recognized in the consolidated statements of earnings, in net interest income and other. For the fiscal years ended October 2, 2011, October 3, 2010, and September 27, 2009, income recognized on unredeemed stored value card balances was $46.9 million, $31.2 million, and $26.0 million, respectively.

Customers in the US who register their Starbucks Card are automatically enrolled in the My Starbucks Reward® program and earn points (“Stars”) with each purchase. Reward program members receive various benefits depending on the number of Stars earned in a 12-month period. Customers at the highest level of the rewards program receive a free beverage coupon after a specified number of purchases. The value of Stars earned by our program members is included in deferred revenue and recorded as a reduction in revenue at the time the Stars are earned, based on the value of Stars that are projected to be redeemed.

Licensed Stores Revenues

Licensed stores revenues consist of product sales to licensed stores, as well as royalties and other fees paid by licensees to use the Starbucks brand. Sales of coffee, tea and related products are generally recognized upon shipment to licensees, depending on contract terms. Shipping charges billed to licensees are also recognized as revenue, and the related shipping costs are included in cost of sales including occupancy costs on the consolidated statements of earnings.

Initial nonrefundable development fees for licensed stores are recognized upon substantial performance of services for new market business development activities, such as initial business, real estate and store development planning, as well as providing operational materials and functional training courses for opening new licensed retail markets. Additional store licensing fees are recognized when new licensed stores are opened. Royalty revenues based upon a percentage of reported sales and other continuing fees, such as marketing and service fees, are recognized on a monthly basis when earned.

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CPG, Foodservice and Other Revenues

CPG, foodservice and other revenues primarily consist of packaged coffee and tea sales to grocery and warehouse club stores, revenues from sales of products to and license revenues from manufacturers that produce and market Starbucks and Seattle' s Best Coffee branded products through licensing agreements, and sales to our national foodservice accounts. Sales of coffee, tea and related products to grocery and warehouse club stores are generally recognized when received by the customer or distributor, depending on contract terms. We maintain a sales return allowance to reduce packaged goods revenues for estimated future product returns based on historical patterns. Revenues are recorded net of sales discounts given to customers for trade promotions and payments to customers for product placement in our customers' stores.

Revenues from sales of products to manufacturers that produce and market Starbucks and Seattle' s Best Coffee branded products through licensing agreements are generally recognized when the product is received by the manufacturer or distributor. License revenues from manufacturers are based on a percentage of sales and are recognized on a monthly basis when earned. National foodservice account revenues are recognized when the product is received by the customer or distributor.

Advertising

Our annual marketing expenses include many components, one of which is advertising costs. We expense most advertising costs as they are incurred, except for certain production costs that are expensed the first time the advertising campaign takes place.

Advertising expenses totaled $141.4 million, $176.2 million, and $126.3 million in fiscal 2011, 2010, and 2009, respectively.

Store Preopening Expenses

Costs incurred in connection with the start-up and promotion of new store openings are expensed as incurred.

Operating Leases

We lease retail stores, roasting, distribution and warehouse facilities, and office space under operating leases. Most lease agreements contain tenant improvement allowances, rent holidays, lease premiums, rent escalation clauses and/or contingent rent provisions. For purposes of recognizing incentives, premiums and minimum rental expenses on a straight-line basis over the terms of the leases, we use the date of initial possession to begin amortization, which is generally when we enter the space and begin to make improvements in preparation of intended use.

For tenant improvement allowances and rent holidays, we record a deferred rent liability on the consolidated balance sheets and amortize the deferred rent over the terms of the leases as reductions to rent expense on the consolidated statements of earnings.

For premiums paid upfront to enter a lease agreement, we record a deferred rent asset on the consolidated balance sheets and then amortize the deferred rent over the terms of the leases as additional rent expense on the consolidated statements of earnings.

For scheduled rent escalation clauses during the lease terms or for rental payments commencing at a date other than the date of initial occupancy, we record minimum rental expenses on a straight-line basis over the terms of the leases on the consolidated statements of earnings.

Certain leases provide for contingent rents, which are determined as a percentage of gross sales in excess of specified levels. We record a contingent rent liability on the consolidated balance sheets and the corresponding rent expense when specified levels have been achieved or when we determine that achieving the specified levels during the fiscal year is probable.

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When ceasing operations in company-operated stores under operating leases, in cases where the lease contract specifies a termination fee due to the landlord, we record such expense at the time written notice is given to the landlord. In cases where terms, including termination fees, are yet to be negotiated with the landlord, we will record the expense upon signing of an agreement with the landlord. In cases where the landlord does not allow us to prematurely exit the lease, but allows for subleasing, we estimate the fair value of any sublease income that can be generated from the location and expense the present value of the excess of remaining lease payments to the landlord over the projected sublease income at the cease-use date.

Asset Retirement Obligations

We recognize a liability for the fair value of required asset retirement obligations ("ARO") when such obligations are incurred. Our AROs are primarily associated with leasehold improvements, which, at the end of a lease, we are contractually obligated to remove in order to comply with the lease agreement. At the inception of a lease with such conditions, we record an ARO liability and a corresponding capital asset in an amount equal to the estimated fair value of the obligation. The liability is estimated based on a number of assumptions requiring management' s judgment, including store closing costs, cost inflation rates and discount rates, and is accreted to its projected future value over time. The capitalized asset is depreciated using the same depreciation convention as leasehold improvement assets. Upon satisfaction of the ARO conditions, any difference between the recorded ARO liability and the actual retirement costs incurred is recognized as an operating gain or loss in the consolidated statements of earnings. As of October 2, 2011 and October 3, 2010, our net ARO asset included in property, plant and equipment was $11.8 million and $13.7 million, respectively, and our net ARO liability included in other long-term liabilities was $50.1 million and $47.7 million, respectively.

Stock-based Compensation

We maintain several equity incentive plans under which we may grant non-qualified stock options, incentive stock options, restricted stock, restricted stock units ("RSUs") or stock appreciation rights to employees, non-employee directors and consultants. We also have employee stock purchase plans ("ESPP"). RSUs issued by us are equivalent to nonvested shares under the applicable accounting guidance. We record stock-based compensation expenses based on the fair value of stock awards at the grant date and recognize the expense over the related service period following a graded vesting expense schedule. For stock option awards we use the Black-Scholes-Merton option pricing model to measure fair value. For restricted stock units, fair value is calculated using the stock price at the date of grant.

Foreign Currency Translation

Our international operations generally use their local currency as their functional currency. Assets and liabilities are translated at exchange rates in effect at the balance sheet date. Income and expense accounts are translated at the average monthly exchange rates during the year. Resulting translation adjustments are recorded as a component of accumulated other comprehensive income on the consolidated balance sheets.

Income Taxes

We compute income taxes using the asset and liability method, under which deferred income taxes are provided for the temporary differences between the financial statement carrying amounts and the tax basis of our assets and liabilities. We routinely evaluate the likelihood of realizing the benefit of our deferred tax assets and may record a valuation allowance if, based on all available evidence, we determine that some portion of the tax benefit will not be realized. We recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the relevant taxing authorities, based on the technical merits of our position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. Starbucks recognizes interest and penalties related to income tax matters in income tax expense.

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Earnings per Share

Basic earnings per share is computed based on the weighted average number of shares of common stock outstanding during the period. Diluted earnings per share is computed based on the weighted average number of shares of common stock and the effect of dilutive potential common shares outstanding during the period, calculated using the treasury stock method. Dilutive potential common shares include outstanding stock options and RSUs. Performance-based RSUs are considered dilutive when the related performance criterion has been met.

Common Stock Share Repurchases

We may repurchase shares of Starbucks common stock under a program authorized by our Board of Directors, including pursuant to a contract, instruction or written plan meeting the requirements of Rule 10b5-1(c)(1) of the Securities Exchange Act of 1934. Under applicable Washington State law, shares repurchased are retired and not displayed separately as treasury stock on the financial statements. Instead, the par value of repurchased shares is deducted from common stock and the excess repurchase price over par value is deducted from additional paid-in capital and from retained earnings, once additional paid-in capital is depleted.

Recent Accounting Pronouncements

In September 2011, the FASB issued guidance that revises the requirements around how entities test goodwill for impairment. The guidance allows companies to perform a qualitative assessment before calculating the fair value of the reporting unit. If entities determine, on the basis of qualitative factors, that the fair value of the reporting unit is more likely than not greater than the carrying amount, a quantitative calculation would not be needed. We plan to early adopt this guidance effective for our fiscal 2012 annual goodwill impairment test. The adoption of this guidance will result in a change in how we perform our goodwill impairment assessment; however, it will not have a material impact on our financial statements.

In June 2011, the FASB issued guidance that revises the manner in which entities present comprehensive income in their financial statements. The guidance requires entities to report the components of comprehensive income in either a single, continuous statement or two separate but consecutive statements. The guidance will become effective for us at the beginning of our first quarter of fiscal 2013. The adoption of this new guidance will result in a change in how we present the components of comprehensive income, which is currently presented within our consolidated statements of equity.

In May 2011, the FASB issued guidance to amend the fair value measurement and disclosure requirements. The guidance requires the disclosure of quantitative information about unobservable inputs used, a description of the valuation processes used, and a qualitative discussion around the sensitivity of the measurements. The guidance will become effective for us at the beginning of our second quarter of fiscal 2012. The adoption of this new guidance will not have a material impact on our financial statements.

In June 2009, the FASB issued guidance on the consolidation of variable interest entities. We adopted this new guidance effective at the beginning of the first quarter of fiscal 2011, with no impact on our financial statements.

Reclassifications

In the second quarter of fiscal 2011, concurrent with the change in our distribution method for packaged coffee and tea in the US, we revised the presentation of revenues. Non-retail licensing revenues were reclassified on the consolidated financial statements to the renamed "CPG, foodservice and other" revenue line, which includes revenues from our direct sale of packaged coffee and tea as well as licensing revenues received under the previous distribution arrangement. The previous "Licensing" revenue line now includes only licensed store revenue and therefore has been renamed "Licensed stores." For fiscal 2010 and 2009, $465.7 million and $427.3 million, respectively, were reclassified from the previously named Licensing revenue to CPG, foodservice and other revenue. There was no impact to consolidated or segment total net revenues from this change in presentation.

In addition, certain other reclassifications have been made to prior year amounts to conform to the current year presentation.

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Note 2: Derivative Financial Instruments

Cash Flow Hedges

Starbucks and certain subsidiaries enter into cash flow derivative instruments to hedge portions of anticipated revenue streams and inventory purchases in currencies other than the entity' s functional currency. Outstanding forward contracts, which comprise the majority of our derivative instruments, hedge monthly forecasted revenue transactions denominated in Japanese yen and Canadian dollars, as well as forecasted inventory purchases denominated in US dollars for foreign operations.

Net Investment Hedges

Net investment derivative instruments are used to hedge our equity method investment in Starbucks Coffee Japan, Ltd. ("Starbucks Japan") as well as our net investments in our Canada, UK and China subsidiaries, to minimize foreign currency exposure.

Other Derivatives

To mitigate the translation risk of certain balance sheet items, we enter into certain foreign currency forward contracts that are not designated as hedging instruments. These contracts are recorded at fair value, with the changes in fair value recognized in net interest income and other on the consolidated statements of earnings. Gains and losses from these instruments are largely offset by the financial impact of translating foreign currency denominated payables and receivables, which are also recognized in net interest income and other.

We also enter into certain swap and futures contracts that are not designated as hedging instruments to mitigate the price uncertainty of a portion of our future purchases of dairy products and diesel fuel. These contracts are recorded at fair value, with the changes in fair value recognized in net interest income and other on the consolidated statements of earnings.

Fair values of derivative instruments on the consolidated balance sheet *(in millions)*:

	Cash Flow Hedges		Net Investment Hedges		Other Derivatives	
Financial Statement Location	**Oct 2, 2011**	**Oct 3, 2010**	**Oct 2, 2011**	**Oct 3, 2010**	**Oct 2, 2011**	**Oct 3, 2010**
Prepaid expenses and other current assets	$ 0.2	$ 0.1	$ 0.0	$ 0.0	$ 2.8	$ 0.0
Other accrued liabilities	11.0	10.6	9.0	5.6	1.6	4.0
Other long-term liabilities	3.0	6.4	6.9	8.1	0.0	0.0
Total losses in accumulated OCI, net of tax(1)	11.1	13.9	34.2	26.7		

(1) Amount that will be dedesignated within 12 months for cash flow hedges is $6.6 million as of October 2, 2011.

Ineffectiveness from hedges in fiscal years 2011 and 2010 was insignificant. Outstanding cash flow hedge and net investment hedge contracts will expire within 24 months and 30 months, respectively.

The following table presents the pretax effect of derivative instruments on earnings and other comprehensive income for fiscal years ending (*in millions*):

	Cash Flow Hedges		Net Investment Hedges		Other Derivatives	
	Oct 2, 2011	**Oct 3, 2010**	**Oct 2, 2011**	**Oct 3, 2010**	**Oct 2, 2011**	**Oct 3, 2010**
Gain/(Loss) recognized in earnings	$ (15.9)	$ (5.9)	$ 0.0	$ 0.0	$ 6.6	$ 1.0
Gain/(Loss) recognized in OCI	$ (12.1)	$ (20.9)	$ (12.0)	$ (10.8)		

The amounts shown as recognized in earnings for cash flow and net investment hedges represent the realized gains/(losses) transferred out of other comprehensive income ("OCI") to earnings during the year. The amounts shown as recognized in OCI are prior to these transfers of realized gains/(losses) to earnings.

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Notional amounts of outstanding derivative contracts (*in millions*):

	Oct 2, 2011	Oct 3, 2010
Foreign exchange	$ 499	$ 593
Dairy	$ 10	$ 20

Note 3: Fair Value Measurements

Assets and Liabilities Measured at Fair Value on a Recurring Basis (in millions):

		Fair Value Measurements at Reporting Date Using		
	Balance at October 2, 2011	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Short-term investments:				
Available-for-sale securities				
Agency obligations	$ 20.0	$ 0.0	$ 20.0	$ 0.0
Commercial paper	87.0	0.0	87.0	0.0
Corporate debt securities	78.0	0.0	78.0	0.0
Government treasury securities	606.0	606.0	0.0	0.0
Certificates of deposit	64.0	0.0	64.0	0.0
Total available-for-sale securities	855.0	606.0	249.0	0.0
Trading securities	47.6	47.6	0.0	0.0
Total short-term investments	902.6	653.6	249.0	0.0
Long-term investments:				
Available-for-sale securities				
Corporate debt securities	67.0	0.0	67.0	0.0
State and local government obligations	28.0	0.0	0.0	28.0
Certificates of deposit	12.0	0.0	12.0	0.0
Total long-term investments	107.0	0.0	79.0	28.0
Total	$ 1,009.6	$ 653.6	$ 328.0	$ 28.0
Liabilities:				
Derivatives	$ 31.5	$ 0.0	$ 31.5	$ 0.0

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	Balance at October 3, 2010	Fair Value Measurements at Reporting Date Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Short-term investments:				
Available-for-sale securities				
Agency obligations	$ 30.0	$ 0.0	$ 30.0	$ 0.0
Corporate debt securities	15.0	0.0	15.0	0.0
Government treasury securities	190.8	190.8	0.0	0.0
State and local government obligations	0.7	0.0	0.7	0.0
Total available-for-sale securities	236.5	190.8	45.7	0.0
Trading securities	49.2	49.2	0.0	0.0
Total short-term investments	285.7	240.0	45.7	0.0
Long-term investments:				
Available-for-sale securities				
Agency obligations	27.0	0.0	27.0	0.0
Corporate debt securities	123.5	0.0	123.5	0.0
State and local government obligations	41.3	0.0	0.0	41.3
Total long-term investments	191.8	0.0	150.5	41.3
Total	$ 477.5	$ 240.0	$ 196.2	$ 41.3
Liabilities:				
Derivatives	$ 34.7	$ 0.0	$ 34.7	$ 0.0

Gross unrealized holding gains and losses on investments were not material at October 2, 2011 and October 3, 2010.

Available-for-sale Securities

Available-for-sale securities include government treasury securities, corporate and agency bonds, certificates of deposit placed through an account registry service ("CDARS") and auction rate securities ("ARS"). For government treasury securities, we use quoted prices in active markets for identical assets to determine fair value, thus these securities are considered Level 1 instruments. For corporate and agency bonds, for which a quoted market price is not available for identical assets, we determine fair value based upon the quoted market price of similar assets or the present value of expected future cash flows, calculated by applying revenue multiples to estimate future operating results and using discount rates appropriate for the duration and the risks involved. Fair values for certificates of deposit are estimated using a discounted cash flow calculation that applies current interest rates to aggregate expected maturities. Fair values for commercial paper are estimated using a discounted cash flow calculation that applies current imputed interest rates of similar securities. These securities are considered Level 2 instruments. Level 3 instruments are comprised solely of ARS. We determine fair value of our ARS using an internally developed valuation model, using inputs that include interest rate curves, credit and liquidity spreads, and effective maturity. Proceeds from sales of available-for-sale securities were $0.0 million, $1.1 million, and $5.0 million in fiscal years 2011, 2010, and 2009, respectively. For fiscal years 2011, 2010, and 2009 realized gains and losses on sales and maturities were not material.

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Certificates of deposit placed through CDARS have maturity dates ranging from 4 weeks to 2 years and principal amounts, that when aggregated with interest that will accrue over the investment term, will not exceed Federal Deposit Insurance Corporation limits. Certificates of deposit with original maturities of 90 days or less are included

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in cash and cash equivalents. As of October 2, 2011, we had $4.2 million invested in certificates of deposit placed through CDARS that were included in cash and cash equivalents. We did not have any certificates of deposit placed through CDARS as of October 3, 2010.

As of October 2, 2011, long-term available-for-sale securities of $107.0 million included $28.0 million invested in ARS. As of October 3, 2010, long-term available-for-sale securities of $191.8 million included $41.3 million invested in ARS. Long-term investments (except for ARS) generally mature within three years. ARS have long-dated maturities but provide liquidity through a Dutch auction process that resets the applicable interest rate at pre-determined calendar intervals. Our ARS are collateralized by portfolios of student loans, substantially all of which are guaranteed by the United States Department of Education. Due to the auction failures that began in 2008, these securities became illiquid and were classified as long-term investments. The investment principal associated with the failed auctions will not be accessible until:

- successful auctions resume;
- an active secondary market for these securities develops;
- the issuers replace these securities with another form of financing; or
- final payments are made according to the contractual maturities of the debt issues which range from 20 to 35 years.

We do not intend to sell the ARS, nor is it likely we will be required to sell the ARS before their anticipated recovery, which may be at maturity. In fiscal 2011, $15.8 million of ARS were called at par value. In fiscal 2010, $12.1 million of ARS were called at par value.

Trading Securities

Trading securities include equity mutual funds and exchange-traded funds. For these securities, we use quoted prices in active markets for identical assets to determine fair value, thus these securities are considered Level 1 instruments. Our trading securities portfolio approximates a portion of the liability under the Management Deferred Compensation Plan ("MDCP"), a defined contribution plan. The corresponding deferred compensation liability of $84.7 million and $82.7 million as of October 2, 2011 and October 3, 2010, respectively, is included in accrued compensation and related costs on the consolidated balance sheets. The changes in net unrealized holding gains/losses in the trading portfolio included in earnings for fiscal years 2011 and 2010 were a net loss of $2.1 million and a net gain of $4.1 million, respectively.

Derivative Assets and Liabilities

Derivative assets and liabilities include foreign currency forward contracts, commodity swaps and futures contracts. Where applicable, we use quoted prices in active markets for identical derivative assets and liabilities that are traded on exchanges. Derivative assets and liabilities included in Level 2 are over-the-counter currency forward contracts and commodity swaps whose fair values are estimated using industry-standard valuation models. Such models project future cash flows and discount the future amounts to a present value using market-based observable inputs, including interest rate curves and forward and spot prices for currencies and commodities.

Changes in Level 3 Instruments Measured at Fair Value on a Recurring Basis

Financial instruments measured using level 3 inputs described above are comprised entirely of our ARS. Changes in this balance related primarily to calls of certain of our ARS. No transfers among the levels within the fair value hierarchy occurred during fiscal 2011 or 2010.

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Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

Assets and liabilities recognized or disclosed at fair value on a nonrecurring basis include items such as property, plant and equipment, goodwill and other intangible assets, equity and cost method investments, and other assets. These assets are measured at fair value if determined to be impaired.

During fiscal 2011 and 2010, we recognized fair market value adjustments with a charge to earnings for these assets as follows:

	Year Ended October 2, 2011		
	Carrying Value before adjustment	Fair value adjustment	Carrying value after adjustment
Other assets[1]	$ 22.1	$ (22.1)	$ 0.0
Property, plant and equipment[2]	$ 8.8	$ (5.9)	$ 2.9

	Year Ended October 3, 2010		
	Carrying Value before adjustment	Fair value adjustment	Carrying value after adjustment
Property, plant and equipment[2]	$ 26.8	$ (22.3)	$ 4.5
Goodwill[3]	$ 4.1	$ (1.6)	$ 2.5

(1) The fair value was determined using valuation techniques, including discounted cash flows, comparable transactions, and/or comparable company analyses. The resulting impairment charge was included in other operating expenses.

(2) These assets primarily consist of leasehold improvements in underperforming stores. The fair value was determined using a discounted cash flow model based on expected future store revenues and operating costs, using internal projections. The resulting impairment charge was included in store operating expenses.

(3) The fair value was determined using a discounted cash flow model based on future cash flows for the reporting unit, using internal projections. The resulting impairment charge was included in store operating expenses

Fair Value of Other Financial Instruments

The estimated fair value of the $550 million of 6.25% Senior Notes based on the quoted market price was approximately $648 million and $637 million as of October 2, 2011 and October 3, 2010, respectively.

Note 4: Inventories *(in millions)*

	Oct 2, 2011	Oct 3, 2010
Coffee:		
Unroasted	$ 431.3	$ 238.3
Roasted	246.5	95.1
Other merchandise held for sale	150.8	115.6
Packaging and other supplies	137.2	94.3
Total	$ 965.8	$ 543.3

Other merchandise held for sale includes, among other items, serveware and tea.

Levels of inventory vary due to seasonality driven primarily by the holiday season, commodity market supply and price variations, and changes in our use of fixed-price and price-to-be-fixed coffee contracts.

As of October 2, 2011, we had committed to purchasing green coffee totaling $846 million under fixed-price contracts and an estimated $193 million under price-to-be-fixed contracts. Price-to-be-fixed contracts are purchase commitments whereby the quality, quantity, delivery period, and other negotiated terms are agreed upon, but the

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date at which the base “C” coffee commodity price component will be fixed has not yet been established. For these types of contracts, either Starbucks or the seller has the option to “fix” the base “C” coffee commodity price prior to the delivery date. Until prices are fixed, we estimate the total cost of these purchase commitments. We believe, based on relationships established with our suppliers in the past, the risk of non-delivery on such purchase commitments is remote.

Note 5: Equity and Cost Investments *(in millions)*

	Oct 2, 2011	Oct 3, 2010
Equity method investments	$ 334.4	$ 308.1
Cost method investments	37.9	33.4
Total	$ 372.3	$ 341.5

Equity Method Investments

As of October 2, 2011, we had a 50 percent ownership interest in each of the following international equity investees: Starbucks Coffee Korea Co., Ltd.; President Starbucks Coffee Taiwan Ltd.; Shanghai President Coffee Co.; and Berjaya Starbucks Coffee Company Sdn. Bhd. (Malaysia). In addition, we had a 39.8 percent ownership interest in Starbucks Coffee Japan, Ltd. These international entities operate licensed Starbucks retail stores. We also have licensed the rights to produce and distribute Starbucks branded products to The North American Coffee Partnership with the Pepsi-Cola Company. We have a 50 percent ownership interest in The North America Coffee Partnership, which develops and distributes bottled Frappuccino® beverages, Starbucks DoubleShot® espresso drinks, and Seattle’ s Best Coffee® ready-to-drink espresso beverages.

Our share of income and losses from our equity method investments is included in income from equity investees on the consolidated statements of earnings. Also included in this line item is our proportionate share of gross margin resulting from coffee and other product sales to, and royalty and license fee revenues generated from, equity investees. Revenues generated from these related parties, net of eliminations, were $151.6 million, $125.7 million, and $125.3 million in fiscal years 2011, 2010, and 2009, respectively. Related costs of sales, net of eliminations, were $83.2 million, $65.3 million, and $64.9 million in fiscal years 2011, 2010, and 2009, respectively. As of October 2, 2011 and October 3, 2010, there were $31.9 million and $31.4 million of accounts receivable from equity investees, respectively, on our consolidated balance sheets, primarily related to product sales and store license fees.

As of October 2, 2011, the aggregate market value of our investment in Starbucks Japan was approximately $334 million, determined based on its available quoted market price, which exceeds its carrying value of $182 million.

Summarized combined financial information of our equity method investees, which represent 100% of the investees’ financial information (*in millions*):

Financial Position as of	Oct 2, 2011	Oct 3, 2010
Current assets	$ 476.9	$ 390.1
Noncurrent assets	651.4	570.3
Current liabilities	340.1	260.6
Noncurrent liabilities	80.2	70.5

Results of Operations for Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Net revenues	$2,395.1	$2,128.0	$2,100.1
Operating income	277.0	245.3	192.5
Net earnings	231.1	205.1	155.8

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Cost Method Investments

As of October 2, 2011, we had a $37.9 million investment of equity interests in entities that develop and operate Starbucks licensed retail stores in several global markets. We have the ability to acquire additional interests in some of these cost method investees at certain intervals. Depending on our total percentage of ownership interest and our ability to exercise significant influence over financial and operating policies, additional investments may require a retroactive application of the equity method of accounting.

Note 6: Property, Plant and Equipment *(in millions)*

	Oct 2, 2011	Oct 3, 2010
Land	$44.8	$58.0
Buildings	218.5	265.7
Leasehold improvements	3,617.7	3,435.6
Store equipment	1,101.8	1,047.7
Roasting equipment	295.1	290.6
Furniture, fixtures and other	757.8	617.5
Work in progress	127.4	173.6
Property, plant and equipment, gross	6,163.1	5,888.7
Less accumulated depreciation	(3,808.1)	(3,472.2)
Property, plant and equipment, net	$2,355.0	$2,416.5

On August 8, 2011, we completed the sale of two office buildings for gross consideration of $125 million. As a result of this sale, we recognized a $30.2 million gain within operating income on the consolidated statements of earnings.

Note 7: Other Intangible Assets and Goodwill

Other intangible assets *(in millions)*:

	Oct 2, 2011	Oct 3, 2010
Indefinite-lived intangibles	$ 68.6	$ 63.5
Definite-lived intangibles	54.2	16.1
Accumulated amortization	(10.9)	(8.8)
Definite-lived intangibles, net	43.3	7.3
Total other intangible assets	$ 111.9	$ 70.8
Definite-lived intangibles approximate remaining weighted average useful life in years	11	7

Amortization expense for definite-lived intangibles was $2.2 million, $1.2 million, and $1.7 million during fiscal 2011, 2010, and 2009, respectively. Amortization expense is estimated to be approximately $4 million each year from fiscal 2012 through fiscal 2016, and a total of approximately $22 million thereafter.

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Changes in the carrying amount of goodwill by reportable operating segment *(in millions)*:

	United States	International	Other	Total
Balance at September 27, 2009				
Goodwill prior to impairment	$ 109.3	$ 117.0	$39.8	$266.1
Accumulated impairment charges	(7.0)	0.0	0.0	(7.0)
Goodwill	$ 102.3	$ 117.0	$39.8	$259.1
Acquisitions	0.0	0.0	0.0	0.0
Purchase price adjustment of previous acquisitions	1.0	0.0	0.0	1.0
Impairment	0.0	(1.6)	0.0	(1.6)
Other[1]	0.0	3.9	0.0	3.9
Balance at October 3, 2010				
Goodwill prior to impairment	$ 110.3	$ 120.9	$39.8	$271.0
Accumulated impairment charges	(7.0)	(1.6)	0.0	(8.6)
Goodwill	$ 103.3	$ 119.3	$39.8	$262.4
Acquisitions	0.0	63.8	0.0	63.8
Other[1]	0.0	(4.6)	0.0	(4.6)
Balance at October 2, 2011				
Goodwill prior to impairment	$ 110.3	$ 180.1	$39.8	$330.2
Accumulated impairment charges	(7.0)	(1.6)	0.0	(8.6)
Goodwill	$ 103.3	$ 178.5	$39.8	$321.6

(1) Other is primarily comprised of changes in the goodwill balance as a result of foreign exchange fluctuations.

Note 8: Debt *(in millions)*

Revolving Credit Facility and Commercial Paper Program

Our previous $1 billion unsecured credit facility (the "2005 credit facility") was replaced in November 2010 with a new $500 million unsecured credit facility (the "2010 credit facility") with various banks, of which $100 million may be used for issuances of letters of credit. As with the 2005 credit facility, the 2010 credit facility is available for working capital, capital expenditures and other corporate purposes, including acquisitions and share repurchases and is currently set to mature in November 2014. No borrowings were outstanding under the credit facility at the end of fiscal 2011 or fiscal 2010. The interest rate for any borrowings under the credit facility, based on Starbucks current ratings and fixed charge coverage ratio, is 1.075% over LIBOR. The specific spread over LIBOR will depend upon our long-term credit ratings assigned by Moody' s and Standard & Poor' s rating agencies and our fixed charge coverage ratio. The credit facility contains provisions requiring us to maintain compliance with certain covenants, including a minimum fixed charge coverage ratio which measures our ability to cover financing expenses. We have the option, subject to negotiation and agreement with the related banks, to increase the maximum commitment amount by an additional $500 million.

Under our commercial paper program we may issue unsecured commercial paper notes, up to a maximum aggregate amount outstanding at any time of $500 million under the 2010 credit facility, with individual maturities that may vary, but not exceed, 397 days from the date of issue. The program is backstopped by the 2010 credit facility, and the combined borrowing limit is $500 million for the commercial paper program and the credit facility. We may issue commercial paper from time to time, and the proceeds of the commercial paper financing may be used for working capital needs, capital expenditures and other corporate purposes, including acquisitions and share repurchases. No borrowings were outstanding under the commercial paper program at the end of fiscal 2011 or fiscal 2010.

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As of October 2, 2011, we had $17 million in letters of credit outstanding under the credit facility. As of October 3, 2010, we had letters of credit totaling $15 million outstanding under the 2005 credit facility.

Long-term Debt

In August 2007, we issued $550 million of 6.25% Senior Notes ("the notes") due in August 2017, in an underwritten registered public offering. Interest is payable semi-annually on February 15 and August 15 of each year. The notes require us to maintain compliance with certain covenants, which limit future liens and sale and leaseback transactions on certain material properties. As of October 2, 2011 and October 3, 2010, the fair value of the notes, recorded on the consolidated balance sheets, was $549.5 million and $549.4 million, respectively.

Interest Expense

Interest expense, net of interest capitalized, was $33.3 million, $32.7 million, and $39.1 million in fiscal 2011, 2010, and 2009, respectively. In fiscal 2011, 2010, and 2009, $4.4 million, $4.9 million, and $2.9 million, respectively, of interest was capitalized for asset construction projects.

Note 9: Other Liabilities *(in millions)*

	Oct 2, 2011	Oct 3, 2010
Accrued dividend payable	$ 126.6	$ 96.5
Other	192.4	166.3
Total other accrued liabilities	$ 319.0	$ 262.8

	Oct 2, 2011	Oct 3, 2010
Deferred rent	$ 215.2	$ 239.7
Unrecognized tax benefits	56.7	65.1
Asset retirement obligations	50.1	47.7
Other	25.8	22.6
Total other long term liabilities	$ 347.8	$ 375.1

Note 10: Leases

Rental expense under operating lease agreements *(in millions)*:

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Minimum rentals	$ 715.6	$ 688.5	$ 690.0
Contingent rentals	34.3	26.1	24.7
Total	$ 749.9	$ 714.6	$ 714.7

Minimum future rental payments under non-cancelable operating leases as of October 2, 2011 *(in millions)*:

Fiscal Year Ending	
2012	$751.2
2013	699.9
2014	630.7
2015	545.4
2016	442.7
Thereafter	988.0
Total minimum lease payments	$4,057.9

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We have subleases related to certain of our operating leases. During fiscal 2011, 2010, and 2009, we recognized sublease income of $13.7 million, $10.9 million, and $7.1 million, respectively.

We had capital lease obligations of $1.4 million and $2.6 million as of October 2, 2011 and October 3, 2010, respectively. Capital lease obligations expire at various dates, with the latest maturity in 2014. The current portion of the total obligation is included in other accrued liabilities and the remaining long-term portion is included in other long-term liabilities on the consolidated balance sheets. Assets held under capital leases are included in net property, plant and equipment on the consolidated balance sheets.

Note 11: Shareholders' Equity

In addition to 1.2 billion shares of authorized common stock with $0.001 par value per share, we have authorized 7.5 million shares of preferred stock, none of which was outstanding at October 2, 2011.

Share repurchase activity *(in millions, except for average price data)*:

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010
Number of shares acquired	15.6	11.2
Average price per share of acquired shares	$ 35.53	$ 25.53
Total cost of acquired shares	$ 555.9	$ 285.6

As of October 2, 2011, 24.4 million shares remained available for repurchase under the current authorization. On November 3, 2011, we announced an additional share repurchase authorization made by the Board of Directors of up to 20 million shares in addition to the 4.4 million shares remaining under the previous program.

During fiscal years 2011 and 2010, our Board of Directors declared the following dividends (*in millions, except per share amounts)*:

	Dividend Per Share	Record date	Total Amount	Payment Date
Fiscal Year 2011:				
First quarter	$ 0.13	February 9, 2011	$ 97.4	February 25, 2011
Second quarter	$ 0.13	May 11, 2011	$ 97.8	May 27, 2011
Third quarter	$ 0.13	August 10, 2011	$ 97.4	August 26, 2011
Fourth quarter	$ 0.17	November 17, 2011	$ 126.6	December 2, 2011
Fiscal Year 2010[(1)]:				
Second quarter	$ 0.10	April 7, 2010	$ 74.8	April 23, 2010
Third quarter	$ 0.13	August 4, 2010	$ 96.2	August 20, 2010
Fourth quarter	$ 0.13	November 18, 2010	$ 96.9	December 3, 2010

(1) The Starbucks Board of Directors approved the initiation of a cash dividend to shareholders beginning in the second quarter of fiscal 2010.

Comprehensive Income

Comprehensive income includes all changes in equity during the period, except those resulting from transactions with our shareholders. Comprehensive income is comprised of net earnings and other comprehensive income. Accumulated other comprehensive income reported on our consolidated balance sheets consists of foreign currency translation adjustments and the unrealized gains and losses, net of applicable taxes, on available-for-sale securities and on derivative instruments designated and qualifying as cash flow and net investment hedges.

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Comprehensive income, net of related tax effects *(in millions)*:

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Net earnings attributable to Starbucks	$1,245.7	$ 945.6	$ 390.8
Unrealized holding gains/(losses) on available-for-sale securities, net of tax (provision)/benefit of $(0.3), $0.1, and $(1.9), respectively	0.4	(0.2)	3.3
Unrealized holding gains/(losses) on cash flow hedging instruments, net of tax (provision)/benefit of $4.5, $6.6, and $(2.4), respectively	(7.7)	(11.3)	4.0
Unrealized holding losses on net investment hedging instruments, net of tax benefit of $4.5, $4.0, and $4.0, respectively	(7.6)	(6.8)	(6.8)
Reclassification adjustment for net losses realized in net earnings for cash flow hedges, net of tax benefit of $6.1, $0.8, and $0.8, respectively	10.5	1.3	1.3
Net unrealized gain/(loss)	(4.4)	(17.0)	1.8
Translation adjustment, net of tax (provision)/benefit of $0.9, $(3.2), and $6.0, respectively	(6.5)	8.8	15.2
Total comprehensive income	$1,234.8	$ 937.4	$ 407.8

The unfavorable translation adjustment change during fiscal 2011 was primarily due to the strengthening of the US dollar against several currencies including the euro, partially offset by the weakening of the US dollar against the Japanese yen. The favorable translation adjustment change during fiscal 2010 was primarily due to the weakening of the US dollar against several currencies including the Japanese yen and Canadian dollar, partially offset by the strengthening of the US dollar against the euro. The favorable translation adjustment change during fiscal 2009 was primarily due to the weakening of the US dollar against the Japanese yen, Australian dollar and the euro.

Components of accumulated other comprehensive income, net of tax *(in millions)*:

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010
Net unrealized gains/(losses) on available-for-sale securities	$ (0.5)	$ (0.9)
Net unrealized gains/(losses) on hedging instruments	(45.3)	(40.5)
Translation adjustment	92.1	98.6
Accumulated other comprehensive income	$ 46.3	$ 57.2

As of October 2, 2011, the translation adjustment was net of tax provisions of $3.3 million. As of October 3, 2010, the translation adjustment was net of tax provisions of $4.2 million.

Note 12: Employee Stock and Benefit Plans

We maintain several equity incentive plans under which we may grant non-qualified stock options, incentive stock options, restricted stock, restricted stock units (“RSUs”), or stock appreciation rights to employees, non-employee directors and consultants. We issue new shares of common stock upon exercise of stock options and the vesting of RSUs. We also have an employee stock purchase plan (“ESPP”).

As of October 2, 2011, there were 32.7 million shares of common stock available for issuance pursuant to future equity-based compensation awards and 8.5 million shares available for issuance under our ESPP.

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Stock based compensation expense recognized in the consolidated financial statements *(in millions)*:

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Options	$ 60.4	$ 76.8	$ 61.6
RSUs	84.8	36.8	16.6
ESPP	0.0	0.0	5.0
Total stock-based compensation expense recognized in the consolidated statement of earnings	$ 145.2	$ 113.6	$ 83.2
Total related tax benefit	$ 51.2	$ 40.6	$ 29.3
Total capitalized stock-based compensation included in net property, plant and equipment and inventories on the consolidated balance sheets	$ 2.1	$ 1.9	$ 1.3

Stock Option Plans

Stock options to purchase our common stock are granted at the fair market value of the stock on the date of grant. The majority of options become exercisable in four equal installments beginning a year from the date of grant and generally expire 10 years from the date of grant. Options granted in the 2009 exchange program vest over two years and expire seven years from the date of grant. The 2009 exchange program allowed for a one-time stock option exchange designed to provide eligible employees the opportunity to exchange certain outstanding underwater stock options for a lesser amount of new options with lower exercise prices. Options granted to non-employee directors generally vest over one to three years. Nearly all outstanding stock options are non-qualified stock options.

The fair value of each stock option granted is estimated on the grant date using the Black-Scholes-Merton ("BSM") option valuation model. The assumptions used to calculate the fair value of options granted are evaluated and revised, as necessary, to reflect market conditions and our experience. Options granted are valued using the multiple option valuation approach, and the resulting expense is recognized over the requisite service period for each separately vesting portion of the award. Compensation expense is recognized only for those options expected to vest, with forfeitures estimated at the date of grant based on our historical experience and future expectations.

The fair value of stock option awards was estimated at the grant date with the following weighted average assumptions for fiscal years 2011, 2010, and 2009 (excludes options granted in the 2009 stock option exchange program described above):

	Employee Stock Options Granted During the Period		
Fiscal Year Ended	2011	2010	2009
Expected term (in years)	5.0	4.7	4.9
Expected stock price volatility	39.0 %	43.0 %	44.5%
Risk-free interest rate	1.6 %	2.1 %	2.2 %
Expected dividend yield	1.7 %	0.1 %	0.0 %
Weighted average grant price	$31.46	$22.28	$8.97
Estimated fair value per option granted	$9.58	$8.50	$3.61

The expected term of the options represents the estimated period of time until exercise, and is based on historical experience of similar awards, giving consideration to the contractual terms, vesting schedules and expectations of future employee behavior. Expected stock price volatility is based on a combination of historical volatility of our stock and the one-year implied volatility of Starbucks traded options, for the related vesting periods. The risk-free interest rate is based on the implied yield available on US Treasury zero-coupon issues with an equivalent remaining term. The dividend yield assumption is based on the anticipated cash dividend payouts. We did not pay any cash dividends prior to fiscal 2010. The amounts shown above for the estimated fair value per option granted are before the estimated effect of forfeitures, which reduce the amount of expense recorded on the consolidated statements of earnings.

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The BSM option valuation model was developed for use in estimating the fair value of traded options, which have no vesting restrictions and are fully transferable. Our employee stock options have characteristics significantly different from those of traded options, and changes in the subjective input assumptions can materially affect the fair value estimate. Because our stock options do not trade on a secondary exchange, employees do not derive a benefit from holding stock options unless there is an increase, above the grant price, in the market price of the our stock. Such an increase in stock price would benefit all shareholders commensurately.

Stock option transactions from September 28, 2008, through October 2, 2011 *(in millions, except per share and contractual life amounts)*:

	Shares Subject to Options	Weighted Average Exercise Price per Share	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
Outstanding, September 28, 2008	63.0	$20.96	5.7	$ 115
Granted	30.9	8.97		
Granted under option exchange program	4.7	14.92		
Exercised	(7.2)	7.31		
Expired/forfeited	(13.5)	18.99		
Cancelled under option exchange program	(14.3)	29.34		
Outstanding, September 27, 2009	63.6	14.75	6.7	442
Granted	14.9	22.28		
Exercised	(9.6)	11.94		
Expired/forfeited	(8.2)	18.73		
Outstanding, October 3, 2010	60.7	16.52	6.6	611
Granted	4.3	31.46		
Exercised	(16.1)	14.40		
Expired/forfeited	(3.6)	18.06		
Outstanding, October 2, 2011	45.3	18.57	6.4	848
Exercisable, October 2, 2011	23.2	18.81	5.0	272
Vested and expected to vest, October 2, 2011	42.9	18.48	6.3	571

The aggregate intrinsic value in the table above is the amount by which the market value of the underlying stock exceeded the exercise price of outstanding options, is before applicable income taxes and represents the amount optionees would have realized if all in-the-money options had been exercised on the last business day of the period indicated.

The following is a summary of stock options outstanding at the end of fiscal 2011 (shares in millions):

	Options Outstanding			Options Exercisable	
Range of Prices	Number of Options	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Under $10.00	13.9	7.0	$8.65	5.0	$8.65
$10.01 - $20.00	8.7	3.6	14.14	8.5	14.65
$20.01 - $30.00	15.0	7.0	23.09	6.1	24.10
Over $30.00	7.7	7.0	32.50	3.6	33.62
	45.3	6.4	$18.57	23.2	$18.81

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As of October 2, 2011, total unrecognized stock-based compensation expense, net of estimated forfeitures, related to nonvested stock options was approximately $44 million, before income taxes, and is expected to be recognized over a weighted average period of approximately 2.4 years. The total intrinsic value of stock options exercised was $323 million, $118 million, and $44 million during fiscal years 2011, 2010, and 2009, respectively. The total fair value of options vested was $126 million, $108 million, and $75 million during fiscal years 2011, 2010, and 2009, respectively.

RSUs

We have both time-vested and performance-based RSUs. Time-vested RSUs are awarded to eligible employees and entitle the grantee to receive shares of common stock at the end of a vesting period, subject solely to the employee' s continuing employment. Our performance-based RSUs are awarded to eligible employees and entitle the grantee to receive shares of common stock if we achieve specified performance goals for the full fiscal year in the year of award and the grantee remains employed during the subsequent vesting period. The fair value of RSUs is based on the closing price of Starbucks common stock on the award date. Expense for performance-based RSUs is recognized when it is probable the performance goal will be achieved.

RSU transactions from September 28, 2008 through October 2, 2011 *(in millions, except per share and contractual life amounts)*:

	Number of Shares	Weighted Average Grant Date Fair Value per Share	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
Nonvested, September 28, 2008	2.0	$ 17.36	2.5	$ 31
Granted	3.3	8.78		
Vested	0.0	0.00		
Forfeited/Cancelled	(0.9)	13.94		
Nonvested, September 27, 2009	4.4	11.55	1.6	88
Granted	2.3	22.27		
Vested	(0.7)	16.35		
Forfeited/Cancelled	(0.6)	12.27		
Nonvested, October 3, 2010	5.4	13.55	1.1	141
Granted	5.4	31.06		
Vested	(1.7)	9.40		
Forfeited/Cancelled	(0.8)	25.68		
Nonvested, October 2, 2011	8.3	23.11	0.8	309

As of October 2, 2011, total unrecognized stock-based compensation expense related to nonvested RSUs, net of estimated forfeitures, was approximately $71 million, before income taxes, and is expected to be recognized over a weighted average period of approximately 2.2 years.

ESPP

Our ESPP allows eligible employees to contribute up to 10% of their base earnings toward the quarterly purchase of our common stock, subject to an annual maximum dollar amount. The purchase price is 95% of the fair market value of the stock on the last business day of the quarterly offering period. The number of shares issued under our ESPP was 0.5 million in fiscal 2011.

Deferred Stock Plan

We have a deferred stock plan for certain non-employees that enables participants in the plan to defer receipt of ownership of common shares from the exercise of nonqualified stock options. The minimum deferral period is five

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years. As of October 2, 2011 and October 3, 2010, 3.4 million shares were deferred under the terms of this plan. The rights to receive these shares, represented by common stock units, are included in the calculation of basic and diluted earnings per share as common stock equivalents. No new initial deferrals are permitted under this plan; the plan permits re-deferrals of previously deferred shares.

Defined Contribution Plans

We maintain voluntary defined contribution plans, both qualified and non-qualified, covering eligible employees as defined in the plan documents. Participating employees may elect to defer and contribute a portion of their eligible compensation to the plans up to limits stated in the plan documents, not to exceed the dollar amounts set by applicable laws.

Our matching contributions to all US and non-US plans were $45.5 million, $23.5 million, and $19.7 million in fiscal years 2011, 2010, and 2009, respectively.

Note 13: Income Taxes

The components of earnings before income taxes were as follows:

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
United States	$1,523.4	$1,308.9	$ 494.6
Foreign	287.7	128.1	65.3
Total earnings before income taxes	$1,811.1	$1,437.0	$ 559.9

Provision for income taxes *(in millions)*:

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Current taxes:			
Federal	$ 344.7	$ 457.5	$ 165.3
State	61.2	79.6	35.0
Foreign	37.3	38.3	26.3
Total current taxes	443.2	575.4	226.6
Deferred taxes:			
Federal	111.6	(76.0)	(48.3)
State	8.3	(9.3)	(10.7)
Foreign	0.0	(1.4)	0.8
Total deferred taxes	119.9	(86.7)	(58.2)
Total provision for income taxes	$ 563.1	$ 488.7	$ 168.4

Reconciliation of the statutory US federal income tax rate with our effective income tax rate:

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Statutory rate	35.0 %	35.0 %	35.0 %
State income taxes, net of federal income tax benefit	2.5 %	2.5 %	2.6 %
Benefits and taxes related to foreign operations	(3.1)%	(2.5)%	(2.3)%
Domestic production activity deduction	(0.8)%	(0.9)%	(2.3)%
Credit resulting from employment audit	0.0 %	0.0 %	(2.0)%
Other, net[1]	(2.5)%	(0.1)%	(0.9)%
Effective tax rate	31.1 %	34.0 %	30.1 %

(1) Fiscal 2011 includes a benefit of 0.9% related to the acquisition of the remaining ownership interest in Switzerland and Austria.

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US income and foreign withholding taxes have not been provided on approximately $987 million of cumulative undistributed earnings of foreign subsidiaries and equity investees. We intend to reinvest these earnings for the foreseeable future. If these amounts were distributed to the US, in the form of dividends or otherwise, we would be subject to additional US income taxes, which could be material. Determination of the amount of unrecognized deferred income tax liabilities on these earnings is not practicable because such liability, if any, is dependent on circumstances existing if and when remittance occurs.

Tax effect of temporary differences and carryforwards that comprise significant portions of deferred tax assets and liabilities *(in millions):*

	Oct 2, 2011	Oct 3, 2010
Deferred tax assets:		
Property, plant and equipment	$ 46.4	$ 32.6
Accrued occupancy costs	55.9	55.2
Accrued compensation and related costs	69.6	100.8
Other accrued liabilities	27.8	25.0
Asset retirement obligation asset	19.0	14.9
Deferred revenue	47.8	58.4
Asset impairments	60.0	94.8
Tax credits	23.0	41.0
Stock based compensation	128.8	115.9
Net operating losses	85.5	43.7
Other	58.6	50.6
Total	$ 622.4	$ 632.9
Valuation allowance	(137.4)	(88.1)
Total deferred tax asset, net of valuation allowance	$ 485.0	$ 544.8
Deferred tax liabilities:		
Property, plant and equipment	(66.4)	(26.2)
Other	(43.3)	(19.1)
Total	(109.7)	(45.3)
Net deferred tax asset	$ 375.3	$ 499.5
Reported as:		
Current deferred income tax assets	$ 230.4	$ 304.2
Long-term deferred income tax assets (included in Other assets)	156.3	195.3
Current deferred income tax liabilities	(4.9)	0.0
Long-term deferred income tax liabilities	(6.5)	0.0
Net deferred tax asset	$ 375.3	$ 499.5

We will establish a valuation allowance if either it is more likely than not that the deferred tax asset will expire before we are able to realize the benefit, or the future deductibility is uncertain. Periodically, the valuation allowance is reviewed and adjusted based on our assessments of the likelihood of realizing the benefit of our deferred tax assets. The valuation allowance as of October 2, 2011 and October 3, 2010 primarily related to net operating losses and other deferred tax assets of consolidated foreign subsidiaries. The net change in the total valuation allowance for the years ended October 2, 2011 and October 3, 2010, was an increase of $49.3 million and $67.8 million, respectively. During fiscal 2011 and 2010, we recognized approximately $32 million and $40 million, respectively, of previously unrecognized deferred tax assets in certain foreign jurisdictions, with a corresponding increase to the valuation allowance due to the uncertainty of their realization.

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As of October 2, 2011, Starbucks had foreign tax credit carryforwards of $7.5 million, with expiration dates between fiscal years 2018 and 2019, capital loss carryforwards of $7.8 million, with an expiration date of 2015, and foreign net operating losses of $305.4 million, with the predominant amount having no expiration date.

Taxes currently payable of $30.1 million and $24.7 million are included in accrued taxes on the consolidated balance sheets as of October 2, 2011 and October 3, 2010, respectively.

Uncertain Tax Positions

As of October 2, 2011, we had $52.9 million of gross unrecognized tax benefits of which $27.3 million, if recognized, would affect our effective tax rate. We recognize interest and penalties related to income tax matters in income tax expense. As of October 2, 2011 and October 3, 2010, we had accrued interest and penalties of $6.2 million and $16.8 million, respectively, before the benefit of the federal tax deduction, recorded on our consolidated balance sheets.

The following table summarizes the activity related to our unrecognized tax benefits *(in millions)*:

	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Beginning balance	$ 68.4	$ 49.1	$ 52.6
Increase related to prior year tax positions	4.4	35.0	4.2
Decrease related to prior year tax positions	(32.3)	(21.4)	(11.6)
Increase related to current year tax positions	26.0	14.1	8.4
Decrease related to current year tax positions	(0.8)	(8.1)	(0.9)
Decreases related to settlements with taxing authorities	(5.0)	0.0	(3.0)
Decreases related to lapsing of statute of limitations	(7.8)	(0.3)	(0.6)
Ending balance	$ 52.9	$ 68.4	$ 49.1

We are currently under routine audit by various jurisdictions outside the US as well as US state taxing jurisdictions for fiscal years 2006 through 2010. We are no longer subject to US federal or state examination for years prior to fiscal year 2008, with the exception of nine states. We are subject to income tax in many jurisdictions outside the US. We are no longer subject to examination in any material international markets prior to 2006.

There is a reasonable possibility that $4.5 million of the currently remaining unrecognized tax benefits, each of which is individually insignificant, may be recognized by the end of fiscal 2012 as a result of a lapse of the statute of limitations.

Note 14: Earnings per Share

Calculation of net earnings per common share (“EPS”) − basic and diluted *(in millions, except EPS)*:

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Net earnings attributable to Starbucks	$1,245.7	$ 945.6	$ 390.8
Weighted average common shares and common stock units outstanding (for basic calculation)	748.3	744.4	738.7
Dilutive effect of outstanding common stock options and RSUs	21.4	19.8	7.2
Weighted average common and common equivalent shares outstanding (for diluted calculation)	769.7	764.2	745.9
EPS − basic	$1.66	$ 1.27	$ 0.53
EPS − diluted	$1.62	$ 1.24	$ 0.52

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Potential dilutive shares consist of the incremental common shares issuable upon the exercise of outstanding stock options (both vested and non-vested) and unvested RSUs, calculated using the treasury stock method. The calculation of dilutive shares outstanding excludes out-of-the-money stock options (i.e., such options' exercise prices were greater than the average market price of our common shares for the period) because their inclusion would have been antidilutive. Out-of-the-money stock options totaled 0.1 million, 7.9 million, and 15.9 million as of October 2, 2011, October 3, 2010, and September 27, 2009, respectively.

Note 15: Commitments and Contingencies

Guarantees

We have unconditionally guaranteed the repayment of certain Japanese yen-denominated bank loans and related interest and fees of an unconsolidated equity investee, Starbucks Japan. The guarantees continue until the loans, including accrued interest and fees, have been paid in full. These guarantees expire in 2014. Our maximum exposure under this commitment as of October 2, 2011 was $1.0 million and is limited to the sum of unpaid principal and interest, as well as other related expenses. Since there has been no modification of these loan guarantees subsequent to the adoption of accounting requirements for guarantees, we have applied the disclosure provisions only and have not recorded the guarantees on our consolidated balance sheets.

Legal Proceedings

In the first quarter of fiscal 2011, Starbucks notified Kraft Foods Global, Inc. ("Kraft") that we were discontinuing our distribution arrangement with Kraft on March 1, 2011 due to material breaches by Kraft of its obligations under the Supply and License Agreement between the Company and Kraft, dated March 29, 2004 (the "Agreement"), which defined the main distribution arrangement between the parties. Through our arrangement with Kraft, Starbucks sold a selection of Starbucks and Seattle's Best Coffee branded packaged coffees in grocery and warehouse club stores throughout the US, and to grocery stores in Canada, the UK and other European countries. Kraft managed the distribution, marketing, advertising and promotion of these products.

Kraft denies it has materially breached the Agreement. On November 29, 2010, Starbucks received a notice of arbitration from Kraft putting the commercial dispute between the parties into binding arbitration pursuant to the terms of the Agreement. In addition to denying it materially breached the Agreement, Kraft further alleges that if Starbucks wished to terminate the Agreement it must compensate Kraft as provided in the Agreement in an amount equal to the fair value of the Agreement, with an additional premium of up to 35% under certain circumstances. The parties are now engaged in extensive discovery with an arbitration trial expected in mid-2012.

On December 6, 2010, Kraft commenced a federal court action against Starbucks, entitled *Kraft Foods Global, Inc. v. Starbucks Corporation*, in the U.S. District Court for the Southern District of New York (the "District Court") seeking injunctive relief to prevent Starbucks from terminating the distribution arrangement until the parties' dispute is resolved through the arbitration proceeding. On January 28, 2011, the District Court denied Kraft's request for injunctive relief. Kraft appealed the District Court's decision to the Second Circuit Court of Appeals. On February 25, 2011, the Second Circuit Court of Appeals affirmed the District Court's decision. As a result, Starbucks is in full control of our packaged coffee business as of March 1, 2011.

While Starbucks believes we have valid claims of material breach by Kraft under the Agreement that allowed us to terminate the Agreement and certain other relationships with Kraft without compensation to Kraft, there exists the possibility of material adverse outcomes to Starbucks in the arbitration or to resolve the matter. At this time, the Company is unable to estimate the range of possible outcomes with respect to the arbitration as we have not received any statement or articulation of damages from Kraft nor have we estimated the damages to Starbucks caused by Kraft's breaches. Information in this regard will be provided during the discovery process and is currently expected to be available in late March or early April 2012. And, although Kraft disclosed to the press and in federal court filings a $750 million offer Starbucks made to Kraft in August 2010 to avoid litigation and ensure a smooth transition of the business, the figure is not a proper basis upon which to estimate a possible outcome of the

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arbitration but was based upon facts and circumstances at the time. Kraft rejected the offer immediately and did not provide a counter-offer, effectively ending the discussions between the parties with regard to any payment. Moreover, the offer was made prior to our investigation of Kraft' s breaches and without consideration of Kraft' s continuing failure to comply with material terms of the agreements.

Starbucks is party to various other legal proceedings arising in the ordinary course of business, including certain employment litigation cases that have been certified as class or collective actions, but, except as noted above, is not currently a party to any legal proceeding that management believes could have a material adverse effect on our consolidated financial position, results of operations or cash flows.

Note 16: Restructuring Charges

The restructuring efforts we began in fiscal 2008 to rationalize our store portfolio and the non-retail support organization were completed in fiscal 2010. On a cumulative basis we closed 918 stores on a global basis as part of this effort.

Restructuring charges by type of cost and by reportable segment for the prior three fiscal years were as follows.(*in millions*):

		By Type of Cost			By Segment		
	Total	Lease Exit and Other Related Costs	Asset Impairments	Employee Termination Costs	US	International	Other
Costs incurred and charged to expense in fiscal 2010	$53.0	$ 53.0	$ 0.2	$ (0.2)	$27.2	$ 25.8	$0.0
Costs incurred and charged to expense in fiscal 2009	332.4	184.2	129.2	19.0	246.3	27.0	59.1
Costs incurred and charged to expense in fiscal 2008	266.9	47.8	201.6	17.5	210.9	19.2	36.8
Cumulative costs incurred to date	652.3	285.0	331.0	36.3	484.4	72.0	95.9
Accrued liability as of September 27, 2009	$104.0	$ 102.8		$ 1.2			
Costs incurred in fiscal 2010, excluding non-cash charges(1)	53.4	53.7		(0.3)			
Cash payments	(68.2)	(67.3)		(0.9)			
Accrued liability as of October 3, 2010(2)	$89.2	$ 89.2		$ 0.0			
Cash payments	(27.1)	(27.1)					
Other	0.5	0.5					
Accrued liability as of October 2, 2011(2)	$62.6	$ 62.6					

(1) Non-cash charges and credits for lease exit and other related costs primarily represent deferred rent balances recognized as expense credits at the cease-use date.

(2) The remaining liability relates to lease obligations for stores that were previously closed where Starbucks has been unable to terminate the lease or find subtenants for the unused space.

Note 17: Acquisitions

In the fourth quarter of fiscal 2011, we acquired the 50% ownership interest in Switzerland and Austria from our joint venture partner, Marinopoulos Holdings S.A.R.L, converting these markets to 100% owned company-operated markets, for a purchase price of $65.5 million. As a result of this acquisition, we adjusted the carrying value of our

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previous equity investment to fair value, resulting in a gain of approximately $55 million which was included in net interest income and other on our consolidated statements of earnings. The fair value of 100% of the net assets of these markets on the acquisition date was $131.0 million and was recorded on our consolidated balance sheets. Included in these net assets were $63.8 million of goodwill and $35.1 million in definite-lived intangible assets.

In the third quarter of fiscal 2011, we acquired the remaining 30% ownership of our business in the southern portion of China from our noncontrolling partner, Maxim' s Caterers Limited (Maxim' s). We simultaneously sold our 5% ownership interest in the Hong Kong market to Maxim' s.

In the first quarter of fiscal 2010, we acquired 100% ownership of our business in France, converting it from a 50% joint venture with Sigla S.A. (Grupo Vips) of Spain to a company-operated market. We simultaneously sold our 50% ownership interests in the Spain and Portugal markets to Grupo Vips, converting them to licensed markets.

In the fourth quarter of fiscal 2010, we acquired 100% ownership of our business in Brazil, converting it from a 49% joint venture with Cafés Sereia do Brasil Participações S.A of Brazil to a company-operated market.

In the fourth quarter of fiscal 2010, we acquired 100% ownership of a previously consolidated 50% joint venture in the US with Johnson Coffee Corporation, Urban Coffee Opportunities ("UCO").

The following table shows the effects of the change in Starbucks ownership interest in UCO and our business in South China on Starbucks equity:

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Net earnings attributable to Starbucks	$1,245.7	$ 945.6	$ 390.8
Transfers (to) from the noncontrolling interest:			
Decrease in additional paid-in capital for purchase of interest in subsidiary	(28.0)	(26.8)	0.0
Change from net earnings attributable to Starbucks and transfers to noncontrolling interest	$1,217.7	$ 918.8	$ 390.8

Note 18: Segment Reporting

Segment information is prepared on the same basis that our management reviews financial information for operational decision making purposes. We have three reportable operating segments: US, International, and CPG. Our Seattle' s Best Coffee operating segment is reported with our unallocated corporate expenses and Digital Ventures in "Other".

United States

US operations sell coffee and other beverages, complementary food, whole bean coffees, and a focused selection of merchandise primarily through company-operated stores. Other operations within the US include licensed stores.

International

International operations sell coffee and other beverages, complementary food, whole bean coffees, and a focused selection of merchandise through company-operated stores in Canada, the UK, and several other markets. Other operations in international markets primarily include retail store licensing operations in nearly 50 countries and foodservice accounts, primarily in the UK and Canada. Many of our international operations are in the early stages of development that require a more extensive support organization, relative to the current levels of revenue and operating income, than in the US.

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Global Consumer Products Group

CPG operations sell a selection of whole bean and ground coffees as well as a selection of premium Tazo® teas in US and international markets. CPG operations also produce and sell ready-to-drink beverages which include, among others, bottled Frappuccino® beverages, Starbucks DoubleShot® espresso drinks, and Discoveries® chilled cup coffee. In addition, CPG operations produce and sell Starbucks VIA® Ready Brew, as well as Starbucks® super-premium ice creams through its marketing and distribution agreements and a joint venture. The US foodservice business sells coffee and other related products to institutional foodservice companies with the majority of its sales through national broadline distribution networks.

Other

Other includes Seattle' s Best Coffee and Digital Ventures as well as expenses pertaining to corporate administrative functions that support the operating segments but are not specifically attributable to or managed by any segment, and are not included in the reported financial results of the operating segments.

Revenue mix by product type *(in millions)*:

Fiscal Year Ended	Oct 2, 2011		Oct 3, 2010		Sep 27, 2009	
Beverage	$7,217.0	62 %	$6,750.3	63 %	$6,238.4	64 %
Food	2,008.0	17 %	1,878.7	18 %	1,680.2	17 %
Whole bean and soluble coffees	1,451.0	12 %	1,131.3	10 %	965.2	10 %
Other[1]	1,024.4	9 %	947.1	9 %	890.8	9 %
Total	$11,700.4	100%	$10,707.4	100%	$9,774.6	100%

(1) Other includes royalty and licensing revenues, beverage-related accessories and equipment revenues.

Information by geographic area (*in millions*):

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Net revenues from external customers:			
United States	$8,966.9	$8,335.4	$7,787.7
Other countries	2,733.5	2,372.0	1,986.9
Total	$11,700.4	$10,707.4	$9,774.6

No customer accounts for 10% or more of our revenues. Revenues are shown based on the geographic location of our customers. Revenues from countries other than the US consist primarily of revenues from Canada, UK, and China, which together account for approximately 66% of net revenues from other countries for fiscal 2011.

	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Long-lived assets:			
United States	$2,587.1	$2,807.9	$2,776.7
Other countries	978.4	821.6	764.3
Total	$3,565.5	$3,629.5	$3,541.0

Management evaluates the performance of its operating segments based on net revenues and operating income. The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies in Note 1. Operating income represents earnings before net interest income and other, interest expense and income taxes. Management does not evaluate the performance of its operating segments using asset measures. The identifiable assets by segment disclosed in this note are those assets specifically identifiable within each segment and include net property, plant and equipment, equity and cost investments, goodwill, and other intangible assets. Corporate assets are primarily comprised of cash and investments, assets of the corporate headquarters and roasting facilities, and inventory.

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The table below presents financial information for our reportable operating segments and Other for the fiscal years noted *(in millions)*:

	United States	International	CPG	Other	Total
Fiscal 2011:					
Total net revenues	$ 8,038.0	$ 2,626.1	$860.5	$175.8	$11,700.4
Depreciation and amortization	343.8	118.5	2.4	58.6	523.3
Income from equity investees	0.0	100.5	75.6	(2.4)	173.7
Operating income/(loss)	1,562.6	349.7	273.0	(456.8)	1,728.5
Total assets	1,479.4	1,300.7	54.7	4,525.6	7,360.4
Fiscal 2010:					
Total net revenues	$ 7,560.4	$ 2,288.8	$707.4	$150.8	$10,707.4
Depreciation and amortization	350.7	108.6	3.7	47.4	510.4
Income from equity investees	0.0	80.8	70.6	(3.3)	148.1
Operating income/(loss)	1,291.1	225.2	261.4	(358.3)	1,419.4
Total assets	1,482.9	1,272.8	54.1	3,576.1	6,385.9
Fiscal 2009:					
Total net revenues	$ 7,061.7	$ 1,914.3	$674.4	$124.2	$9,774.6
Depreciation and amortization	377.9	102.2	4.8	49.8	534.7
Income from equity investees	0.5	53.6	67.8	0.0	121.9
Operating income/(loss)	530.1	91.2	281.8	(341.1)	562.0
Total assets	1,640.8	1,071.3	71.1	2,793.6	5,576.8

The table below reconciles the total of the reportable segments' operating income and the operating income included in Other to consolidated earnings before income taxes *(in millions)*:

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Operating income	$1,728.5	$1,419.4	$ 562.0
Interest income and other, net	115.9	50.3	37.0
Interest expense	(33.3)	(32.7)	(39.1)
Earnings before income taxes	$1,811.1	$1,437.0	$ 559.9

Note 19: Subsequent Event

In the first quarter of fiscal 2012, we acquired the outstanding shares of Evolution Fresh, Inc., a specialty juice company, to expand our portfolio of product offerings and enter into the super-premium juice market. We acquired Evolution Fresh for a purchase price of $30 million in cash.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of Starbucks Corporation
Seattle, Washington

We have audited the accompanying consolidated balance sheets of Starbucks Corporation and subsidiaries (the "Company") as of October 2, 2011 and October 3, 2010, and the related consolidated statements of earnings, equity, and cash flows for each of the three years in the period ended October 2, 2011. These financial statements are the responsibility of the Company' s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Starbucks Corporation and subsidiaries as of October 2, 2011 and October 3, 2010, and the results of their operations and their cash flows for each of the three years in the period ended October 2, 2011, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the Company' s internal control over financial reporting as of October 2, 2011, based on criteria established in *Internal Control − Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated November 18, 2011 expressed an unqualified opinion on the Company' s internal control over financial reporting.

/s/ Deloitte & Touche LLP

Seattle, Washington
November 18, 2011

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Item 9. ***Changes in and Disagreements with Accountants on Accounting and Financial Disclosure***

Not applicable.

Item 9A. ***Controls and Procedures***

Disclosure Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that material information required to be disclosed in our periodic reports filed or submitted under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is recorded, processed, summarized and reported within the time periods specified in the SEC' s rules and forms. Our disclosure controls and procedures are also designed to ensure that information required to be disclosed in the reports we file or submit under the Exchange Act is accumulated and communicated to our management, including our principal executive officer and principal financial officer as appropriate, to allow timely decisions regarding required disclosure.

During the fourth quarter of fiscal 2011, we carried out an evaluation, under the supervision and with the participation of our management, including our chief executive officer and our chief financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Based upon that evaluation, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were effective, as of the end of the period covered by this report (October 2, 2011).

We are in the process of implementing new and upgraded financial information technology systems. As a part of this effort, during the third quarter of fiscal 2011 we implemented an updated version of our existing Oracle accounting system. This update has resulted in changes to our business processes and related internal controls over financial reporting, which have continued into the fourth quarter of fiscal 2011. Management has taken the necessary steps to update the design and documentation of internal control processes and procedures relating to the system update to supplement and complement existing internal controls. Management will continue to monitor, evaluate and update the related processes and internal controls as necessary during the post implementation period to ensure adequate internal control over financial reporting.

Other than as described above, during the fourth quarter of fiscal 2011, there were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) that materially affected or are reasonably likely to materially affect internal control over financial reporting.

The certifications required by Section 302 of the Sarbanes-Oxley Act of 2002 are filed as exhibits 31.1 and 31.2, respectively, to this 10-K.

Report of Management on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of our financial reporting for external purposes in accordance with accounting principles generally accepted in the United States of America. Internal control over financial reporting includes maintaining records that in reasonable detail accurately and fairly reflect our transactions; providing reasonable assurance that transactions are recorded as necessary for preparation of our financial statements; providing reasonable assurance that receipts and expenditures are made in accordance with management authorization; and providing reasonable assurance that unauthorized acquisition, use or disposition of company assets that could have a material effect our financial statements would be prevented or detected on a timely basis. Because of its inherent limitations, internal control over financial reporting is not intended to provide absolute assurance that a misstatement of our financial statements would be prevented or detected.

Management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework and criteria established in *Internal Control − Integrated Framework*, issued by the Committee of

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Sponsoring Organizations of the Treadway Commission. This evaluation included review of the documentation of controls, evaluation of the design effectiveness of controls, testing of the operating effectiveness of controls and a conclusion on this evaluation. Based on this evaluation, management concluded that our internal control over financial reporting was effective as of October 2, 2011.

Our internal control over financial reporting as of October 2, 2011, has been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report which is included herein.

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of Starbucks Corporation
Seattle, Washington

We have audited the internal control over financial reporting of Starbucks Corporation and subsidiaries (the "Company") as of October 2, 2011, based on criteria established in *Internal Control − Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. The Company' s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Report of Management on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company' s internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company' s internal control over financial reporting is a process designed by, or under the supervision of, the company' s principal executive and principal financial officers, or persons performing similar functions, and effected by the company' s board of directors, management, and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company' s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company' s assets that could have a material effect on the financial statements.

Because of the inherent limitations of internal control over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may not be prevented or detected on a timely basis. Also, projections of any evaluation of the effectiveness of the internal control over financial reporting to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of October 2, 2011, based on the criteria established in *Internal Control − Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated financial statements as of and for the fiscal year ended October 2, 2011, of the Company and our report dated November 18, 2011 expressed an unqualified opinion on those financial statements.

/s/ Deloitte & Touche LLP

Seattle, Washington
November 18, 2011

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Item 9B. ***Other Information***

None.

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PART III

Item 10. *Directors, Executive Officers and Corporate Governance*

Information regarding our executive officers is set forth in Item 1 of Part 1 of this Report under the caption "Executive Officers of the Registrant."

We adopted a code of ethics applicable to our chief executive officer, chief financial officer, controller and other finance leaders, which is a "code of ethics" as defined by applicable rules of the SEC. This code is publicly available on our website at http://www.starbucks.com/about-us/company-information/corporate-governance. If we make any amendments to this code other than technical, administrative or other non-substantive amendments, or grant any waivers, including implicit waivers, from a provision of this code to our chief executive officer, chief financial officer or controller, we will disclose the nature of the amendment or waiver, its effective date and to whom it applies on our website at http://www.starbucks.com/about-us/company-information/corporate-governance or in a report on Form 8-K filed with the SEC.

The remaining information required by this item is incorporated herein by reference to the sections entitled "Proposal 1 − Election Of Directors" and "Beneficial Ownership of Common Stock − Section 16(a) Beneficial Ownership Reporting Compliance," "Corporate Governance − Board Committees and Related Matters" and "Corporate Governance − Audit Committee" in our definitive Proxy Statement for the Annual Meeting of Shareholders to be held on March 21, 2012 (the "Proxy Statement").

Item 11. *Executive Compensation*

The information required by this item is incorporated by reference to the sections entitled "Executive Compensation," "Corporate Governance − Compensation of Directors" and "Corporate Governance − Compensation Committee" in the Proxy Statement.

Item 12. *Security Ownership of Certain Beneficial Owners and Management and Related Shareholder Matters*

The information required by this item is incorporated by reference to the sections entitled "Beneficial Ownership of Common Stock" and "Equity Compensation Plan Information" in the Proxy Statement.

Item 13. *Certain Relationships and Related Transactions, and Director Independence*

The information required by this item is incorporated by reference to the section entitled "Certain Relationships and Related Transactions" and "Corporate Governance − Affirmative Determinations Regarding Director Independence and Other Matters" in the Proxy Statement.

Item 14. *Principal Accounting Fees and Services*

The information required by this item is incorporated by reference to the sections entitled "Independent Registered Public Accounting Firm Fees" and "Policy on Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of the Independent Registered Public Accounting Firm" in the Proxy Statement.

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PART IV

Item 15. ***Exhibits and Financial Statement Schedules***

(a) The following documents are filed as a part of this 10-K:

1. Financial Statements

The following financial statements are included in Part II, Item 8 of this 10-K:

Consolidated Statements of Earnings for the fiscal years ended October 2, 2011, October 3, 2010, and September 27, 2009;

Consolidated Balance Sheets as of October 2, 2011 and October 3, 2010;

Consolidated Statements of Cash Flows for the fiscal years ended October 2, 2011, October 3, 2010, and September 27, 2009;

Consolidated Statements of Equity for the fiscal years ended October 2, 2011, October 3, 2010, and September 27, 2009;

Notes to Consolidated Financial Statements; and

Reports of Independent Registered Public Accounting Firm

2. Financial Statement Schedules

Financial statement schedules are omitted because they are not required or are not applicable, or the required information is provided in the consolidated financial statements or notes described in Item 15(a)(1) above.

3. Exhibits

The Exhibits listed in the Index to Exhibits, which appears immediately following the signature page and is incorporated herein by reference, are filed as part of this 10-K.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

STARBUCKS CORPORATION

By: /s/ Howard Schultz
Howard Schultz
chairman, president and chief executive officer

November 18, 2011

POWER OF ATTORNEY

Know all persons by these presents, that each person whose signature appears below constitutes and appoints Howard Schultz and Troy Alstead, and each of them, as such person' s true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for such person and in such person' s name, place and stead, in any and all capacities, to sign any and all amendments to this Report, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in connection therewith, as fully to all intents and purposes as such person might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them or their or such person' s substitute or substitutes, may lawfully do or cause to be done by virtue thereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities indicated as of November 18, 2011.

Signature	Title
By: /s/ Howard Schultz Howard Schultz	chairman, president and chief executive officer
By: /s/ Troy Alstead Troy Alstead	chief financial officer and chief administrative officer (principal financial officer and principal accounting officer)
By: /s/ William W. Bradley William W. Bradley	director
By: /s/ Mellody Hobson Mellody Hobson	director
By: /s/ Kevin R. Johnson Kevin R. Johnson	director
By: /s/ Olden Lee Olden Lee	director

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Signature	Title
By: /s/ Joshua Cooper Ramo Joshua Cooper Ramo	director
By: /s/ Sheryl Sandberg Sheryl Sandberg	director
By: /s/ James G. Shennan, Jr. James G. Shennan, Jr.	director
By: /s/ Javier G. Teruel Javier G. Teruel	director
By: /s/ Myron E. Ullman, III Myron E. Ullman, III	director
By: /s/ Craig E. Weatherup Craig E. Weatherup	director

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INDEX TO EXHIBITS

Exhibit Number	Exhibit Description	Incorporated by Reference Form	File No.	Date of First Filing	Exhibit Number	Filed Herewith
3.1	Restated Articles of Incorporation of Starbucks Corporation	10-Q	0-20322	05/12/06	3.1	
3.2	Amended and Restated Bylaws of Starbucks Corporation	8-K	0-20322	1/12/09	3.2	
4.1	Form of Indenture	S-3 ASR	333-145572	8/20/07	4.1	
4.2	Form of Note for 6.25% Senior Notes due 2017	8-K	0-20322	8/23/07	4.2	
4.3	Form of Supplemental Indenture for 6.25% Senior Notes due 2017	8-K	0-20322	8/23/07	4.3	
10.1*	Starbucks Corporation Amended and Restated Key Employee Stock Option Plan − 1994, as amended and restated through March 18, 2009	8-K	0-20322	3/20/09	10.2	
10.2*	Starbucks Corporation Amended and Restated 1989 Stock Option Plan for Non-Employee Directors	10-K	0-20322	12/23/03	10.2	
10.3	Starbucks Corporation 1991 Company-Wide Stock Option Plan, as amended and restated through March 18, 2009	8-K	0-20322	3/20/09	10.3	
10.3.1	Starbucks Corporation 1991 Company-Wide Stock Option Plan − Rules of the UK Sub-Plan, as amended and restated through November 20, 2003	10-K	0-20322	12/23/03	10.3	
10.4*	Starbucks Corporation Employee Stock Purchase Plan − 1995 as amended and restated through April 1, 2009	10-Q	0-20322	2/04/09	10.6	
10.5	Amended and Restated Lease, dated as of January 1, 2001, between First and Utah Street Associates, L.P. and Starbucks Corporation	10-K	0-20322	12/20/01	10.5	
10.6*	Starbucks Corporation Executive Management Bonus Plan, as amended and restated effective September 19, 2006	8-K	0-20322	9/25/06	10.1	
10.7*	Starbucks Corporation Management Deferred Compensation Plan, as amended and restated effective January 1, 2011	10-Q	0-20322	2/04/11	10.2	
10.8*	Starbucks Corporation 1997 Deferred Stock Plan	10-K	0-20322	12/23/99	10.17	
10.9	Starbucks Corporation UK Share Save Plan	10-K	0-20322	12/23/03	10.9	
10.10*	Starbucks Corporation Directors Deferred Compensation Plan, as amended and restated effective September 29, 2003	10-K	0-20322	12/23/03	10.10	
10.11*	Starbucks Corporation Deferred Compensation Plan for Non-Employee Directors, effective October 3, 2011	−	−	−		X

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Exhibit Number	Exhibit Description	Incorporated by Reference Form	File No.	Date of First Filing	Exhibit Number	Filed Herewith
10.12*	Consulting Agreement dated April 6, 2009 between Starbucks Corporation and Olden Lee	10-Q	0-20322	08/05/09	10.1	
10.13*	Amendment No. 1 to Consulting Agreement, dated as of October 1, 2009, between Starbucks Corporation and Olden Lee	10-Q	0-20322	02/02/10	10.1	
10.14	Starbucks Corporation UK Share Incentive Plan, as amended and restated effective November 14, 2006	10-K	0-20322	12/14/06	10.12	
10.15*	Starbucks Corporation 2005 Long-Term Equity Incentive Plan, as amended and restated effective March 23, 2011	10-Q	0-20322	05/06/11	10.1	
10.16*	2005 Key Employee Sub-Plan to the Starbucks Corporation 2005 Long-Term Equity Incentive Plan, as amended and restated effective November 15, 2005	10-Q	0-20322	02/10/06	10.2	
10.17*	2005 Non-Employee Director Sub-Plan to the Starbucks Corporation 2005 Long-Term Equity Incentive Plan, as amended and restated effective September 13, 2011	–	–	–	–	X
10.18*	Stock Option Grant Agreement for Purchase of Stock under the Key Employee Sub-Plan to the Starbucks Corporation 2005 Long-Term Equity Incentive Plan	–	–	–	–	X
10.19*	Stock Option Grant Agreement for Purchase of Stock under the 2005 Non-Employee Director Sub-Plan to the Starbucks Corporation 2005 Long-Term Equity Incentive Plan	8-K	0-20322	02/10/05	10.5	
10.20*	Restricted Stock Unit Grant Agreement under the 2005 Non-Employee Director Sub-Plan to the Starbucks Corporation 2005 Long-Term Equity Incentive Plan	–	–	–		X
10.21*	Letter Agreement dated February 5, 2009 between Starbucks Corporation and John Culver	10-Q	0-20322	05/06/09	10.4	
10.22	2005 Company-Wide Sub-Plan to the Starbucks Corporation 2005 Long-Term Equity Incentive Plan, as amended and restated on September 14, 2010	10-K	0-20322	11/22/10	10.20	
10.23	Stock Option Grant Agreement for Purchase of Stock under the 2005 Company-Wide Sub-Plan to the Starbucks Corporation 2005 Long-Term Equity Incentive Plan	10-Q	0-20322	08/10/05	10.2	

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Exhibit Number	Exhibit Description	Incorporated by Reference Form	File No.	Date of First Filing	Exhibit Number	Filed Herewith
10.24	Credit Agreement dated November 17, 2010 among Starbucks Corporation, Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer, and the other Lenders from time to time a party thereto.	8-K	0-20322	11/19/10	10.1	
10.25	Commercial Paper Dealer Agreement between Starbucks Corporation and Banc of America Securities LLC, dated as of March 27, 2007	8-K	0-20322	3/27/07	10.1.1	
10.26	Commercial Paper Dealer Agreement between Starbucks Corporation and Goldman, Sachs & Co., dated as of March 27, 2007	8-K	0-20322	3/27/07	10.1.2	
10.27*	Letter Agreement dated February 19, 2008 between Starbucks Corporation and Arthur Rubinfeld	10-Q	0-20322	05/08/08	10.1	
10.28*	Letter Agreement dated February 21, 2008 between Starbucks Corporation and Clifford Burrows	10-Q	0-20322	05/08/08	10.3	
10.29*	Letter Agreement dated November 6, 2008 between Starbucks Corporation and Troy Alstead	8-K	0-20322	11/12/08	10.1	
10.30*	Time Vested Restricted Stock Unit Agreement (US) under Starbucks Corporation 2005 Long-Term Equity Incentive Plan	–	–	–	–	X
10.31*	Time Vested Restricted Stock Unit Agreement (International) under Starbucks Corporation 2005 Long-Term Equity Incentive Plan	–	–	–	–	X
10.32*	Performance Based Restricted Stock Unit Agreement under Starbucks Corporation 2005 Long-Term Equity Incentive Plan	–	–	–	–	X
10.33*	Separation Agreement and Release dated November 30, 2009 between Starbucks Corporation and Martin Coles	10-Q	0-20322	02/02/10	10.2	
10.34*	Letter Agreement dated October 8, 2009 between Starbucks Corporation and Kalen Holmes	10-K	0-20322	11/22/11	10.32	
10.35*	Letter Agreement dated November 30, 2009 between Starbucks Corporation and John Culver	10-Q	0-20322	02/02/10	10.3	
10.36*	Letter Agreement dated September 1, 2009 between Starbucks Corporation and Annie Young-Scrivner	–	–	–	–	X
10.37*	Letter Agreement dated May 5, 2010, between Starbucks Corporation and Jeff Hansberry	–	–	–	–	X
10.38*	Letter Agreement dated August 9, 2011 between Starbucks Corporation and Michelle Gass	–	–	–	–	X

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Exhibit Number	Exhibit Description	Incorporated by Reference: Form	File No.	Date of First Filing	Exhibit Number	Filed Herewith
10.39*	Letter Agreement dated September 16, 2011 between Starbucks Corporation and Michelle Gass	–	–	–	–	X
12	Computation of Ratio of Earnings to Fixed Charges	–	–	–	–	X
21	Subsidiaries of Starbucks Corporation	–	–	–	–	X
23	Consent of Independent Registered Public Accounting Firm	–	–	–	–	X
31.1	Certification of Principal Executive Officer Pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	–	–	–	–	X
31.2	Certification of Principal Financial Officer Pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	–	–	–	–	X
32	Certifications of Principal Executive Officer and Principal Financial Officer Pursuant to 18 USC. Section 1350, As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	–	–	–	–	X
101**	The following financial statements from the Company' s 10-K for the fiscal year ended October 2, 2011, formatted in XBRL: (i) Condensed Consolidated Statements of Earnings, (ii) Condensed Consolidated Balance Sheets, (iii) Condensed Consolidated Statements of Cash Flows (iv) Consolidated Statements of Equity (v) Notes to Condensed Consolidated Financial Statements					

* Denotes a management contract or compensatory plan or arrangement.

** Furnished herewith.

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Exhibit 10.11

STARBUCKS CORPORATION

DEFERRED COMPENSATION PLAN FOR NON-EMPLOYEE DIRECTORS

Starbucks Corporation hereby establishes a nonqualified deferred compensation plan for members of the Board of Directors of the Company who are not employees or officers of the Company to be known as the Starbucks Corporation Deferred Compensation Plan for Non-Employee Directors. The purpose of the Plan is to enhance the Company's ability to attract and retain Non-Employee Directors whose training, experience and ability will promote the interests of the Company and to directly align the interests of such Non-Employee Directors with the interests of the Company's shareholders. The Plan is designed to permit Non-Employee Directors to defer the receipt of all or a portion of the compensation otherwise payable to them in the form of Stock Awards for services to the Company as members of the Board.

The Plan is effective as of October 3, 2011 (the "**Effective Date**"). The Plan is intended to be, and shall be administered as, an unfunded plan maintained for the purpose of providing deferred compensation for the Non-Employee Directors and, as such, is not an "employee benefit plan" within the meaning of Title I of ERISA (as defined below).

ARTICLE I
DEFINITIONS

(a) "**Board**" means the Board of Directors of the Company.

(b) "**Code**" means the Internal Revenue Code of 1986, as amended.

(c) "**Committee**" means the Committee that has been appointed by the Board pursuant to Article V of the Plan, which shall initially be the Nominating and Corporate Governance Committee.

(d) "**Common Stock**" means the common stock, par value $0.001 per share, of the Company, subject to adjustment as described in Section 5 of the Omnibus Plan.

(e) "**Company**" means Starbucks Corporation, a Washington corporation, and any successor thereto.

(f) "**Deferred Compensation Account**" shall have the meaning set forth in Article III of the Plan.

(g) "**ERISA**" means the Employee Retirement Income Security Act of 1974, as amended.

(h) "**Exchange Act**" means the Securities Exchange Act of 1934, as amended.

(i) "**Non-Employee Director**" means any Director of the Company who is not an officer or employee of either the Company or any of its affiliates.

(j) "**Omnibus Plan**" means the Starbucks Corporation Amended and Restated 2005 Long-Term Equity Incentive Plan, as amended, or any successor thereto.

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(k) "**<u>Participant</u>**" means a Non-Employee Director of the Company (and, if applicable, their beneficiaries) who has elected to (or been required to) participate in the Plan.

(l) "**<u>Plan</u>**" means this Starbucks Corporation Deferred Compensation Plan for Non-Employee Directors, including any amendments thereto.

(m) "**<u>Plan Year</u>**" means the Company' s fiscal year.

(n) "**<u>Separation Date</u>**" means the date on which the Participant terminates his or her services as a Non-Employee Director.

(o) "**<u>Stock Award</u>**" means any restricted stock unit or restricted stock award granted to a Non-Employee Director in respect of his or her service on the Board (including service on any committee thereof).

(p) "**<u>Subsidiary</u>**" means any corporation or partnership in which the Company owns, directly or indirectly, more than 50% of the total combined voting power of all classes of stock of such corporation or of the capital interest or profits interest of such partnership or an entity with respect to which the Company possesses the power, directly or indirectly, to direct or cause the direction of the management and policies of that entity, whether through the Company' s ownership of voting securities, by contract or otherwise.

ARTICLE II
PARTICIPATION REQUIREMENTS

2.1. <u>Eligibility</u>. All Non-Employee Directors are eligible to participate in the Plan. A Non-Employee Director will be deemed a Participant in the Plan if he or she defers the settlement of Stock Awards granted during a Plan Year as provided herein.

2.2. <u>Elections</u>. The election to defer the settlement of the Participant' s Stock Awards granted during the next Plan Year, as well as the election of the form and timing of any distributions on the Participant' s behalf with respect to such amounts deferred, shall be made by written notice delivered by the Participant to the Company not later than the day preceding the first day of the Plan Year in which such Stock Awards will be granted. In the case of a Non-Employee Director who first becomes eligible during a Plan Year, such election must be made by written notice not later than thirty (30) days after such Non-Employee Director first becomes a member of the Board and prior to the date any Stock Awards are granted to such Non-Employee Director. If a Non-Employee Director elects to defer the settlement of Stock Awards to be granted during a Plan Year, such election will apply to all Stock Awards granted during such year (i.e., there is no partial deferral). Each such election shall be irrevocable during such Plan Year.

ARTICLE III
DEFERRED COMPENSATION ACCOUNTS

3.1. <u>Establishment of Deferred Compensation Accounts</u>. An account shall be established for each Participant which shall be designated as his or her Deferred Compensation Account. Each Participant' s Deferred Compensation Account may be sub-allocated as a recordkeeping matter and accounting convenience, but the Company shall not be required to segregate any amounts credited to the Deferred Compensation Accounts in any manner or in any form, except in its sole discretion.

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3.2. Crediting of Stock Awards to Deferred Compensation Accounts. Upon the execution of a valid election form pursuant to Section 2.2 with respect to the deferral of Stock Awards to be granted to the Participant in the next Plan Year, such Stock Awards shall be credited to the Participant' s Deferred Compensation Accounts as and when such Stock Award would have otherwise been settled by the issuance of shares of Common Stock to the Participant (i.e. following vesting of the Stock Award or portion thereof). Amounts credited to a Participant' s Deferred Compensation Account shall be credited in the form of Deferred Stock Units with each Deferred Stock Unit the equivalent of one share of Common Stock that would have otherwise been issued upon settlement of the Stock Award at the time of vesting, subject to adjustment as described in Section 5 of the Omnibus Plan.

3.3. Investment Gains and Losses; Dividends. A Participant' s Deferred Compensation Account will be credited with notional investment gain or loss that mirror the performance of the number of shares of Common Stock equal to the number of Deferred Stock Units credited to the Participant' s Deferred Compensation Account. If dividends on the Common Stock payable in cash are declared, additional Deferred Stock Units will be credited to such Deferred Compensation Account in the following manner. First, a notional value equal to the cash value of dividends that would be paid upon the same number of whole shares of Common Stock as the Participant has Deferred Stock Units in his or her Deferred Compensation Account on the record date established for such dividend will be calculated. Second, such notional value will be deemed to be allocated to the Participant' s Deferred Compensation Account and credited to a corresponding number of Deferred Stock Units to such Deferred Compensation Account (in whole or fractional units) as of the same date, as soon as administratively practicable.

3.4. Account Valuation. With respect to any distribution for a Participant' s Deferred Compensation Account as provided for in Article IV of the Plan, the aggregate value of any such distribution shall be calculated by reference to the notional value of the Deferred Compensation Account as of the last trading day on or prior to the date such distribution becomes payable pursuant to Article IV.

ARTICLE IV
DISTRIBUTIONS FROM THE PLAN

4.1. Timing and Form of Distribution. The Company shall pay to the Participant (or, in the event of the Participant' s death, to the Participant' s designated beneficiary) a sum equal to the amount then standing to his or her credit in his or her Deferred Compensation Account (plus earnings as provided for under Section 3.3 herein), in the following manner:

(a) Separation Distributions. Unless an In-Service Distribution is elected pursuant to Section 4.1(b), payment of amounts credited to a Participant' s Deferred Compensation Account for any Plan Year shall be made in one lump sum within 90 days following the Participant' s Separation Date.

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(b) Scheduled In-Service Distributions. A Participant may elect pursuant to Section 2.2 to receive payment of the portion of the Participant' s Deferred Compensation Account attributable to deferrals for any Plan Year while the Participant is still a member of the Board (an "**In-Service Distribution**") in the following manner:

(i) Payments shall be made in a lump sum on the date that is three (3) years following the vesting date for the Stock Award.

(ii) Any desired In-Service Distribution must be separately elected for each Plan Year' s Elective Deferrals.

(iii) Notwithstanding the above, if the Participant' s service on the Board terminates before payments under the In-Service Distribution are paid, the In-Service Distribution shall cease and the balance of the Participant' s Deferred Compensation Account shall be paid in accordance with Section 4.1(a).

(c) Normal Form of Benefits. In the event no election is made pursuant to this Article IV, payments shall be made in lump sum within 90 days following the Participant' s Separation Date.

(d) Death of Participant. Notwithstanding the above, if the Participant dies before payment in full of the Participant' s Deferred Compensation Account, the balance of the Participant' s Deferred Compensation Account shall immediately become due and payable in one lump sum to the Participant' s beneficiary or, if no beneficiary is designated or then living, to the Participant' s estate within 90 days of the date of the Participant' s death.

(e) Form of Distribution. For all distributions under the Plan, the portion of a Participant' s Deferred Compensation Account notionally invested in Deferred Stock Units shall be distributed in whole shares of Common Stock (one share for each Deferred Stock Unit) and the remainder of the Participant' s Deferred Compensation Account shall be distributed in cash. No fractional shares will be issued under the Plan.

ARTICLE V
ADMINISTRATION OF THE PLAN

5.1. Administration of the Plan. The Board shall appoint a Committee to administer the Plan. The Committee shall maintain such procedures and records as will enable the Committee to determine the Participants and their beneficiaries who are entitled to receive benefits under the Plan and the amounts thereof.

5.2. General Powers of Administration. The Committee shall have the exclusive right, power, and authority to interpret, in its sole discretion, any and all of the provisions of the Plan; and to consider and decide conclusively any questions (whether of fact or otherwise) arising in connection with the administration of the Plan or any claim for benefits arising under the Plan. Any decision or action of the Committee shall be conclusive and binding on the Company and the Participants. The Committee shall have the authority to establish sub-plans or alternative procedures or guidelines for Participants who reside outside of the United States or are otherwise subject to the laws, rules and/or regulations of any jurisdiction outside of the United States. The Plan is designed to comply with the applicable requirements of Section 409A of the Code and the regulations promulgated thereunder, and shall be administered and construed to the maximum extent possible consistent with the requirements of such Section and such regulations.

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ARTICLE VI
AMENDMENT AND TERMINATION

The Board reserves the right to amend or terminate the Plan in any respect and at any time, without the consent of Participants or beneficiaries; provided, however, that the following conditions with respect to such amendment or termination must be satisfied in order for such amendment or termination to be binding and in effect such amendment or termination resolution may not adversely affect the rights of any Participant or beneficiary to receive benefits earned and accrued under the Plan prior to such amendment or termination.

ARTICLE VII
GENERAL PROVISIONS

7.1. Common Stock Subject to the Plan. The shares of Common Stock that may be distributed under the Plan in accordance with Article IV shall be issued pursuant to, and deducted from the share pool under, the Omnibus Plan.

7.2. Participant' s Rights Unsecured and Unfunded. This Plan is an unfunded plan maintained primarily to provide deferred compensation benefits for Non-Employee Directors, and therefore is exempt from the provisions of Parts 2,3 and 4 of Title I of ERISA. Accordingly, no assets of the Company shall be segregated or earmarked to represent the liability for accrued benefits under the Plan. Amounts referenced in Participant account statements are only recordkeeping devices reflecting such liability for accrued benefits, and do not reflect any actual amounts credited. The right of a Participant (or his or her beneficiary) to receive a payment hereunder shall be an unsecured claim against the general assets of the Company or any successor to the Company. All payments under the Plan shall be made from the general funds of the Company or any successor. The Company is not required to set aside money or any other property to fund its obligations under the Plan, and all amounts that may be set aside by the Company prior to the distribution of account balances under the terms of the Plan remain the property of the Company (or, if applicable, any successor).

7.3. No Guarantee of Benefits. Nothing contained in the Plan shall constitute a guaranty by the Company or any other person or entity that the assets of the Company will be sufficient to pay any benefit hereunder.

7.4. No Creation of Employee Rights; Plan is Not A Contract of Employment. Participation in the Plan shall not be construed to give or deem any Participant to be an employee of the Company. This Plan shall not constitute a contract of employment between the Company and any Participant.

7.5. Non-Alienation Provision. No interest of any person or entity in, or right to receive a benefit or distribution under, the Plan shall be subject in any manner to sale, transfer, anticipation, assignment, pledge, attachment, garnishment, or other alienation or encumbrance of any kind; nor may such interest or right to receive a distribution be taken, either voluntarily or involuntarily for the satisfaction of the debts of, or other obligations or claims against, such person or entity, including claims for alimony, support, separate maintenance and claims in bankruptcy proceedings.

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7.6. Applicable Law; Severability. The Plan shall be construed and administered under the laws of the State of Washington, except to the extent that such laws are preempted by ERISA, if applicable. In the event any provision of this Plan shall be determined to be illegal or invalid for any reason, the remaining portion(s) shall continue in full force and effect as if such illegal or invalid provision had never been included herein.

7.7. No Impact on Other Benefits. Amounts accrued under the Plan shall not be included in a Participant' s compensation for purposes of calculating benefits under any other plan, program or arrangement sponsored by the Company.

7.8. Data. Each Participant or beneficiary shall furnish the Committee all proofs of dates of birth and death and proofs of continued existence necessary for the administration of the Plan, and the Company shall not be liable for the fulfillment of any Plan benefits in any way dependent upon such information unless and until the same shall have been received by the Committee in a form satisfactory to it.

7.9. Incapacity of Recipient. If a Participant or other beneficiary entitled to a distribution under the Plan is living under guardianship or conservatorship, distributions payable under the terms of the Plan to such Participant or beneficiary shall be paid to his or her appointed guardian or conservator and such payment shall be a complete discharge of any liability of the Company under the Plan.

7.10. Usage of Terms and Headings. Words in the masculine gender shall include the feminine and the singular shall include the plural, and vice versa, unless qualified by the context. Any headings are included for ease of reference only, and are not to be construed to alter the terms of the Plan.

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Exhibit 10.17

STARBUCKS CORPORATION

2005 NON-EMPLOYEE DIRECTOR SUB-PLAN
TO THE
STARBUCKS CORPORATION
2005 LONG-TERM EQUITY INCENTIVE PLAN

(as amended and restated effective September 13, 2011)

1. Purpose. The purpose of this Sub-Plan is (i) to assist in the administration and implementation of the Starbucks Corporation 2005 Long-Term Equity Incentive Plan, as it may be amended from time to time (the "**Plan**"), by providing additional procedures and guidelines which apply specifically to Non-Employee Directors, and (ii) to attract and retain the services of experienced and knowledgeable Non-Employee Directors for the benefit of the Company and its shareholders. This Sub-Plan is intended to provide an incentive for Non-Employee Directors by linking the interests of the Non-Employee Directors with those of the Company' s shareholders.

2. Definitions. Capitalized terms used without definition in this Sub-Plan shall have the meanings given to such terms in the Plan. To the extent that any term defined herein conflicts with the definition of such term under the Plan, the definition in this Sub-Plan shall control.

For purposes of the Sub-Plan:

(a) "**Award**" shall mean any award or benefits granted under this Sub-Plan, including Options, Restricted Stock and Restricted Stock Units.

(b) "**Award Agreement**" shall mean the written or electronic agreement between the Company and the Participant setting forth the terms of the Award.

(c) "**Board**" shall mean the Board of Directors of the Company.

(d) "**Change in Control**" shall mean the first day that any one or more of the following conditions shall have been satisfied:

(i) the sale, liquidation or other disposition of all or substantially all of the Company' s assets in one or a series of related transactions;

(ii) an acquisition (other than directly from the Company) of any outstanding voting securities by any Person, after which such person (as the term is used for purposes of Section 13(d) or 14(d) of the Exchange Act) has Beneficial Ownership of twenty-five percent (25%) or more of the then outstanding voting securities of the Company, other than a Board approved transaction;

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(iii) during any 36-consecutive month period, the individuals who, at the beginning of such period, constitute the Board ("Incumbent Directors") cease for any reason other than death to constitute at least a majority of the members of the Board; provided however that except as set forth in this Section 2(f)(iii), an individual who becomes a member of the Board subsequent to the beginning of the 36-month period, shall be deemed to have satisfied such 36-month requirement and shall be deemed an Incumbent Director if such Director was elected by or on the recommendation of or with the approval of at least two-thirds of the Directors who then qualified as Incumbent Directors either actually (because they were Directors at the beginning of such period) or by operation of the provisions of this section; if any such individual initially assumes office as a result of or in connection with either an actual or threatened solicitation with respect to the election of Directors (as such terms are used in Rule 14a-12(c) of Regulation 14A promulgated under the Exchange Act) or other actual or threatened solicitations of proxies or consents by or on behalf of a Person other than the Board, then such individual shall not be considered an Incumbent Director; or

(iv) a merger, consolidation or reorganization of the Company, as a result of which the shareholders of the Company immediately prior to such merger, consolidation or reorganization own directly or indirectly immediately following such merger, consolidation or reorganization less than fifty percent (50%) of the combined voting power of the outstanding voting securities of the entity resulting from such merger, consolidation or reorganization.

(e) "**Misconduct**" shall mean in the case of Non-Employee Directors, the removal from the Board for cause (as determined by the Company' s shareholders).

(f) "**Non-Employee Director**" shall mean a Director who is not a Partner.

(g) "**Option**" shall mean an option to purchase Shares granted pursuant to this Sub-Plan that does not qualify or is not intended to qualify as an incentive stock option under Section 422 of the Code.

(h) "**Participant**" shall mean each Non-Employee Director who has not been a Partner at any time during the immediately preceding 12-month period, and each permitted transferee of an Award under Section 6(e).

(i) "**Plan**" shall mean the Starbucks Corporation 2005 Long-Term Equity Incentive Plan, as it may be amended from time to time.

(j) "**Restricted Stock**" shall mean a grant of Shares pursuant to this Sub-Plan.

(k) "**Restricted Stock Units**" shall mean a grant of the right to receive Shares in the future or their cash equivalent (or both) pursuant to this Sub-Plan and may be paid in Shares, their cash equivalent or both.

(l) "**Retirement**" shall mean, with respect to any Participant, ceasing to be a Director pursuant to election by the Company' s shareholders or by voluntary resignation with the approval of the Board' s chair after having attained the age of 55 years and served continuously on the Board for at least six years.

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(m) "**Sub-Plan**" means this Starbucks Corporation 2005 Non-Employee Director Sub-Plan to the Plan, as such plan may be amended and restated from time to time.

3. Administration of the Sub-Plan.

(a) **Board**. This Sub-Plan shall be administered by the Board, subject to such terms and conditions as the Board may prescribe; provided that they are consistent with the terms of the Plan. Notwithstanding anything herein to the contrary, in its discretion the Board may delegate some or all of its authority to administer this Sub-Plan to one or more committees of the Board.

(b) **Authority; Powers**. Subject to the express terms and conditions set forth herein and the Plan, the Board shall have the discretion from time to time:

(i) to grant Options, Restricted Stock and Restricted Stock Units to Participants and to determine the terms and conditions of such Awards, including the determination of the Fair Market Value of the Shares and the exercise price, and to modify or amend each Award, with the consent of the Participant when required;

(ii) to determine the Participants to whom Awards, if any, will be granted hereunder, the timing of such Awards, and the number of Shares to be represented by each Award;

(iii) to construe and interpret this Sub-Plan and the Awards granted hereunder;

(iv) to prescribe, amend, and rescind rules and regulations relating to this Sub-Plan, including the form of Award Agreement, and manner of acceptance of an Award, such as correcting a defect or supplying any omission, or reconciling any inconsistency so that this Sub-Plan or any Award Agreement complies with applicable law, regulations and listing requirements and to avoid unanticipated consequences deemed by the Board to be inconsistent with the purposes of the Plan or any Award Agreement;

(v) to establish Performance Criteria (as defined in Section 11(b) of the Plan) for Awards made pursuant to the Plan in accordance with a methodology established by the Board, and to determine whether performance goals have been attained;

(vi) to accelerate or defer (with the consent of the Participant) the exercise or vested date of any Award;

(vii) to authorize any Person to execute on behalf of the Company any instrument required to effectuate the grant of an Award previously granted by the Board;

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(viii) to establish sub-plans, procedures, or guidelines for the grant of Awards to Non-Employee Directors; and

(ix) to make all other determinations deemed necessary or advisable for the administration of this Sub-Plan;

provided that, no consent of a Participant is necessary under clauses (i) or (vi) if a modification, amendment, acceleration, or deferral, in the reasonable judgment of the Board, confers a benefit on the Participant or is made pursuant to an adjustment in accordance with Section 7.

(c) **Effect of Board' s Decision**. All decisions, determinations, and interpretations of the Board shall be final and binding on all Participants, the Company (including its Subsidiaries), any shareholder and all other Persons.

4. Award Grants.

(a) **Initial Award Grant**. Each Participant initially elected or appointed to the Board effective other than on the first day of a fiscal year (the "Effective Date of Initial Election or Appointment") shall be granted an Award, pursuant to one or more Award Agreements, of Options and/or Restricted Stock Units (based on the Participant' s election in a manner and within the limitations specified by the Board) with a value on the date of grant equal to the annual compensation for Directors in effect on the Effective Date of Initial Election or Appointment multiplied by a fraction, the numerator of which is the number of days remaining in the Company' s fiscal year on the Effective Date of Initial Election or Appointment, and the denominator of which is the total number of days in such fiscal year. The number of shares subject to an Option and/or Award of Restricted Stock Units under this Section 4(a) shall be determined pursuant to the formula set forth in Section 4(c).

(b) **Annual Award Grant**. Each Participant who is serving as a Director as of the first day of the Company' s fiscal year shall be granted, on the date the Board grants annual Awards to the Company' s executive officers, an Award, pursuant to one or more Award Agreements, of Options and/or Restricted Stock Units (based on the Participant' s election in a manner and within the limitations specified by the Board) with a value on the date of grant equal to that portion of the annual compensation for Directors in effect for such fiscal year that the Participant has elected to receive in the form of an Award of Options and/or Restricted Stock Units. The number of shares subject to an Option and/or Award of Restricted Stock Units under this Section 4(b) shall be determined pursuant to the formula set forth in Section 4(c).

(c) **Grant Formula**. The number of Shares subject to Awards to be granted under Sections 4(a) or 4(b) shall be determined by dividing the amount of director compensation that the Participant has elected to receive in the form of Options and/or Restricted Stock Units by the Fair Market Value of the Common Stock on date of grant (rounded down to the nearest whole share), and, with respect to Options (and not Restricted Stock Units) multiplying such amount by three (3).

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5. Vesting of Awards. Unless otherwise approved by action of the Board and reflected in the applicable Award Agreement, or unless, with respect to Options, the Option otherwise expires earlier under Section 8 of this Sub-Plan:

(a) **Initial Award Grants**. An initial Award grant under Section 4(a) shall vest in its entirety and, with respect to Options, become exercisable on the same vesting date of the annual Awards granted pursuant to Section 4(b) in the same fiscal year of the Effective Date of Initial Election or Appointment of the Participant who received such initial Award grant.

(b) **Annual Award Grants**. An annual Award grant under Section 4(b) shall vest in its entirety and, with respect to Options, become exercisable on the first anniversary of the date of grant.

(c) **Retirement**. In the event of a termination of a Participant' s service with the Company due to the Participant' s Retirement, all Options (but not other Awards) granted hereunder, to the extent then unvested, shall immediately vest and become exercisable in full.

6. Procedure for Exercise of Awards; Rights as a Shareholder.

(a) **Procedure**. An Award shall be exercised when written, electronic or verbal notice of exercise has been given to the Company, or the brokerage firm or firms approved by the Company to facilitate exercises and sales under this Sub-Plan, in accordance with the terms of the Award by the Person entitled to exercise the Award and full payment for the Shares with respect to which the Award is exercised has been received by the Company or the brokerage firm or firms, as applicable. The notification to the brokerage firm shall be made in accordance with procedures of such brokerage firm approved by the Company. Full payment may, as authorized by the Board, consist of any consideration and method of payment allowable under Section 6(b) of this Sub-Plan. The Company shall issue (or cause to be issued) such Shares promptly upon exercise of or settlement of the Award. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Shares are issued, except as provided in Section 7 of this Sub-Plan.

(b) **Method of Payment**. The consideration to be paid for any Shares to be issued upon exercise or other required settlement of an Award, including the method of payment, shall be determined by the Board at or prior to the time of settlement and which forms may include: (i) with respect to an Option, a request that the Company or the designated brokerage firm conduct a cashless exercise of the Option; (ii) cash; and (iii) tender of shares of Common Stock owned by the Participant in accordance with rules established by the Board from time to time. Shares used to pay the exercise price shall be valued at their Fair Market Value on the exercise date. Payment of the aggregate exercise price by means of tendering previously-owned shares of Common Stock shall not be permitted when the same may, in the reasonable opinion of the Company, cause the Company to record a loss or expense as a result thereof.

(c) **Withholding Obligations**. To the extent required by applicable federal, state, local or foreign law, the Board may and/or a Participant shall make arrangements satisfactory to the Company for the satisfaction of any withholding tax obligations that arise with respect to any Option, Restricted Stock or Restricted Stock Units, or any sale of Shares. The

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Company shall not be required to issue Shares or to recognize the disposition of such Shares until such obligations are satisfied. These obligations may be satisfied by having the Company withhold a portion of the Shares that otherwise would be issued to a Participant under such Award, such withholding to be done at the minimum tax rate required under applicable law or by tendering Shares previously acquired by the Participant in accordance with rules established by the Board from time to time.

(d) **Shareholder Rights**. Except as otherwise provided in this Sub-Plan, until the issuance (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company) of such Shares, no right to vote or receive dividends or any other rights as a shareholder shall exist with respect to the Shares subject to the Award, notwithstanding the exercise of the Award.

(e) **Non-Transferability of Awards**. An Award may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in exchange for consideration, and may be exercised, during the lifetime of the Participant, only by the Participant, except that an Award may be transferred (i) by will or by the laws of descent or distribution, (ii) by gift or, with the consent of the Company for value, to immediate family members of the Participant, partnerships of which the only partners are members of the Participant's immediate family and trusts established solely for the benefit of such family members; and solely as it pertains to effecting an exercise of Awards transferred in accordance with this Section 6(e), the term Participant shall include a permitted transferee, (iii) to the extent permitted by the Board, to one or more beneficiaries on a Company-approved form who may exercise the Award after the Participant's death, or (iv) such further transferability as the Board may permit, on a general or specific basis, in which case the Board may impose conditions and limitations on any permitted transferability.

7. Adjustments to Shares Subject to the Plan. If any change is made to the Shares by reason of any stock split, stock dividend, recapitalization, combination of shares, exchange of shares or other change affecting the outstanding Shares as a class without the Company's receipt of consideration, appropriate adjustments shall be made to the number of Shares that are subject to outstanding Awards under this Sub-Plan. The Board may also make adjustments described in the previous sentence in the event of any distribution of assets to shareholders other than a normal cash dividend. In determining adjustments to be made under this Section 7, the Board may take into account such factors as it deems appropriate, including the restrictions of applicable law and the potential tax consequences of an adjustment, and in light of such factors may make adjustments that are not uniform or proportionate among outstanding Awards. Adjustments, if any, and any determinations or interpretations, including any determination of whether a distribution is other than a normal cash dividend, made by the Board shall be final, binding and conclusive. For purposes of this Section 7, conversion of any convertible securities of the Company shall not be deemed to have been "effected without receipt of consideration."

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8. Expiration of Awards.

(a) **Expiration, Termination or Forfeiture of Awards**. Unless otherwise provided in the applicable Award Agreement or any severance agreement, vested Awards granted under this Sub-Plan shall expire, terminate, or otherwise be forfeited as follows:

(i) thirty-six (36) months after the date the Participant ceases to be a Director, other than in circumstances covered by (ii) or (iii) below;

(ii) immediately upon a Participant ceasing to be a Director due to Misconduct; and

(iii) twelve (12) months after the date of the death of a Participant who ceased to be a Director as a result of his or her death.

(b) **Extension of Term**. Notwithstanding subsection (a) above, the Board shall have the authority to extend the expiration date of any outstanding Option in circumstances in which it deems such action to be appropriate (provided that no such extension shall extend the term of an Option beyond the date on which the Option would have expired if no termination of the Participant' s status as a Director had occurred).

9. Effect of Change of Control. Notwithstanding any other provision in this Sub-Plan or the Plan to the contrary, the following provisions shall apply unless otherwise provided in the most recently executed agreement between the Participant and the Company, or specifically prohibited under applicable laws, or by the rules and regulations of any applicable governmental agencies or national securities exchanges or quotation systems.

(a) **Acceleration**. Awards of a Participant shall be Accelerated (as defined in Section 9(b) below) upon the occurrence of a Change of Control.

(b) **Definition**. For purposes of this Section 9, Awards of a Participant being "**Accelerated**" means, with respect to such Participant:

(i) any and all Options shall become fully vested and immediately exercisable, and shall remain exercisable throughout their entire term; and

(ii) all Restricted Stock and Restricted Stock Units shall immediately and fully vest and all restrictions imposed thereon shall lapse.

10. Terms and Conditions of Awards.

(a) **Award Agreement**. The terms and conditions of the grant of Awards to a Participant shall be set forth in an Award Agreement, which will include the terms, conditions and restrictions, including but not limited to vesting, related to the offer.

(b) **Exercise Price**. The exercise price for each Option shall be 100% of the Fair Market Value of a Share on the date the Option is granted.

(c) **Repricing**. In no event shall the Board or any committee of the Board be permitted to reprice an Award after the date of grant without shareholder approval.

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(d) **Term of Award**. Unless otherwise provided in the applicable Award Agreement, the term of an Award shall be at the discretion of the Board.

11. Termination and Amendment of the Sub-Plan. This Sub-Plan shall terminate on the date of termination of the Plan and no Award may be granted pursuant to this Sub-Plan thereafter. The Board may, at any time and from time to time, amend, modify or suspend this Sub-Plan and all administrative rules, regulations and practices hereunder; provided, however, that no such amendment, modification, suspension or termination shall impair or adversely alter any Awards theretofore granted under this Sub-Plan, except with the consent of the Participant, nor shall any amendment, modification, suspension or termination deprive any Participant of any Shares that he or she may have acquired through or as a result of this Sub-Plan.

12. Non-Exclusivity of this Sub-Plan. Except as otherwise explicitly stated herein, the adoption of this Sub-Plan by the Board shall not be construed as amending, modifying or rescinding the Plan but is intended to serve as a framework for the Board with respect to grants to Participants.

13. Multiple Award Grants. The terms of each Award grant may differ from the terms of any other Award granted under this Sub-Plan. The Board may also make more than one grant of Awards to a given Participant during the term of this Sub-Plan.

(Approved by the Board of Directors on February 8, 2005; as amended and restated by the Board of Directors on September 13, 2011)

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Exhibit 10.18

STARBUCKS CORPORATION
STOCK OPTION GRANT AGREEMENT
FOR PURCHASE OF STOCK UNDER THE
KEY EMPLOYEE SUB-PLAN TO THE
2005 LONG-TERM EQUITY INCENTIVE PLAN

FOR VALUABLE CONSIDERATION, STARBUCKS CORPORATION (the “Company”), does hereby grant to the individual named below (the “Optionee”), the number of options to purchase a share of the Company’ s Common Stock (the “Options”) set forth below for the exercise price per share (the “Exercise Price”) set forth below. Such Options shall vest and terminate according to the vesting schedule and term information described below. All terms of this Stock Option Grant Agreement shall be subject to the terms and conditions of the Key Employee Sub-Plan to the 2005 Long-Term Equity Incentive Plan:

Optionee:	
Number of Options:	
Type of Option Grant:	**Non-Qualified Stock Option**
Exercise Price:	**$**
Date of Option Grant:	
Term of Option:	**10 years from Date of Grant**
Vesting Schedule:	

ACKNOWLEDGMENT AND CONSENT

Termination of Employment. Except as provided in the Change in Control section below, the Options subject to this Agreement shall immediately terminate and be automatically forfeited by the Optionee to the Company upon the termination of the Optionee’ s Active Service with the Company for any reason, including without limitation, voluntary termination by the Optionee, termination because of the Optionee Retirement, Disability or death or termination by the Company because of Misconduct.

Change in Control. Upon a Change of Control, the vesting of the Options shall accelerate and the Options shall become fully vested and exercisable to the extent and under the terms and conditions set forth in the Plan (the “CIC Vesting Date”); provided, that for purposes of this Section, “Resignation (or Resign) for Good Reason” shall have the following meaning:

“Resignation (or Resign) for Good Reason” shall mean any voluntary termination by written resignation of the Active Status of the Optionee after a Change of Control because of: (1) a material reduction in the Partner’ s authority, responsibilities or scope of employment; (2) an assignment of duties to the Partner materially inconsistent with the Partner’ s role at the Company (including its Subsidiaries) prior to the Change of Control, (3) a material reduction in the Partner’ s base salary or total incentive compensation; (4) a material reduction in the Partner’ s benefits unless such reduction applies to all Partners of comparable rank; or (5) the

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relocation of the Partner' s primary work location more than 50 miles from the Partner' s primary work location prior to the Change of Control. Notwithstanding the foregoing, an Optionee shall not be deemed to have Resigned for Good Reason unless the Optionee, within one year after a Change of Control, (i) notifies the Company of the existence of the condition giving rise to a Resignation for Good Reason within 90 days of the initial existence of such condition, (ii) gives the Company at least 30 days following the date on which the Company receives such notice (and prior to termination) in which to remedy the condition, and (iii) if the Company does not remedy such condition within such 30-day period, actually terminates employment within 60 days after the expiration of such 30-day period (and before the Company remedies such condition). If the Company remedies such condition within such 30-day period (or at any time prior to the Optionee's actual termination), then any Resignation for Good Reason by the Optionee on account of such condition will not be a Resignation for Good Reason.

Responsibility for Taxes. Regardless of any action the Company or the Optionee' s employer (the "Employer") takes with respect to any or all income tax, social insurance, payroll tax, payment on account or other tax-related items related to the Optionee' s participation in the Plan and legally applicable to the Optionee ("Tax-Related Items"), the Optionee acknowledges that the ultimate liability for all Tax-Related Items is and remains his or her responsibility and may exceed the amount actually withheld by the Company or the Employer. The Optionee further acknowledges that the Company and/or the Employer (1) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Options, including but not limited to, the grant, vesting or exercise of the Options, the subsequent sale of shares of Common Stock acquired pursuant to such exercise and the receipt of any dividends; and (2) do not commit to and are under no obligation to structure the terms of the grant or any aspect of the Options to reduce or eliminate the Optionee' s liability for Tax-Related Items or achieve any particular tax result. Furthermore, if the Optionee has become subject to tax in more than one jurisdiction between the Date of Grant and the date of any relevant taxable or tax withholding event, as applicable, the Optionee acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to exercise of the Options or any other relevant taxable or tax withholding event, as applicable, the Optionee must pay or make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, the Optionee authorizes the Company and/or the Employer, or their respective agents, are authorized, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following: (1) withholding from the Optionee' s wages or other cash compensation paid to the Optionee by the Company and/or the Employer; or (2) withholding from proceeds of the sale of shares of Common Stock acquired at exercise of the Options, either through a voluntary sale or through a mandatory sale arranged by the Company (on the Optionee' s behalf pursuant to this authorization); or (3) withholding in shares of Common Stock to be issued at exercise of the Options.

To avoid negative accounting treatment, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates. If the obligation for Tax-Related Items is satisfied by withholding in shares of Common Stock, for tax purposes, the Optionee will be deemed to have been issued the full number of shares of Common Stock

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subject to the exercised Options, notwithstanding that a number of the shares of Common Stock are held back solely for the purpose of paying the Tax-Related Items due as a result of any aspect of the Optionee’ s participation in the Plan.

The Optionee will be required to pay to the Company or the Employer any amount of Tax-Related Items that the Company or the Employer may be required to withhold or account for as a result of the Optionee’ s participation in the Plan that cannot be satisfied by the means previously described. The Company may refuse to issue or deliver shares of Common Stock or the proceeds of the sale of shares of Common Stock if the Optionee fails to comply with his or her obligations in connection with the Tax-Related Items.

Undertaking. The Optionee hereby agrees to take whatever additional action and execute whatever additional documents the Company may deem necessary or advisable in order to carry out or effect one or more of the obligations or restrictions imposed on either the Option or the Option pursuant to the provisions of this Agreement.

Restrictions on Transfer. Notwithstanding anything in the Plan to the contrary, the Options granted pursuant to this Award may not be sold, pledged (as collateral for a loan or as security for the performance of an obligation or for any other purpose), assigned, hypothecated, transferred, disposed of in exchange for consideration, made subject to attachment or similar proceedings, or otherwise disposed of under any circumstances.

Governing Law. The Options and the provisions of this Stock Option Grant Agreement are governed by, and subject to, the laws of the State of Washington, as provided in the Plan. For purposes of litigating any dispute that arises under this grant or the Stock Option Grant Agreement, the parties hereby submit to and consent to the jurisdiction of the State of Washington, agree that such litigation shall be conducted in the courts of King County, or the federal courts for the United States for the 9th Circuit, where this grant is made and/or to be performed.

Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. In accepting the grant of the Options, the Optionee hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

Severability. The provisions of this Stock Option Grant Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

Imposition of Other Requirements. The Company reserves the right to impose other requirements on the Optionee’ s participation in the Plan, on the Options and on any shares of Common Stock acquired under the Plan, to the extent the Company determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Plan, and to require the Optionee to sign any additional agreements or undertakings (as provided above) that may necessary to accomplish the foregoing.

Last Name_First Name
US KE Stock Option Agreement

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EXECUTED as of the Date of Option Grant.

STARBUCKS CORPORATION

By ______________________________________

Its ______________________________________

Optionee

Signature______________

____

Last Name_First Name

US KE Stock Option Agreement

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Exhibit 10.20

STARBUCKS CORPORATION
RESTRICTED STOCK UNIT GRANT AGREEMENT
UNDER THE 2005 NON-EMPLOYEE DIRECTOR SUB-PLAN TO THE
2005 LONG-TERM EQUITY INCENTIVE PLAN

FOR VALUABLE CONSIDERATION, STARBUCKS CORPORATION (the "Company"), does hereby grant to the individual named below (the "Participant") an award (the "Award") for the number of restricted stock units (the "Restricted Stock Units") as set forth below, effective on the Date of Grant set forth below. The Restricted Stock Units shall vest and become payable in shares of Common Stock (the "Shares") according to the vesting schedule described below, subject to earlier expiration or termination of the Restricted Stock Units as provided in this Restricted Stock Unit Grant Agreement ("this Agreement"). The Restricted Stock Units shall be subject to the terms and conditions of this Agreement and the terms and conditions of the 2005 Non-Employee Director Sub-Plan to the 2005 Long-Term Equity Incentive Plan, as each may be amended from time to time (together, the "Plan"). Capitalized terms not explicitly defined in this Agreement but defined in the Plan shall have the same definitions as in the Plan.

Participant:
Number of Units:
Date of Grant:
Vesting Schedule:

1. Form and Timing of Payment of Vested Units. Each Restricted Stock Unit represents the right to receive one Share of Common Stock on the date the Restricted Stock Unit vests (the "Vesting Date"). Subject to the other terms of this Agreement and the terms of the Plan, any Restricted Stock Units that vest will be paid to the Participant solely in whole Shares of Common Stock, on, or as soon as practicable after, the Vesting Date, and in no case later than March 15 of the year following the year of vesting, or, in the event that the Participant makes a valid election at a time and in the manner permitted under Section 409A of the Code, at the time specified in such election. All issuances of Shares will be subject to the requirements of Section 409A of the Code. Until the date the Shares are issued to you, you will have no rights as a stockholder of the Company.

2. Cessation of Service; Change of Control

2.1 Cessation of Service. In the event that the Participant ceases to be a Director prior to the Vesting Date for any reason, the Restricted Stock Units subject to this Agreement shall immediately terminate and be automatically forfeited by the Participant to the Company upon such cessation of service as a Director.

2.2 Change of Control. Upon a Change of Control, the vesting of the Restricted Stock Units shall accelerate and the Restricted Stock Units shall become fully vested and payable to the extent and under the terms and conditions set forth in the Plan and, with respect to Restricted Stock Units for which the Participant has previously made a valid deferral election, in a manner consistent with the terms and conditions of such election.

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3. Taxes. The Participant is ultimately responsible for all taxes owed in connection with this Restricted Stock Unit Award.

4. Code Section 409A. Payments made pursuant to this Agreement and the Plan are intended to qualify for an exception from Section 409A of the Internal Revenue Code. Notwithstanding any other provision in this Agreement and the Plan, the Company, to the extent it deems necessary or advisable in its sole discretion, reserves the right, but shall not be required, to unilaterally amend or modify this Agreement and/or the Plan so that the Restricted Stock Units granted to the Participant qualify for exemption from or comply with Code Section 409A; provided, however, that the Company makes no representations that the Restricted Stock Units shall be exempt from or comply with Code Section 409A and makes no undertaking to preclude Code Section 409A from applying to the Restricted Stock Units.

5. Undertaking. The Participant hereby agrees to take whatever additional action and execute whatever additional documents the Company may deem necessary or advisable in order to carry out or effect one or more of the obligations or restrictions imposed on either the Participant or the Restricted Stock Units pursuant to the provisions of this Agreement.

6. Restrictions on Transfer. Notwithstanding anything in the Plan to the contrary, the Restricted Stock Units granted pursuant to this Award may not be sold, pledged (as collateral for a loan or as security for the performance of an obligation or for any other purpose), assigned, hypothecated, transferred, disposed of in exchange for consideration, made subject to attachment or similar proceedings, or otherwise disposed of under any circumstances.

By the Participant' s signature and the Company' s signature below, the Participant and the Company agree that this grant is governed by this Agreement and the Plan.

EXECUTED as of the Restricted Stock Unit Date of Grant.

STARBUCKS CORPORATION

By ________________________________

Its CHAIRMAN, PRESIDENT AND CEO

PARTICIPANT

Signature ________________________________

First Name Last Name

RSU - US [−] 2011

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STARBUCKS CORPORATION
RESTRICTED STOCK UNIT GRANT AGREEMENT
UNDER THE KEY EMPLOYEE SUB-PLAN TO THE
2005 LONG-TERM EQUITY INCENTIVE PLAN

FOR VALUABLE CONSIDERATION, STARBUCKS CORPORATION (the “Company”), does hereby grant to the individual named below (the “Participant”) an award (the “Award”) for the number of restricted stock units (the “Restricted Stock Units”) as set forth below, effective on the Date of Grant set forth below. The Restricted Stock Units shall vest and become payable in shares of Common Stock (the “Shares”) according to the vesting schedule described below, subject to earlier expiration or termination of the Restricted Stock Units as provided in this Restricted Stock Unit Grant Agreement (“this Agreement”). The Restricted Stock Units shall be subject to the terms and conditions of this Agreement and the terms and conditions of the Key Employee Sub-Plan to the 2005 Long-Term Equity Incentive Plan (together, the “Plan”). Capitalized terms not explicitly defined in this Agreement but defined in the Plan shall have the same definitions as in the Plan.

Participant:
Number of Units:
Date of Grant:
Vesting Schedule:

1. Form and Timing of Payment of Vested Units. Each Restricted Stock Unit represents the right to receive one Share of Common Stock on the date the Restricted Stock Unit vests (the “Vesting Date”). Subject to the other terms of this Agreement and the terms of the Plan, any Restricted Stock Units that vest will be paid to the Participant solely in whole Shares of Common Stock (and not in cash, as the Plan permits), on, or as soon as practicable after, the Vesting Date or, if earlier, the CIC Vesting Date (as defined below), but in any event, within the period ending on the later to occur of the date that is two and one-half months from the end of (i) the Participant's tax year that includes the applicable vesting date or (ii) the Company's tax year that includes the applicable vesting date.

2. Termination of Employment; Change of Control

2.1 Termination of Employment. Except as provided in Section 2.2 below, the Restricted Stock Units subject to this Agreement shall immediately terminate and be automatically forfeited by the Participant to the Company upon the termination of the Participant's Active Service with the Company for any reason, including without limitation, voluntary termination by the Participant, termination because of the Participant's Retirement, Disability or death or termination by the Company because of Misconduct.

2.2 Change of Control. Upon a Change of Control, the vesting of the Restricted Stock Units shall accelerate and the Restricted Stock Units shall become fully vested and payable to the extent and under the terms and conditions set forth in the Plan (the “CIC Vesting Date”); provided, that for purposes of this Section 2.2, “Resignation (or Resign) for Good Reason” shall have the following meaning:

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"Resignation (or Resign) for Good Reason" shall mean any voluntary termination by written resignation of the Active Status of a Participant after a Change of Control because of: (1) a material reduction in the Partner' s authority, responsibilities or scope of employment; (2) an assignment of duties to the Partner materially inconsistent with the Partner' s role at the Company (including its Subsidiaries) prior to the Change of Control, (3) a material reduction in the Partner' s base salary or total incentive compensation; (4) a material reduction in the Partner' s benefits unless such reduction applies to all Partners of comparable rank; or (5) the relocation of the Partner' s primary work location more than 50 miles from the Partner' s primary work location prior to the Change of Control. Notwithstanding the foregoing, a Participant shall not be deemed to have Resigned for Good Reason unless the Participant, within one year after a Change of Control, (i) notifies the Company of the existence of the condition giving rise to a Resignation for Good Reason within 90 days of the initial existence of such condition, (ii) gives the Company at least 30 days following the date on which the Company receives such notice (and prior to termination) in which to remedy the condition, and (iii) if the Company does not remedy such condition within such 30-day period, actually terminates employment within 60 days after the expiration of such 30-day period (and before the Company remedies such condition). If the Company remedies such condition within such 30-day period (or at any time prior to the Participant's actual termination), then any Resignation for Good Reason by the Participant on account of such condition will not be a Resignation for Good Reason.

3. Withholding. Regardless of any action the Company and/or the Subsidiary employing the Participant (the "Employer") take with respect to any or all income tax (including U.S. federal, state and local tax and/or non-U.S. tax), social insurance, payroll tax or other tax-related items related to the Participant' s participation in the Plan and legally applicable to the Participant ("Tax-Related Items"), the Participant hereby acknowledges that the ultimate liability for all Tax-Related Items with respect to the Participant' s grant of Restricted Stock Units, vesting of the Restricted Stock Units, or the issuance of Shares (or payment of cash, as applicable) in settlement of vested Restricted Stock Units is and remains the Participant' s responsibility and may exceed the amount actually withheld by the Company or the Employer. The Participant further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units, including the grant of the Restricted Stock Units, the vesting of the Restricted Stock Units, the issuance of Shares in settlement of the Restricted Stock Units, the subsequent sale of Shares acquired at vesting and the receipt of any dividends and/or any dividend equivalents; and (ii) do not commit to and are under no obligation to structure the terms of the Award or any aspect of the Restricted Stock Units to reduce or eliminate the Participant' s liability for Tax-Related Items or achieve any particular tax result. Furthermore, if the Participant has become subject to tax in more than one jurisdiction between the Date of Grant and the date of any relevant taxable event, the Participant acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

Prior to the relevant taxable or tax withholding event, as applicable, the Participant shall pay or make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, the Participant hereby authorizes the Company and/or the Employer, or their respective agents, in their sole discretion and without any notice to or authorization by the Participant, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:

(a) withholding from the Participant' s wages or other cash compensation paid by the Company and/or the Employer; or

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(b) withholding from proceeds of the sale of Shares issued in settlement of the vested Restricted Stock Units, either through a voluntary sale or through a mandatory sale arranged by the Company (on the Participant' s behalf pursuant to this authorization), to the extent and in the manner permitted by all applicable securities laws, including making any necessary securities registration or taking any other necessary actions; or

(c) withholding in Shares to be issued in settlement of the vested Restricted Stock Units that number of whole Shares the fair market value of which (determined by reference to the closing price of the Common Stock on the principal exchange on which the Common Stock trades on the date the withholding obligation arises, or if such date is not a trading date, on the next preceding trading date) is equal to the aggregate withholding obligation as determined by the Company and/or the Employer with respect to such Award.

To avoid unfavorable accounting treatment, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates. If the Company satisfies the withholding obligation for Tax-Related Items by withholding a number of Shares being issued under the Award as described above, the Participant hereby acknowledges that, for tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the Award, notwithstanding that a number of the Shares is held back solely for the purpose of paying the Tax-Related Items due as a result of the Participant' s participation in the Plan. In the event the Tax-Related Items withholding obligation would result in a fractional number of Shares to be withheld by the Company, such number of Shares to be withheld shall be rounded up to the next nearest number of whole Shares. If, due to rounding of Shares, the value of the number of Shares retained by the Company pursuant to this provision is more than the amount required to be withheld, then the Company may pay such excess amount to the relevant tax authority as additional withholding with respect to the Participant. Finally, the Participant hereby acknowledges that the Participant is required to pay to the Company or the Employer any amount of Tax-Related Items that the Employer may be required to withhold or account for as a result of the grant, vesting of the Participant' s Restricted Stock Units, or the issuance of Shares in settlement of vested Restricted Stock Units that cannot be satisfied by the means previously described. The Participant hereby acknowledges that the Company may refuse to issue or deliver the Shares in settlement of the vested Restricted Stock Units, or to deliver the proceeds of the sale of Shares issued in settlement of the vested Restricted Stock Units, to the Participant if the Participant fails to comply with the Participant' s obligations in connection with the Tax-Related Items. The Participant shall have no further rights with respect to any Shares that are retained by the Company pursuant to this provision, and under no circumstances will the Company be required to issue any fractional Shares.

4. Code Section 409A. The Award and payments made pursuant to this Agreement and the Plan are intended to qualify for an exemption from Code Section 409A. Notwithstanding any other provision in this Agreement and the Plan, the Company, to the extent it deems necessary or advisable in its sole discretion, reserves the right, but shall not be required, to unilaterally amend or modify this Agreement and/or the Plan so that the Restricted Stock Units granted to the Participant qualify for exemption from or comply with Code Section 409A; provided, however, that the Company makes no representations that the Restricted Stock Units shall be exempt from or comply with Code Section 409A and makes no undertaking to preclude Code Section 409A from applying to the Restricted Stock Units. Nothing in this Agreement or the Plan shall provide a basis for any person to take action against the Company or any affiliate based on matters covered by Code Section 409A, including the tax treatment of any amount paid or payable or Award made under this Agreement, and neither the Company nor any of its affiliates shall under any circumstances have any liability to any Participant or his or her estate or any other party for any taxes, penalties or interest imposed under Code Section 409A for any amounts paid or payable under this Agreement.

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5. Undertaking. The Participant hereby agrees to take whatever additional action and execute whatever additional documents the Company may deem necessary or advisable in order to carry out or effect one or more of the obligations or restrictions imposed on either the Participant or the Restricted Stock Units pursuant to the provisions of this Agreement.

6. Restrictions on Transfer. Notwithstanding anything in the Plan to the contrary, the Restricted Stock Units granted pursuant to this Award may not be sold, pledged (as collateral for a loan or as security for the performance of an obligation or for any other purpose), assigned, hypothecated, transferred, disposed of in exchange for consideration, made subject to attachment or similar proceedings, or otherwise disposed of under any circumstances.

7. Governing Law. The Award grant and the provisions of this Agreement are governed by, and subject to, the laws of the State of Washington, as provided in the Plan. For purposes of litigating any dispute that arises under this grant or the Agreement, the parties hereby submit to and consent to the jurisdiction of the State of Washington, and agree that such litigation shall be conducted in the courts of King County, or the United States District Court for the Western District of Washington, and no other courts, where this grant is made and/or to be performed.

8. Severability. The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

9. No Rights as Shareholder. The Participant will not have dividend, voting or any other rights as a shareholder of the Shares of Common Stock with respect to the Restricted Stock Units. Upon payment of the vested Restricted Stock Units in Shares of Common Stock, the Participant will obtain full dividend, voting and other rights as a shareholder of the Company.

10. Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

11. Imposition of Other Requirements. The Company reserves the right to impose other requirements on the Participant' s participation in the Plan, on the Restricted Stock Units and on any Shares of Common Stock acquired under the Plan, to the extent that the Company determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Plan, and to require the Participant to sign any additional agreements or undertakings (as provided in Section 5 above) that may be necessary to accomplish the foregoing.

By the Participant's signature and the Company's signature below, the Participant and the Company agree that this grant is governed by this Agreement and the Plan.

EXECUTED as of the Restricted Stock Unit Date of Grant.

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STARBUCKS CORPORATION

By ____________________________________

Its ____________________________________

PARTICIPANT

Signature ____________________________________

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Exhibit 10.31

STARBUCKS CORPORATION
RESTRICTED STOCK UNIT GRANT AGREEMENT
UNDER THE KEY EMPLOYEE SUB-PLAN TO THE
2005 LONG-TERM EQUITY INCENTIVE PLAN

FOR VALUABLE CONSIDERATION, STARBUCKS CORPORATION (the "Company"), does hereby grant to the individual named below (the "Participant") an award (the "Award") for the number of restricted stock units (the "Restricted Stock Units") as set forth below, effective on the Date of Grant set forth below. The Restricted Stock Units shall vest and become payable in shares of Common Stock (the "Shares") according to the vesting schedule described below, subject to earlier expiration or termination of the Restricted Stock Units as provided in this Restricted Stock Unit Grant Agreement ("this Agreement"). The Restricted Stock Units shall be subject to the terms and conditions of this Agreement and the terms and conditions of the Key Employee Sub-Plan to the 2005 Long-Term Equity Incentive Plan (together, the "Plan"). Capitalized terms not explicitly defined in this Agreement but defined in the Plan shall have the same definitions as in the Plan.

Participant:
Number of Units:
Date of Grant:
Vesting Schedule:

1. <u>Form and Timing of Payment of Vested Units</u>. Each Restricted Stock Unit represents the right to receive one Share of Common Stock on the date the Restricted Stock Unit vests (the "Vesting Date"). Subject to the other terms of this Agreement and the terms of the Plan, any Restricted Stock Units that vest will be paid to the Participant solely in whole Shares of Common Stock (and not in cash, as the Plan permits), on, or as soon as practicable after, the Vesting Date or, if earlier, the CIC Vesting Date (as defined below), but in any event, within the period ending on the later to occur of the date that is two and one-half months from the end of (i) the Participant' s tax year that includes the applicable vesting date or (ii) the Company' s tax year that includes the applicable vesting date.

2. <u>Termination of Employment; Change of Control</u>.

2.1 <u>Termination of Employment</u>. Except as provided in Section 2.2 below, the Restricted Stock Units subject to this Agreement shall immediately terminate and be automatically forfeited by the Participant to the Company upon the termination of the Participant' s Active Service with the Company for any reason, including without limitation, voluntary termination by the Participant, termination because of the Participant' s Retirement, Disability or death or termination by the Company because of Misconduct.

2.2 <u>Change of Control</u>. Upon a Change of Control, the vesting of the Restricted Stock Units shall accelerate and the Restricted Stock Units shall become fully vested and payable to the extent and under the terms and conditions set forth in the Plan; provided, that for purposes of this Section 2.2, "Resignation (or Resign) for Good Reason" shall have the following meaning:

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"Resignation (or Resign) for Good Reason" shall mean any voluntary termination by written resignation of the Active Status of a Participant after a Change of Control because of: (1) a material reduction in the Partner' s authority, responsibilities or scope of employment; (2) an assignment of duties to the Partner materially inconsistent with the Partner' s role at the Company (including its Subsidiaries) prior to the Change of Control, (3) a material reduction in the Partner' s base salary or total incentive compensation; (4) a material reduction in the Partner' s benefits unless such reduction applies to all Partners of comparable rank; or (5) the relocation of the Partner' s primary work location more than 50 miles from the Partner' s primary work location prior to the Change of Control. Notwithstanding the foregoing, a Participant shall not be deemed to have Resigned for Good Reason unless the Participant, within one year after a Change of Control, (i) notifies the Company of the existence of the condition giving rise to a Resignation for Good Reason within 90 days of the initial existence of such condition, (ii) gives the Company at least 30 days following the date on which the Company receives such notice (and prior to termination) in which to remedy the condition, and (iii) if the Company does not remedy such condition within such 30-day period, actually terminates employment within 60 days after the expiration of such 30-day period (and before the Company remedies such condition). If the Company remedies such condition within such 30-day period (or at any time prior to the Participant' s actual termination), then any Resignation for Good Reason by the Participant on account of such condition will not be a Resignation for Good Reason.

3. Code Section 409A. The Award and payments made pursuant to this Agreement and the Plan are intended to qualify for an exemption from Code Section 409A. Notwithstanding any other provision in this Agreement and the Plan, the Company, to the extent it deems necessary or advisable in its sole discretion, reserves the right, but shall not be required, to unilaterally amend or modify this Agreement and/or the Plan so that the Restricted Stock Units granted to the Participant qualify for exemption from or comply with Code Section 409A; provided, however, that the Company makes no representations that the Restricted Stock Units shall be exempt from or comply with Code Section 409A and makes no undertaking to preclude Code Section 409A from applying to the Restricted Stock Units. Nothing in this Agreement or the Plan shall provide a basis for any person to take action against the Company or any affiliate based on matters covered by Code Section 409A, including the tax treatment of any amount paid or payable or Award made under this Agreement, and neither the Company nor any of its affiliates shall under any circumstances have any liability to any Participant or his or her estate or any other party for any taxes, penalties or interest imposed under Code Section 409A for any amounts paid or payable under this Agreement.

4. Withholding Taxes. Regardless of any action the Company and/or the Subsidiary employing the Participant (the "Employer") take with respect to any or all income tax, social insurance, payroll tax, payment on account, or other tax-related items related to Participant' s participation in the Plan and legally applicable to Participant ("Tax-Related Items"), the Participant hereby acknowledges that the ultimate liability for all Tax-Related Items is and remains the Participant' s responsibility and may exceed the amount actually withheld by the Company or the Employer. The Participant further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units, including, but not limited to, the grant, vesting or settlement of the Restricted Stock Units, the vesting of the Restricted Stock Units, the issuance of Shares in settlement of the Restricted Stock Units, the subsequent sale of Shares acquired pursuant to such issuance and the receipt of any dividends; and (ii) do not commit to structure the terms of the Award or any aspect of the Restricted Stock Units to reduce or eliminate the Participant' s liability for Tax-Related Items or achieve any particular tax result. Further, if the Participant has become subject to tax in more than one jurisdiction between the Date of Grant and the date of any relevant taxable or tax withholding event, as applicable, the Participant acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

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Prior to the relevant tax withholding event, as applicable, the Participant shall pay or make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all withholding obligations of the Company and/or the Employer with respect to Tax-Related Items. In this regard, the Participant hereby authorizes the Company and/or the Employer, or their respective agents, at their discretion, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following: (1) withholding from the Participant' s wages or other cash compensation paid to the Participant by the Company and/or the Employer; or (2) withholding from proceeds of the sale of Shares acquired upon vesting/settlement of the Restricted Stock Unit either through a voluntary sale or through a mandatory sale arranged by Company (on Participant' s behalf pursuant to this authorization); or (3) withholding in Shares to be issued in settlement of the vested Restricted Stock Units that number of whole Shares the fair market value of which (determined by reference to the closing price of the Common Stock on the principal exchange on which the Common Stock trades on the date the withholding obligation arises, or if such date is not a trading date, on the next preceding trading date) is equal to the aggregate withholding obligation as determined by the Company and/or the Employer with respect to such Award.

To avoid negative accounting treatment, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates. If the Company satisfies the withholding obligation for Tax-Related Items by withholding a number of Shares being issued under the Award as described above, the Participant hereby acknowledges that, for tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the Award, notwithstanding that a number of the Shares is held back solely for the purpose of paying the Tax-Related Items due as a result of the Participant' s participation in the Plan. In the event the Tax-Related Items withholding obligation would result in a fractional number of Shares to be withheld by the Company, such number of Shares to be withheld shall be rounded up to the next nearest number of whole Shares. If, due to rounding of Shares, the value of the number of Shares retained by the Company pursuant to this provision is more than the amount required to be withheld, then the Company may pay such excess amount to the relevant tax authority as additional withholding with respect to the Participant.

Finally, the Participant hereby acknowledges that the Participant is required to pay to the Employer any amount of Tax-Related Items that the Employer may be required to withhold or account for as a result of the Participant' s participation in the Plan that cannot be satisfied by the means previously described. The Participant hereby acknowledges that the Company may refuse to issue or deliver the Shares or the proceeds of the sale of the Shares in settlement of the vested Restricted Stock Units to the Participant if the Participant fails to comply with the Participant' s obligations in connection with the Tax-Related Items.

5. Nature of Grant. In accepting the Restricted Stock Units, the Participant acknowledges, understands and agrees that: (a) the Plan is established voluntarily by the Company, is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time; (b) the grant of the Award is voluntary and occasional and does not create any contractual or other right to receive future grants of Restricted Stock Units, or benefits in lieu of Restricted Stock Units even if Restricted Stock Units have been granted repeatedly in the past; (c) all decisions with respect to future awards of Restricted Stock Units, if any, will be at the sole discretion of the Company; (d) the Participant' s participation in the Plan shall not create a right to further employment with the Employer and shall not interfere with the ability of the Employer to terminate the Participant' s employment relationship at any time with or without cause; (e) the Participant' s participation in the Plan is voluntary; (f) the Restricted Stock Units are extraordinary items that do not constitute regular compensation for

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services rendered to the Company or the Employer, and that are outside the scope of the Participant' s employment contract, if any; (g) the Restricted Stock Units and the Shares subject to Restricted Stock Units are not intended to replace any pension rights or compensation; (h) Restricted Stock Units and the Shares subject to Restricted Stock Units are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, redundancy or end of service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company or any Subsidiary; (i) the Restricted Stock Unit grant and the Participant' s participation in the Plan will not be interpreted to form an employment contract or relationship with the Company or the Employer; (j) the future value of the underlying Shares is unknown and cannot be predicted with certainty; (k) no claim or entitlement to compensation or damages shall arise from forfeiture of the Restricted Stock Units resulting from termination of the Participant' s Active Status by the Company or the Employer (for any reason whatsoever and whether or not in breach of local labor laws and whether or not later to be found invalid), and, in consideration for the grant of the Restricted Stock Units to which the Participant otherwise is not entitled, the Participant irrevocably agrees never to institute any claim against the Company or the Employer, to waive his or her ability, if any, to bring any such claim, and to release the Company and the Employer from any such claim; if, notwithstanding the foregoing, any such claim is allowed by a court of competent jurisdiction, then, by participating in the Plan, the Participant shall be deemed irrevocably to have agreed not to pursue such claim, and the Participant agrees to execute any and all documents necessary to request dismissal or withdrawal of such claims; and (l) in the event of termination of the Participant' s employment (whether or not in breach of local labor laws and whether or not later to be found invalid), the Participant' s right to receive Restricted Stock Units and vest under the Plan, if any, will terminate effective as of the date of the voluntary or involuntary termination of the Participant' s Active Status.

6. <u>No Advice Regarding Grant</u>. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant' s participation in the Plan, or the Participant' s acquisition or sale of the underlying Shares. The Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding the Participant' s participation in the Plan before taking any action related to the Plan.

7. <u>Data Privacy</u>. The Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Participant' s personal data as described in this Agreement by and among, as applicable, the Employer, the Company, and any Subsidiary for the exclusive purpose of implementing, administering and managing the Participant' s participation in the Plan.

The Participant understands that the Company and the Employer may hold certain personal information about the Participant, including, but not limited to, the Participant' s name, home address and telephone number, e-mail address, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company or any Subsidiary, details of all Restricted Stock Units or any other entitlement to Shares of stock awarded, canceled, exercised, vested, unvested or outstanding in the Participant' s favor, for the exclusive purpose of implementing, administering and managing the Plan ("Personal Data").

The Participant understands that Personal Data may be transferred to Fidelity, or such other any third or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan, that these recipients may be located in the Participant' s country, or elsewhere, and that the recipient' s country (e.g., the United States) may have different data privacy laws and protections than the Participant' s country.

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The Participant understands that he or she may request a list with the names and addresses of any potential recipients of the Personal Data by contacting the Participant' s local human resources representative. The Participant authorizes the Company, Fidelity and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Personal Data, in electronic or other form, for the purposes of implementing, administering and managing the Participant' s participation in the Plan, including any requisite transfer of such Personal Data as may be required to a broker or other third party with whom the Participant may elect to deposit any Shares received upon vesting of the Restricted Stock Units. The Participant understands that Personal Data will be held only as long as is necessary to implement, administer and manage the Participant' s participation in the Plan. The Participant understands that he or she may, at any time, view Personal Data, request additional information about the storage and processing of Personal Data, require any necessary amendments to Personal Data or refuse or withdraw the consents herein, without cost, by contacting in writing the Participant' s local human resources representative. The Participant understands that refusal or withdrawal of consent may affect the Participant' s ability to realize benefits from the Restricted Stock Units. For more information on the consequences of the Participant' s refusal to consent or withdrawal of consent, the Participant understands that he or she may contact his or her local human resources representative.

8. Governing Law. The Award grant and the provisions of this Agreement are governed by, and subject to, the laws of the State of Washington, as provided in the Plan. For purposes of litigating any dispute that arises under this grant or the Agreement, the parties hereby submit to and consent to the jurisdiction of the State of Washington, and agree that such litigation shall be conducted in the courts of King County, or the federal courts for the United States for the 9th Circuit, where this grant is made and/or to be performed.

9. Language. If the Participant has received this Agreement or any other document related to the Plan translated into a language other than English and if the translated version is different than the English version, the English version will take precedence.

10. Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to the Restricted Stock Unit Award and participation in the Plan or future Awards that may be granted under the Plan by electronic means or to request the Participant' s consent to participate in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and, if requested, to agree to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

11. Appendix. Notwithstanding any provisions in this Agreement, the Award of Restricted Stock Units shall be subject to any special terms and conditions set forth in the Appendix for the Participant' s country. Moreover, if the Participant relocates to one of the countries included in the Appendix, the special terms and conditions for such country shall apply to the Participant, to the extent the Company determines that application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. The Appendix constitutes part of this Agreement.

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12. Severability. The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

13. Undertaking. The Participant hereby agrees to take whatever additional action and execute whatever additional documents the Company may deem necessary or advisable in order to carry out or effect one or more of the obligations or restrictions imposed on either the Participant or the Restricted Stock Units pursuant to the provisions of this Agreement.

14. Restrictions on Transfer. Notwithstanding anything in the Plan to the contrary, the Restricted Stock Units granted pursuant to this Award may not be sold, pledged (as collateral for a loan or as security for the performance of an obligation or for any other purpose), assigned, hypothecated, transferred, disposed of in exchange for consideration, made subject to attachment or similar proceedings, or otherwise disposed of under any circumstances.

15. No Rights as Shareholder. The Participant will not have dividend, voting or any other rights as a shareholder of the Shares of Common Stock with respect to the Restricted Stock Units. Upon payment of the vested Restricted Stock Units in Shares of Common Stock, the Participant will obtain full dividend, voting and other rights as a shareholder of the Company.

16. Imposition of Other Requirements. The Company reserves the right to impose other requirements on the Participant' s participation in the Plan, on the Restricted Stock Units and on any Shares of Common Stock acquired under the Plan, to the extent that the Company determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Plan, and to require the Participant to sign any additional agreements or undertakings (as provided in Section 13 above) that may be necessary to accomplish the foregoing.

By the Participant' s signature and the Company' s signature below, the Participant and the Company agree that this grant is governed by this Agreement and the Plan.

EXECUTED as of the Restricted Stock Unit Date of Grant.

STARBUCKS CORPORATION

By ____
Its ____

PARTICIPANT

Signature __________________________________

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Exhibit 10.32

STARBUCKS CORPORATION
RESTRICTED STOCK UNIT GRANT AGREEMENT
UNDER THE KEY EMPLOYEE SUB-PLAN TO THE
2005 LONG-TERM EQUITY INCENTIVE PLAN
(PERFORMANCE-BASED)

FOR VALUABLE CONSIDERATION, STARBUCKS CORPORATION (the “Company”), does hereby grant to the individual named below (the “Participant”) an award (the “Award”) for the number of restricted stock units (the “Restricted Stock Units”) as set forth below, effective on the Date of Grant set forth below. The Restricted Stock Units granted under this Restricted Stock Unit Agreement (this “Agreement”) are intended to qualify as “qualified performance-based compensation” as described in Section 162(m)(4)(C) of the Code. The Restricted Stock Units granted under this agreement shall, subject to the attainment of certain performance goals set forth below (the “Performance Goals”), relating to the Performance Criteria specified in the 2005 Long-Term Equity Incentive Plan, vest and become payable in shares of Common Stock (the “Shares”), subject to earlier expiration or termination of the Restricted Stock Units as provided in this Agreement. The Restricted Stock Units shall be subject to the terms and conditions of this Agreement and the terms and conditions of the Key Employee Sub-Plan to the 2005 Long-Term Equity Incentive Plan (the “Plan”). Capitalized terms not explicitly defined in this Agreement but defined in the Plan shall have the same definitions as in the Plan.

Partner Name: **Partner:**

Date of Grant	**Target # of Restricted Stock Units**	**Performance Period**
____	The actual number of Shares that may become issuable pursuant to the Award shall be determined in accordance with Section 1 below. For purposes of the percentage calculations set forth in the Performance Goal Requirements section, the target number of RSUs granted is ______ (“Target Number RSUs”).	____

1. **<u>Vesting Schedule</u>**. The number of Restricted Stock Units granted under the Award that actually vest and that will be settled shall be determined pursuant to a two-step process: (i) first the maximum number of Restricted Stock Units that are eligible to vest shall be calculated as provided under Section 1.1 hereof on the basis of the level at which the Performance Goal specified on attached Schedule I is actually attained and (ii) then the maximum number of Restricted Stock Units calculated under clause (i) that will actually vest shall be determined on the basis of the Participant’ s completion of the requirements set forth in Section 1.2 hereof.

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1.1 Performance Goal Requirements. The attached Schedule I specifies the Performance Goals required to be attained during the Performance Period in order for the Restricted Stock Units to become eligible to vest. Within one hundred and twenty (120) days after the completion of the Performance Period, the Committee shall determine and certify the actual level of attainment of the Performance Goal. On the basis of that certified level of attainment, the Target Number RSUs will be multiplied by the applicable percentage determined in accordance with the percentile matrix set forth in Schedule I (the "Performance RSUs"). The number of Performance RSUs resulting from such calculation shall constitute the maximum number of Restricted Stock Units in which the Participant may vest under this Award. The Committee will determine in its sole discretion and certify in accordance with the requirements of Section 162(m) of the Code the extent, if any, to which the Performance Goal has been satisfied, and it will retain sole discretion to reduce the number of Performance RSUs that would otherwise be eligible to vest as a result of the performance as measured against the Performance Goal. The Committee may not increase the number of Performance RSUs that may be eligible to vest as a result of the Company' s performance as measured against the Performance Goal. The Committee, for purposes of this Award, shall consist solely of Independent Directors.

1.2 Active Status Vesting. Subject to the terms and conditions of this Award, a number of Performance RSUs will vest as detailed in the attached Schedule II of this agreement, subject to the Participant' s continued Active Status through the applicable vesting date.

2. Form and Timing of Payment of Vested Units. Subject to the other terms of this Agreement and the terms of the Plan, any Restricted Stock Units that vest will be paid to the Participant solely in whole Shares (and not in cash, as the Plan permits), on, or as soon as practicable after, the date the Restricted Stock Units vest in accordance with Section 1.2 hereof (or, if sooner, Section 3.2 hereof), but in any event, within the period ending on the later to occur of the date that is two and one-half months following the end of (i) the Participant' s tax year that includes the date the Restricted Stock Units vest or (ii) the Company' s tax year that includes the date the Restricted Stock Units vest.

3. Termination of Employment; Change of Control.

3.1 Termination of Employment. Except as provided in Section 3.2 below, any unvested Restricted Stock Units subject to this Agreement shall immediately terminate and be automatically forfeited by the Participant to the Company upon the termination of the Participant' s Active Status with the Company for any reason (as further described in Section 6(j) below), including without limitation, voluntary termination by the Participant, termination because of the Participant' s Retirement, Disability or death or termination by the Company because of Misconduct.

3.2 Change of Control. Upon a Change of Control, the vesting of the Performance RSUs shall accelerate and the Performance RSUs shall become fully vested and payable to the extent and under the terms and conditions set forth in the Plan; provided that, for purposes of this Section 3.2, "Resignation (or Resign) for Good Reason" shall have the following meaning:

"Resignation (or Resign) for Good Reason" shall mean any voluntary termination by written resignation of the Active Status of a Participant after a Change of Control because of: (1) a material reduction in the Partner' s authority, responsibilities or scope of employment; (2) an assignment of duties to the Partner materially inconsistent with the Partner' s role at the Company (including its Subsidiaries) prior to the Change of Control, (3) a material reduction in the Partner' s base salary or total incentive compensation; (4) a material reduction in the Partner' s benefits unless such reduction applies to all Partners of comparable rank; or (5) the relocation of the Partner' s primary work location more than 50 miles from the Partner' s primary

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work location prior to the Change of Control. Notwithstanding the foregoing, a Participant shall not be deemed to have Resigned for Good Reason unless the Participant, within one year after a Change of Control, (i) notifies the Company of the existence of the condition giving rise to a Resignation for Good Reason within 90 days of the initial existence of such condition, (ii) gives the Company at least 30 days following the date on which the Company receives such notice (and prior to termination) in which to remedy the condition, and (iii) if the Company does not remedy such condition within such 30-day period, actually terminates employment within 60 days after the expiration of such 30-day period (and before the Company remedies such condition). If the Company remedies such condition within such 30-day period (or at any time prior to the Participant' s actual termination), then any Resignation for Good Reason by the Participant on account of such condition will not be a Resignation for Good Reason.

4. <u>Code Section 409A</u>. This Award and payments made pursuant to this Agreement and the Plan are intended to qualify for an exemption from Code Section 409A. Notwithstanding any other provision in this Agreement and the Plan, the Company, to the extent it deems necessary or advisable in its sole discretion, reserves the right, but shall not be required, to unilaterally amend or modify this Agreement and/or the Plan so that the Restricted Stock Units granted to the Participant qualify for exemption from or comply with Code Section 409A; provided, however, that the Company makes no representations that the Restricted Stock Units shall be exempt from or comply with Code Section 409A and makes no undertaking to preclude Code Section 409A from applying to the Restricted Stock Units. Nothing in this Agreement or the Plan shall provide a basis for any person to take action against the Company or any affiliate based on matters covered by Code Section 409A, including the tax treatment of any amount paid or Award made under this Agreement, and neither the Company nor any of its affiliates shall under any circumstances have any liability to any Participant or his or her estate or any other party for any taxes, penalties or interest imposed under Code Section 409A for any amounts paid or payable under this Agreement.

5. <u>Withholding Taxes</u>. Regardless of any action the Company and/or the Subsidiary employing the Participant (the "Employer") take with respect to any or all income tax (including U.S. federal, state and local tax and/or non-U.S. tax), social insurance, payroll tax or other tax-related items related to the Participant' s participation in the Plan and legally applicable to the Participant ("Tax-Related Items"), the Participant hereby acknowledges that the ultimate liability for all Tax-Related Items with respect to the Participant' s grant of Restricted Stock Units, vesting of the Restricted Stock Units, or the issuance of Shares (or payment of cash, as applicable) in settlement of vested Restricted Stock Units is and remains the Participant' s responsibility and may exceed the amount actually withheld by the Company or the Employer. The Participant further acknowledges that the Company and/or the Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock Units, including the grant of the Restricted Stock Units, the vesting of the Restricted Stock Units, the issuance of Shares in settlement of the Restricted Stock Units, the subsequent sale of Shares acquired at vesting and the receipt of any dividends and/or any dividend equivalents; and (ii) do not commit to and are under no obligation to structure the terms of the Award or any aspect of the Restricted Stock Units to reduce or eliminate the Participant' s liability for Tax-Related Items or achieve any particular tax result. Furthermore, if the Participant has become subject to tax in more than one jurisdiction between the Date of Grant and the date of any relevant taxable event, the Participant acknowledges that the Company and/or the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one jurisdiction.

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Prior to the relevant taxable or tax withholding event, as applicable, the Participant shall pay or make adequate arrangements satisfactory to the Company and/or the Employer to satisfy all Tax-Related Items. In this regard, the Participant hereby authorizes the Company and/or the Employer, or their respective agents, in their sole discretion and without any notice to or authorization by the Participant, to satisfy the obligations with regard to all Tax-Related Items by one or a combination of the following:

(a) withholding from the Participant' s wages or other cash compensation paid by the Company and/or the Employer; or

(b) withholding from proceeds of the sale of Shares issued in settlement of the vested Restricted Stock Units, either through a voluntary sale or through a mandatory sale arranged by the Company (on the Participant' s behalf pursuant to this authorization), to the extent and in the manner permitted by all applicable securities laws, including making any necessary securities registration or taking any other necessary actions; or

(c) withholding in Shares to be issued in settlement of the vested Restricted Stock Units that number of whole Shares the fair market value of which (determined by reference to the closing price of the Common Stock on the principal exchange on which the Common Stock trades on the date the withholding obligation arises, or if such date is not a trading date, on the next preceding trading date) is equal to the aggregate withholding obligation as determined by the Company and/or the Employer with respect to such Award.

To avoid unfavorable accounting treatment, the Company may withhold or account for Tax-Related Items by considering applicable minimum statutory withholding amounts or other applicable withholding rates. If the Company satisfies the withholding obligation for Tax-Related Items by withholding a number of Shares being issued under the Award as described above, the Participant hereby acknowledges that, for tax purposes, the Participant is deemed to have been issued the full number of Shares subject to the Award, notwithstanding that a number of the Shares is held back solely for the purpose of paying the Tax-Related Items due as a result of the Participant' s participation in the Plan. In the event the Tax-Related Items withholding obligation would result in a fractional number of Shares to be withheld by the Company, such number of Shares to be withheld shall be rounded up to the next nearest number of whole Shares. If, due to rounding of Shares, the value of the number of Shares retained by the Company pursuant to this provision is more than the amount required to be withheld, then the Company may pay such excess amount to the relevant tax authority as additional withholding with respect to the Participant.

Finally, the Participant hereby acknowledges that the Participant is required to pay to the Company or the Employer any amount of Tax-Related Items that the Employer may be required to withhold or account for as a result of the grant, vesting of the Participant' s Restricted Stock Units, or the issuance of Shares in settlement of vested Restricted Stock Units that cannot be satisfied by the means previously described. The Participant hereby acknowledges that the Company may refuse to issue or deliver the Shares in settlement of the vested Restricted Stock Units, or to deliver the proceeds of the sale of Shares issued in settlement of the vested Restricted Stock Units, to the Participant if the Participant fails to comply with the Participant' s obligations in connection with the Tax-Related Items. The Participant shall have no further rights with respect to any Shares that are retained by the Company pursuant to this provision, and under no circumstances will the Company be required to issue any fractional Shares.

6. Nature of Grant. In accepting the Restricted Stock Units, the Participant acknowledges that: (a) the Plan is established voluntarily by the Company, is discretionary in nature and may be modified, amended, suspended or terminated by the Company at any time; (b) grant of the Award is voluntary and occasional and does not create any contractual or other right to receive future grants of Restricted Stock Units, or benefits in lieu of Restricted Stock Units even if Restricted Stock Units have been granted repeatedly in the past; (c) all decisions with respect to future awards of Restricted Stock Units, if any, will be at the sole discretion of

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the Company; (d) the Participant' s participation in the Plan is voluntary; (e) Restricted Stock Units are extraordinary items that do not constitute regular compensation for services rendered to the Company or any Subsidiary, and that are outside the scope of the Participant' s employment contract, if any; (f) Restricted Stock Units and the Shares subject to Restricted Stock Units are not intended to replace any pension rights or compensation; (g) Restricted Stock Units and the Shares subject to Restricted Stock Units are not part of normal or expected compensation or salary for any purposes, including, but not limited to, calculating any severance, resignation, redundancy or end of service payments, bonuses, long-service awards, pension or retirement or welfare benefits or similar payments and in no event should be considered as compensation for, or relating in any way to, past services for the Company or any Subsidiary; (h) the award of Restricted Stock Units and the Participant' s participation in the Plan shall not be interpreted to form an employment contract or relationship with the Company or any Subsidiary; (i) the future value of the underlying Shares is unknown and cannot be predicted with certainty; (j) in consideration of the award of Restricted Stock Units, no claim or entitlement to compensation or damages shall arise from forfeiture of the Restricted Stock Units resulting from termination of employment with the Company or any Subsidiary (for any reason whatsoever and whether or not in breach of local labor laws), and the Participant irrevocably releases the Company and/ or the Subsidiary from any such claim that may arise; if, notwithstanding the foregoing, any such claim is found by a court of competent jurisdiction to have arisen, the Participant shall be deemed irrevocably to have waived his or her entitlement to pursue such claim; (k) in the event of involuntary termination of the Participant' s employment (whether or not in breach of local labor laws), the Participant' s right to receive Restricted Stock Units and vest under the Plan, if any, will terminate effective as of the date that the Participant' s Active Status is terminated and will not be extended by any notice period mandated under local law (*e.g.*, active employment would not include a period of "garden leave" or similar period pursuant to local law), and the Company shall have the exclusive discretion to determine when the Participant is no longer actively employed for purposes of the Award; and (l) the Restricted Stock Units and the benefits under the Plan, if any, will not automatically transfer to another company in the case of a merger, takeover or transfer of liability.

7. No Advice Regarding Grant. The Company is not providing any tax, legal or financial advice, nor is the Company making any recommendations regarding the Participant' s participation in the Plan, or the Participant' s acquisition or sale of the underlying Shares. The Participant is hereby advised to consult with his or her own personal tax, legal and financial advisors regarding the Participant' s participation in the Plan before taking any action related to the Plan.

8. Data Privacy. The Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Participant' s personal data as described in this Agreement by and among, as applicable, the Employer, the Company, and any Subsidiary for the exclusive purpose of implementing, administering and managing the Participant' s participation in the Plan.

The Participant understands that the Company and the Employer may hold certain personal information about the Participant, including, but not limited to, the Participant' s name, home address and telephone number, e-mail address, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company or any Affiliate, details of all Restricted Stock Units or any other entitlement to Shares of stock awarded, canceled, exercised, vested, unvested or outstanding in the Participant' s favor, for the exclusive purpose of implementing, administering and managing the Plan ("Personal Data").

The Participant understands that Personal Data may be transferred to Fidelity, or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan, that these

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recipients may be located in the Participant' s country, or elsewhere, and that the recipient' s country (*e.g.*, the United States) may have different data privacy laws and protections than the Participant' s country. The Participant understands that he or she may request a list with the names and addresses of any potential recipients of the Personal Data by contacting the Participant' s local human resources representative. The Participant authorizes the Company, Fidelity and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Personal Data, in electronic or other form, for the purposes of implementing, administering and managing the Participant' s participation in the Plan, including any requisite transfer of such Personal Data as may be required to a broker or other third party with whom the Participant may elect to deposit any Shares received upon vesting of the Restricted Stock Units. The Participant understands that Personal Data will be held only as long as is necessary to implement, administer and manage the Participant' s participation in the Plan. The Participant understands that he or she may, at any time, view Personal Data, request additional information about the storage and processing of Personal Data, require any necessary amendments to Personal Data or refuse or withdraw the consents herein, without cost, by contacting in writing the Participant' s local human resources representative. The Participant understands, however, that refusal or withdrawal of consent may affect the Participant' s ability to realize benefits from the Restricted Stock Units. For more information on the consequences of the Participant' s refusal to consent or withdrawal of consent, the Participant understands that he or she may contact his or her local human resources representative.

9. Governing Law. The Award grant and the provisions of this Agreement are governed by, and subject to, the laws of the State of Washington, as provided in the Plan. For purposes of litigating any dispute that arises under this grant or the Agreement, the parties hereby submit to and consent to the jurisdiction of the State of Washington, and agree that such litigation shall be conducted in the courts of King County, or the United States District Court for the Western District of Washington, and no other courts, where this grant is made and/or to be performed.

10. Language. If the Participant has received this Agreement or any other document related to the Plan translated into a language other than English and if the meaning of the translated version is different than the English version, the English version will take precedence.

11. Electronic Delivery. The Company may, in its sole discretion, decide to deliver any documents related to current or future participation in the Plan by electronic means. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or another third party designated by the Company.

12. Severability. The provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

13. Undertaking. The Participant hereby agrees to take whatever additional action and execute whatever additional documents the Company may deem necessary or advisable in order to carry out or effect one or more of the obligations or restrictions imposed on either the Participant or the Restricted Stock Units pursuant to the provisions of this Agreement.

14. No Rights as Shareholder. The Participant will not have dividend, voting or any other rights as a shareholder of the Shares with respect to the Restricted Stock Units. Upon payment of the vested Restricted Stock Units in Shares, the Participant will obtain full dividend, voting and other rights as a shareholder of the Company.

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15. Restrictions on Transfer. Notwithstanding anything in the Plan to the contrary, the Restricted Stock Units granted pursuant to this Award may not be sold, pledged (as collateral for a loan or as security for the performance of an obligation or for any other purpose), assigned, hypothecated, transferred, disposed of in exchange for consideration, made subject to attachment or similar proceedings, or otherwise disposed of under any circumstances.

16. Appendix. Notwithstanding any provisions in this Agreement, the award of Restricted Stock Units shall be subject to any special terms and conditions set forth in any Appendix to this Agreement for the Participant' s country. Moreover, if the Participant relocates to one of the countries included in this Agreement, the special terms and conditions for such country shall apply to the Participant, to the extent the Company determines that application of such terms and conditions is necessary or advisable in order to comply with local law or facilitate the administration of the Plan. The Appendix constitutes part of this Agreement.

17. Imposition of Other Requirements. The Company reserves the right to impose other requirements on the Participant' s participation in the Plan, on the Restricted Stock Units and on any Shares acquired under the Plan, to the extent that the Company determines it is necessary or advisable in order to comply with local law or facilitate the administration of the Plan, and to require the Participant to sign any additional agreements or undertakings (as provided in Section 13 above) that may be necessary to accomplish the foregoing.

By the Participant' s signature and the Company' s signature below, the Participant and the Company agree that this grant is governed by this Agreement and the Plan.

EXECUTED as of the Restricted Stock Unit Date of Grant.

STARBUCKS CORPORATION

By ______________________________

Its ______________________________

PARTICIPANT

Signature ______________________________

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SCHEDULE I

to

Restricted Stock Units Award Agreement

(Performance-Based)

PERFORMANCE GOAL

The Performance Goal shall be based on the Company' s attainment over the Performance Period of the Performance Criteria (defined below). Attainment of the Performance Goal at the levels in the following performance matrix will determine, in accordance with Section 1.1 of the Agreement to which this Schedule I is attached, the number of Performance RSUs in which the Participant is eligible to vest.

The Objective Performance Goal is ______.

	RSU Award Payout Determined by Objective Performance Goal
–	______%
–	______%
–	______%
–	______%
–	______%
–	______%
–	______%
–	______%
–	______%

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SCHEDULE II
to
Restricted Stock Units Award Agreement
(Performance-Based)

VESTING SCHEDULE

Subject to the terms and conditions of this Award, a number of Restricted Stock Units equal to % of the Performance RSUs shall vest on the anniversary of the Date of Grant, and a number of Restricted Stock Units equal to the remaining % of the Performance RSUs shall vest on the anniversary of the Date of Grant, subject to the Participant' s continued Active Status through the applicable vesting date.

Vesting Schedule: __% on ______
__% on ______

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EXHIBIT 10.36

September 1, 2009

Annie Young-Scrivner

Dear Annie,

Congratulations! It is with great pleasure that I confirm your offer of employment for the position of chief marketing officer at Starbucks Coffee Company. I look forward to your first day on September 7, 2009.

Here Are The Specifics Of Your Offer:

You will be paid at a base salary that annualizes to $500,000.00.

Sign-On Bonus

You will receive a one-time sign-on bonus of $525,000 less payroll taxes in two payments. The first payment of $200,000 less payroll taxes will be made on the first regularly scheduled pay date following 30 days of employment. The second payment of $325,000 less payroll taxes will be made on or about January 8, 2010. Your sign-on bonus is not eligible pay for purposes of making contributions into Starbucks savings plans.

Please note, should you voluntarily leave Starbucks during your first year of employment, you will be responsible for reimbursing Starbucks for a pro-rata gross share (n/12 based on number of months worked) of the one-time sign-on bonus you received. By accepting this position, you expressly authorize Starbucks to deduct any or all of any bonus reimbursement from any final compensation owed to you. If the amount due exceeds that withheld from your final pay, then you agree to pay the balance within 30 days after the effective termination date of employment with Starbucks.

Stock

You will be granted stock options to purchase shares of Starbucks common stock with an economic value of $1,295,000 (USD) under the Key Employee Sub-Plan to the 2005 Long-Term Equity Incentive Plan, subject to approval by the Compensation and Management Development Committee of the Board of Directors or its designee. The exercise price of the options will be the regular trading session closing price of a share of Starbucks stock on the date of grant. The grant date of your options will be after you assume your new position and otherwise effective in accordance with the Company' s equity grant timing policy. The options will be non-qualified and will vest in equal installments over a period of four (4) years, beginning on the first anniversary date of the grant, subject to your continued employment.

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As a senior executive the Company' s executive stock ownership guidelines will apply to you. The guidelines require covered executives to achieve a minimum investment in Starbucks stock within five years. The minimum investment for chief marketing officer is $2,000,000. A copy of the guidelines will be provided to you.

Executive Management Bonus Plan

You will be eligible to participate in the Executive Management Bonus Plan (EMBP) starting in fiscal year 2010 provided that you remain in an eligible job for a minimum of three complete consecutive fiscal months. Your incentive target will be 65% of your eligible base salary.

Payout will be based on achievement of Company, business unit/department, and individual objectives. For more information about the Executive Management Bonus Plan, or a copy of the plan document, please talk with your Partner Resources generalist. Starbucks reserves the right to review, change, amend, or cancel incentive plans at any time.

Management Deferred Compensation Plan

You may be eligible to participate in the Management Deferred Compensation Plan (MDCP) if you are on our U.S. payroll and meet the eligibility criteria. The MDCP is Starbucks non-qualified retirement plan that provides eligible partners with the opportunity to save on a tax-deferred basis. If you are eligible, you will receive general information and enrollment materials at your home address as soon as administratively possible after your mutually agreed upon start date on U.S. payroll. These materials will outline the limited window in which you will have an opportunity to enroll. If you have questions about the MDCP, please contact the Starbucks Savings Team at savings@starbucks.com. Once eligible, you may also obtain more information about the MDCP online at www.netbenefits.fidelity.com.

Future Roast 401(k) Savings Plan

You will be able to participate in the Future Roast 401(k) Savings Plan if you are on our U.S. payroll and meet the eligibility requirements. The Future Roast 401(k) provides eligible partners with the opportunity to save on a tax-deferred basis. Two weeks prior to your eligibility date, you will receive general information and enrollment materials at your home address. If you have questions about the Future Roast 401(k) Plan, please contact the Starbucks Savings Team at savings@starbucks.com. You may also obtain more information about the Future Roast 401(k) at http://LifeAt.sbux.com by clicking on Pay, Stock & Savings and choosing the Future Roast 401(k) link. Once eligible, you may obtain more information about the Future Roast 401(k) online at www.netbenefits.fidelity.com.

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COBRA

Should you elect COBRA (continuation of health coverage) from your previous employer; Starbucks will reimburse you for your COBRA premiums less applicable taxes until you become eligible for Starbucks benefits after the mandatory waiting period. Once you have signed up for COBRA coverage (within the 60-day election period), submit proof of payment(s) to your Partner Resources contact for processing. The proof of payment must be submitted for reimbursement within 60 days of your Starbucks benefit eligibility date. The reimbursement is classified as income by the federal government and is subject to all applicable payroll taxes and deductions.

Executive Life Insurance

As an executive, you and your family have a greater exposure to financial loss resulting from your death. Starbucks recognizes this exposure and has provided for coverage greater than outlined in *Your Special Blend*. You will receive partner life coverage equal to three (3) times your annualized base pay, paid for by Starbucks. You may purchase up to an additional two (2) times your annualized base pay (for a total of five (5) times pay) to a maximum life insurance benefit of $2,000,000.

Relocation Benefits

To support your relocation, you have been approved for relocation benefits should you accept Starbucks offer of employment. Starbucks wants your move to the Seattle area to be a positive one. We have partnered with a Paragon relocation consultant who will solely focus on assisting you with your relocation needs.

Starbucks will activate your relocation services upon acceptance of our offer. A Paragon consultant will contact you to begin the process within 24 hours of receiving the relocation authorization from Starbucks. Details on the specific relocation benefits offered by Starbucks are described in the Relocation Program Guidelines (“Guidelines”) and the U.S. Domestic Relocation Addendum, both of which are attached to this letter. You will be required to sign the Partner Relocation Repayment Agreement and return it to your Paragon consultant before relocation benefits will be administered (refer to the attached Agreement). If you have any questions in the interim, please contact your Starbucks Partner Resources generalist.

No relocation expenses should be charged to a Starbucks Corporate Credit Card, nor should they be submitted to Starbucks Accounts Payable via Concur. If you have any questions regarding your relocation expenses, please reach out to your Paragon consultant. All relocation benefits must be utilized within one year of the effective start date of your new position.

The federal gross-up rate for your relocation is 33% plus mandatory FICA, Medicare and any applicable state/local taxes (subject to change in accordance with Federal guidelines).

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Executive Physical Exam

You are eligible to participate in Starbucks executive physical program. Information about the program and our program provider will be emailed to you (new participants are notified at the beginning of each calendar quarter). The program provider will contact you shortly thereafter to establish an appointment.

Benefits

An overview of Starbucks benefits, savings and stock programs can be found at http://media.starbucks.com.edgesuite.net/dotcom/media/pdf/YSB_Guide_Mar_2009.pdf. If you have questions regarding these programs or eligibility, please call the Starbucks Partner Contact Center at 1 (877) SBUXBEN. Please note that although it is Starbucks intent to continue these plans, they may be amended or terminated at anytime without notice.

Insider Trading

As an executive of the Company with access to sensitive business and financial information about the Company, you will be prohibited from trading Starbucks securities (or, in some circumstances, the securities of companies doing business with Starbucks) from time to time in accordance with the Company' s Insider Trading Policy and Blackout Procedures. A copy of the policy will be provided to you your first day and you will be required to sign a certificate indicating that you have read and understood the policy.

Coffee Hedging Policy

As an officer of the Company, a member of the Coffee Management Group, or a partner involved in coffee procurement and trading on behalf of the Company, you are prohibited from trading in coffee commodity futures for your own account. If you have further questions, please contact your Partner Resources generalist.

If you accept this offer it is contingent upon your satisfying the conditions of hire including:

> Starbucks standard Insider Trading/Confidentiality Policy and Procedure document and Confidentiality/Invention Agreement (All Employees)
>
> Background check

Your employment with Starbucks Coffee Company will be "at will," meaning that either you or the Company will be entitled to terminate your employment at any time and for any reason, not prohibited by law.

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On behalf of the entire team, I am excited to welcome you to the team and look forward to working with you.

Warm regards,

/s/ Howard Schultz

Howard Schultz
chairman, president and chief executive officer

cc: partner file
Stock Administration (S-HR3)
Olden Lee

Enc. Non-Compete Agreement
Coffee Hedging Agreement
COBRA FAQ Document
Background Inquiry Application
Relocation Program Guidelines
U.S. Domestic Relocation Addendum
Partner U.S. Relocation Repayment Agreement
2009 Plan Comparison Document

I accept employment with Starbucks Corporation, and its wholly-owned subsidiaries, according to the terms set forth above.

/s/ Annie Young-Scrivner	9-2-09
Annie Young-Scrivner	Date

Please fax this signed letter to: Olden Lee

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EXHIBIT 10.37

May 5, 2010

Jeff Hansberry

Dear Jeff,

Congratulations! It is with great pleasure that I confirm your offer of employment for the position of president, Global Consumer Products and Foodservice at Starbucks Coffee Company reporting directly to me. I look forward to your first day on a mutually agreed upon date.

As a new partner, you will soon be participating in various immersion activities that will provide you information about Starbucks history and culture.

Here Are The Specifics Of Your Offer:

You will be paid at a base salary that annualizes to $480,000.

Sign-On Bonus

You will receive a sign-on bonus of $125,000, less payroll taxes to be paid on your first regularly scheduled pay date after 45 days of employment. Please note, should you voluntarily leave Starbucks during your first year of employment, you will be responsible for reimbursing Starbucks for a pro-rata gross share (n/12 based on number of months worked) of the sign-on bonus increment that you received. Your sign-on bonus is not eligible pay for purposes of making contributions into Starbucks savings plans.

By accepting this position you agree that in the event you are responsible for reimbursing a pro-rata gross share of the sign-on bonus, the amount may be deducted from your final pay, to the extent allowed by law. If the amount due exceeds that collected from the final pay, then you agree to pay the balance within 30 days after the effective termination date of employment with Starbucks.

Executive Management Bonus Plan

You will be eligible to participate in the Executive Management Bonus Plan (EMBP) this fiscal year if your start date is by the end of the third fiscal quarter. If your start date is on or after the first day of the fourth quarter, you will be eligible to participate next fiscal year. Your incentive target will be 65% of your eligible base salary, prorated from your eligibility date through the end of the fiscal year. Payout will be based on achievement of Company, business unit/department, and individual objectives. For more information about the EMBP, or a copy of the plan document, please talk with your Partner Resources contact. Starbucks reserves the right to review, change, amend, or cancel incentive plans at any time.

Stock

You will be granted: (i) stock options to purchase shares of Starbucks common stock with an economic value of $300,000 (USD) and (ii) restricted stock units with an economic value of $300,000 (USD), under the Key Employee Sub-Plan to the 2005 Long-Term Equity Incentive Plan, subject to approval by the Compensation and Management Development Committee of the Board of Directors or its designee. The stock options will be non-qualified with an exercise price equal to the regular trading session closing price of a share of Starbucks stock on the date of grant. The options will vest in equal installments over a period of four (4) years, beginning on the first anniversary date of the grant, subject to your continued employment. The restricted stock units will also vest in equal

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installments over a period of four (4) years, beginning on the first anniversary date of the grant, subject to your continued employment. The grant date of your equity award will be after you assume your new position and otherwise effective in accordance with the Company' s equity grant timing policy.

As a senior executive, the Company' s executive stock ownership guidelines will apply to you. The guidelines require covered executives to achieve a minimum investment in Starbucks stock within five (5) years. Your minimum investment as president, Global Consumer Products and Foodservice is $750,000. A copy of the guidelines will be provided to you.

Management Deferred Compensation Plan

You may be eligible to participate in the Management Deferred Compensation Plan (MDCP) if you are on our U.S. payroll and meet the eligibility criteria. The MDCP is Starbucks non-qualified retirement plan that provides eligible partners with the opportunity to save on a tax-deferred basis. If you are eligible, you will receive general information and enrollment materials at your home address as soon as administratively possible after your mutually agreed upon start date on U.S. payroll. These materials will outline the limited window in which you will have an opportunity to enroll. If you have questions about the MDCP, please contact the Starbucks Savings Team at savings@starbucks.com. Once eligible, you may also obtain more information about the MDCP online at www.netbenefits.fidelity.com.

Future Roast 401(k) Savings Plan

You will be able to participate in the Future Roast 401(k) Savings Plan if you are on our U.S. payroll and meet the eligibility requirements. The Future Roast 401(k) provides eligible partners with the opportunity to save on a tax-deferred basis. Two weeks prior to your eligibility date, you will receive general information and enrollment materials at your home address. These materials will outline the specific plan provisions including eligibility for and crediting of the employer matching contributions. If you have questions about the Future Roast 401(k) Plan, please contact the Starbucks Savings Team at savings@starbucks.com. You may also obtain more information about the Future Roast 401(k) at http://LifeAt.sbux.com by clicking on Pay, Stock & Savings and choosing the Future Roast 401(k) link. Once eligible, you may obtain more information about the Future Roast 401(k) online at www.netbenefits.fidelity.com.

Relocation Benefits

Starbucks wants your move to the Seattle area to be a positive one. We have partnered with a Paragon relocation consultant who will solely focus on assisting you with your relocation needs.

You will be eligible for relocation benefits if you accept our offer of employment which will be determined after an assessment call is completed between you and a Paragon relocation consultant. Upon completion of the assessment, an overview of relocation benefits will be sent to you by the Starbucks Global Relocation Team. Starbucks will activate your relocation services upon acceptance of our offer. A Paragon consultant will contact you to begin the process within 24 hours of receiving the relocation authorization from Starbucks. You will be required to sign the Partner Relocation Repayment Agreement and return it to your Paragon consultant before relocation benefits will be administered (refer to the attached Agreement). If you have any questions in the interim, please talk with your Starbucks Partner Resources contact.

No relocation expenses should be charged to a Starbucks Corporate Credit Card, nor should they be submitted to Starbucks Accounts Payable via Concur. If you have any questions regarding your relocation expenses, please reach out to your Paragon consultant. All relocation benefits must be utilized within one year of the effective start date of your new position.

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COBRA

Should you elect COBRA (continuation of health coverage) from your previous employer, Starbucks will reimburse you for your COBRA premiums less applicable taxes until you become eligible for Starbucks benefits after the mandatory waiting period has lapsed as set forth in the applicable Starbucks benefits plan. Once you have signed up for COBRA coverage (within the 60-day election period), submit proof of payment(s) to your Partner Resources contact for processing. The proof of payment must be submitted for reimbursement within 60 days of your Starbucks benefit eligibility date. The reimbursement is classified as income by the federal government and is subject to all applicable payroll taxes and deductions

Executive Life Insurance

As an executive, you and your family have a greater exposure to financial loss resulting from your death. Starbucks recognizes this exposure and has provided for coverage greater than outlined in Your Special Blend. You will receive partner life coverage equal to three (3) times your annualized base pay, paid for by Starbucks. You may purchase up to an additional two (2) times your annualized base pay (for a total of five (5) times pay) to a maximum life insurance benefit of $2,000,000.

Executive Physical Exam

You are eligible to participate in Starbucks executive physical program. Information about the program and our program provider will be emailed to you (new participants are notified at the beginning of each calendar quarter). The program provider will contact you shortly thereafter to establish an appointment.

Benefits

An overview of Starbucks benefits, savings and stock programs can be found at http://media.starbucks.com.edgesuite.net/dotcom/media/pdf/YSB_Guide%205-11-09.pdf. If you have questions regarding these programs or eligibility, please call the Starbucks Partner Contact Center at 1(877)SBUXBEN. Please note that although it is Starbucks intent to continue these plans, they may be amended or terminated at anytime without notice.

Recovery of Incentive Compensation Policy

As a Section 16 officer of the Company, you are subject to the Starbucks Recovery of Incentive Compensation Policy (Clawback Policy). The Clawback Policy is included in the attached consent which you are required to sign indicating that you have read and agree to the terms and conditions of the policy.

Insider Trading

As an executive of the Company with access to sensitive business and financial information about the Company, you will be prohibited from trading Starbucks securities (or, in some circumstances, the securities of companies doing business with Starbucks) from time to time in accordance with the Company' s Insider Trading Policy and Blackout Procedures. A copy of the policy will be provided to you your first day and you will be required to sign a certificate indicating that you have read and understood the policy.

Coffee Hedging Policy

As an officer of the Company, a member of the Coffee Management Group, or a partner involved in coffee procurement and trading on behalf of the Company, you are prohibited from trading in coffee commodity futures for your own account.

If you accept this offer it is contingent upon your satisfying the conditions of hire including:

> Starbucks standard Insider Trading/Confidentiality Policy and Procedure document and Confidentiality/Invention Agreement (All Employees)

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Background Check

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Your employment with Starbucks Coffee Company will be "at will," meaning that either you or the Company will be entitled to terminate your employment at any time and for any reason, not prohibited by law. Further, by signing this letter you affirm that no assurances regarding your employment have been made other than those appearing in this letter.

On behalf of the entire team, I am excited to welcome you to the team and look forward to working with you.

Warm regards,

/s/ Howard Schultz

Howard Schultz
chairman, president and chief executive officer

cc: Partner File
Stock Administration (S-HR3)
Executive Recruiting

Enc. Non-Competition Agreement
Starbucks Recovery of Incentive Compensation Policy Consent
Coffee Hedging Agreement
COBRA FAQ Document
Background Inquiry Application
2010 Benefits Comparison
Relocation Repayment Agreement
U.S. Domestic Relocation Addendum

I accept employment with Starbucks Coffee Company, or its wholly-owned subsidiaries, according to the terms set forth above.

/s/ Jeff Hansberry	5/7/10
Jeff Hansberry	Date of Acceptance

Please fax this signed letter, your non-compete agreement and recovery of incentive compensation policy consent to Kalen Holmes, and send original documents at your convenience.

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EXHIBIT 10.38

August 9, 2011

Michelle Gass

Dear Michelle:

Thank you for your contributions to the Company' s success and congratulations on your promotion to president, EMEA. I value your passion for the organization and look forward to you continuing in your new position, which will begin on October 3, 2011.

Here are the specifics of your offer:

Assignment

You will be working in London, U.K. on an expatriate assignment. Starbucks anticipates the duration of your assignment to be three (3) years. Starbucks reserves the right to shorten or lengthen the duration of your assignment for any reason.

Salary and Bonus

Salary and bonus target changes for fiscal 2012 will be considered by the Compensation and Management Development Committee of the Board (the "Compensation Committee") at their September meeting. Any approved changes will be effective October 3, 2011.

Stock

You will remain eligible for the Starbucks Corporation Amended and Restated 2005 Key Employee Sub-Plan to the 2005 Long-Term Equity Incentive Plan (the "Key Employee Plan") and the Starbucks Corporation Employee Stock Purchase Plan – 1995 (S.I.P.) while on assignment.

You should obtain tax advice before exercising stock options or selling shares while you are on assignment due to potentially severe tax implications. (See the Tax section of the International Assignment Addendum for more information.)

The Company' s executive stock ownership guidelines will continue to apply to you. Any changes to your minimum stock ownership level as president, EMEA will be considered by the Compensation Committee in September.

Savings

As long as you are on the U.S. Payroll, your service will be counted for purposes of determining eligibility for the Management Deferred Compensation Plan (MDCP) and the Future Roast 401(k) Savings Plan (401(k) Plan), while on expatriate assignment. If you have questions about MDCP or the 401(k) Plan, please contact the Starbucks Savings Team at savings@starbucks.com. You may obtain more information about the plans on the Savings link at http://LifeAt.sbux.com.

Medical Benefits

For the duration of your international assignment, you will be enrolled in Starbucks Expatriate Health Plan insured by CIGNA International, which replaces your current health plan. (Please refer to the attached International Assignment Addendum for more details.)

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Executive Physical Exam

You will continue to be eligible to participate in Starbucks executive physical program.

Executive Life Insurance

You will continue to receive partner life coverage equal to three (3) times your annualized base pay, paid for by Starbucks. You may purchase up to an additional two (2) times your annualized base pay (for a total of five (5) times pay) to a maximum life insurance benefit of $2,000,000.

Relocation and Expatriate Benefits

You are presently scheduled to relocate to London on or around August 15, 2011. Typical and customary expenses will be paid by Starbucks. Starbucks wants your move to be a positive one. To assist you, we have partnered with Paragon to provide you with relocation services. You will be assigned a consultant who will be your central point of contact to address issues and questions you may have regarding your relocation. Your relocation package is outlined in the attached International Assignment Addendum and further information on these benefits can be found in the Relocation Guidelines to be provided to you by Paragon. Typical expatriate benefits while on assignment, such as tax equalization, host country housing and goods and services differential, are outlined in the attached International Assignment Addendum.

Section 16 Obligations

As president, EMEA, you will be subject to the reporting requirements of Section 16 of the Securities Exchange Act of 1934, as amended, and responsible for filings with the Securities Exchange Commission. Starbucks legal counsel will assist you with your filings.

Recovery of Incentive Compensation Policy

As a Section 16 officer of the Company, you are also subject to the Starbucks Recovery of Incentive Compensation Policy (the "Clawback Policy"). The Clawback Policy is included in the attached consent which you are required to sign indicating that you have read and agree to the terms and conditions of the policy.

Insider Trading Policy

As an executive of the Company, you will continue to be prohibited from trading Starbucks securities (or, in some circumstances, the securities of companies doing business with Starbucks) from time to time in accordance with the Company' s Insider Trading Policy and Blackout Procedures.

Coffee Hedging

As an officer of the Company, you are prohibited from trading in coffee commodity futures for your own account.

Your employment with Starbucks Coffee Company will be "at will," meaning that either you or the Company will be entitled to terminate your employment at any time and for any reason, not prohibited by law.

On behalf of the entire team, I wish you the best in your new role and look forward to your continued success and partnership.

Warm regards,

/s/ Howard Schultz

Howard Schultz
chairman, president and chief executive officer

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cc: partner file
Kalen Holmes

Enc. International Assignment Addendum
Non-Competition Agreement
Starbucks Recovery of Incentive Compensation Policy Consent

I accept employment with Starbucks Corporation, and its wholly-owned subsidiaries, according to the terms set forth above.

/s/ Michelle Gass	8.14.2011
Michelle Gass	Date

Please sign and return one copy of this letter, the International Assignment Addendum, the Non-Competition Agreement, and the Starbucks Recovery of Incentive Compensation Policy Consent to Kalen Holmes.

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EXHIBIT 10.39

September 16, 2011

Michelle Gass

Dear Michelle:

As I communicated to you in your August 9, 2011 letter, the Compensation and Management Development Committee (the "Committee") was to consider further compensation changes for you in recognition of your new role as president, Starbucks Coffee EMEA. At their September meeting, the Committee approved the changes as follows:

Salary

Effective October 3, 2011, you will be paid bi-weekly a base salary that annualizes to **$490,000** USD.

Bonus

You will continue to be eligible to participate in the Executive Management Bonus Plan (EMBP). For fiscal 2012 your bonus target will be **75%** of your eligible base salary. Payout will be based on achievement of objectives as approved each year by the Compensation Committee.

Stock Ownership

The Company' s executive stock ownership guidelines will continue to apply to you. Effective October 3, 2011, your minimum stock ownership level as president, Starbucks Coffee EMEA will increase from two (2) times to **three (3) times** your annual base salary. You will continue to have until December 1, 2013 to meet your initial two times salary requirement, and an additional year (i.e., until December 1, 2014) to meet the additional multiple of salary.

On behalf of the entire team, I wish you the very best in your new role and look forward to your continued success.

Warm regards,

/s/ Howard Schultz

Howard Schultz
chairman, president and chief executive officer

cc: partner file
Kalen Holmes

I accept employment with Starbucks Corporation, and its wholly-owned subsidiaries, according to the terms set forth above.

/s/ Michelle Gass	9.21.2011
Michelle Gass	Date

Please sign and return one copy of this letter to Kalen Holmes.

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EXHIBIT 12

Starbucks Corporation

COMPUTATION OF RATIO OF EARNINGS TO FIXED CHARGES

(in millions, except ratios)

	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009	Sep 28, 2008	Sep 30, 2007
Fiscal year ended					
Earnings[1]	$1,811.1	$1,437.0	$559.9	$455.6	$1,057.4
Income from equity investees	(173.7)	(148.1)	(121.9)	(113.6)	(108.0)
Distributed income from equity investees	85.6	91.4	53.0	52.6	65.9
Amortization of capitalized interest	1.8	1.2	1.0	0.8	0.4
Fixed charges, excluding capitalized interest	252.0	266.3	284.4	300.4	254.5
Total earnings available for fixed charges	$1,976.8	$1,647.8	$776.4	$695.8	$1,270.2
Fixed charges:					
Interest and debt expense[2]	$37.7	$37.7	$42.2	$61.4	$42.3
Interest portion of rental expense	218.7	233.5	245.1	246.2	216.1
Total fixed charges	$256.4	$271.2	$287.3	$307.6	$258.4
Ratio of earnings to fixed charges	7.7	6.1	2.7	2.3	4.9

(1) Earnings represent income from continuing operations before provision for income taxes.

(2) Includes amortization of debt-related expenses and interest capitalized during the period.

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EXHIBIT 21

SUBSIDIARIES OF STARBUCKS CORPORATION

The list below excludes certain subsidiaries which, considered in the aggregate as a single subsidiary, would not constitute a significant subsidiary under SEC rules as of October 2, 2011.

Entity Name	Organized Under the Laws of:
Alki Limited Partnership	United Kingdom
AmRest Coffee Sp. z o. o.	Poland
AmRest Coffee s.r.o.	Czech Republic
AmRest Kavezo Kft.	Hungary
Beijing Starbucks Coffee Co., Ltd.	China
Berjaya Starbucks Coffee Company Sdn. Bhd.	Malaysia
Cafe Sirena S. de R.L. de C.V.	Mexico
Café Sirena S.R.L.	Argentina
Chengdu Starbucks Coffee Company Limited	China
Coffee Concepts (Southern China) Limited	Hong Kong
Coffee House Holdings, Inc.	Washington
Corporacion Starbucks Farmer Support Center Columbia	Columbia
Emerald City C.V.	Netherlands
Evolution Fresh, Inc.	Delaware
Guangdong Starbucks Coffee Company Limited	China
High Grown Investment Group (Hong Kong) Ltd.	Hong Kong
Hubei Starbucks Coffee Company Limited	China
Koffee Sirena LLC	Russia
Marinopoulos Coffee Company Bulgaria EOOD	Bulgaria
Marinopoulos Coffee Company Cyprus Limited	Cyprus
Marinopoulos Coffee Company III S.R.L.	Romania
Marinopoulos Coffee Company S.A.	Greece
North American Coffee Partnership	New York
Olympic Casualty Insurance Company	Vermont
President Coffee (Cayman) Holdings Ltd.	Cayman Islands
President Starbucks Coffee (Shanghai) Company Limited	China
President Starbucks Coffee Corporation Taiwan Limited	Taiwan (Republic of China)
Qingdao American Starbucks Coffee Company Limited	China
Rain City C.V.	Netherlands
SBI Nevada, Inc.	Nevada
SCI Europe I, Inc.	Washington
SCI Europe II, Inc.	Washington
SCI Investment, Inc.	Washington
SCI UK I, Inc.	Washington
SCI Ventures, S.L.	Spain
Seattle Coffee Company	Georgia
Seattle' s Best Coffee LLC	Washington
Shaya Coffee Limited	Cyprus
Starbucks (China) Company Limited	China
Starbucks (Shanghai) Supply Chain Co., Ltd.	China

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Starbucks Asia Pacific Investment Holding II Limited	Hong Kong
Starbucks Asia Pacific Investment Holding III Limited	Hong Kong
Starbucks Asia Pacific Investment Holding Limited	Hong Kong
Starbucks Brasil Comércio de Cafés Ltda.	Brazil
Starbucks CPG International, G.K.	Japan
Starbucks Capital Asset Leasing Company, LLC	Delaware
Starbucks Card Europe Limited	United Kingdom

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Starbucks Coffee (Dalian) Company Limited	China
Starbucks Coffee (Liaoning) Company Limited	China
Starbucks Coffee (Shenzhen) Ltd.	China
Starbucks Coffee (Thailand) Ltd.	Thailand
Starbucks Coffee Agronomy Company S.R.L.	Costa Rica
Starbucks Coffee Argentina S.R.L.	Argentina
Starbucks Coffee Asia Pacific Limited	Hong Kong
Starbucks Coffee Austria GmbH	Austria
Starbucks Coffee Canada, Inc.	Canada
Starbucks Coffee Chile S.A.	Chile
Starbucks Coffee Company (Australia) Pty Ltd	Australia
Starbucks Coffee Company (Ireland) Limited	Ireland
Starbucks Coffee Company (UK) Limited	United Kingdom
Starbucks Coffee Deutschland GmbH	Germany
Starbucks Coffee Development (Yunan) Company Limited	China
Starbucks Coffee EMEA B.V.	Netherlands
Starbucks Coffee France S.A.S.	France
Starbucks Coffee Holdings (UK) Limited	United Kingdom
Starbucks Coffee International, Inc.	Washington
Starbucks Coffee Japan, Ltd.	Japan
Starbucks Coffee Korea Co., Ltd.	South Korea
Starbucks Coffee Netherlands B.V.	Netherlands
Starbucks Coffee Puerto Rico, LLC	Delaware
Starbucks Coffee Singapore Pte Ltd	Singapore
Starbucks Coffee Switzerland A.G.	Switzerland
Starbucks Coffee Trading Company Sarl	Switzerland
Starbucks Farmer Support Center Ethiopia Plc.	Ethiopia
Starbucks Farmer Support Center Rewanda Ltd.	Rwanda
Starbucks Farmer Support Center Tanzania Ltd.	Tanzania
Starbucks Holding Company	Washington
Starbucks Manufacturing Corporation	Washington
Starbucks Manufacturing EMEA B.V.	Netherlands
Starbucks New Venture Company	Washington
Starbucks Singapore Investment Pte.	Singapore
Starbucks Switzerland Austria Holdings B.V.	Netherlands
Starbucks-Marinopoulos SEE B.V.	Netherlands
Torrefazione Italia LLC	Washington
Torz and Macatonia Limited	United Kingdom
Xi’ an Starbucks Coffee Company Limited	China

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EXHIBIT 23

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 33-52526, 33-52528, 33-92208, 33-92184, 333-65181, 333-94987, 333-37442, 333-70648, 333-101806, 333-114090, 333-123688, 333-142878, 333-167572 and 333-174995 on Form S-8, and Registration Statement Nos. 333-167568 and 333-145572 on Form S-3 of our reports dated November 18, 2011, relating to the consolidated financial statements of Starbucks Corporation and subsidiaries and the effectiveness of Starbucks Corporation and subsidiaries' internal control over financial reporting, appearing in this Annual Report on Form 10-K of Starbucks Corporation for the year ended October 2, 2011.

/s/ Deloitte & Touche LLP
Seattle, Washington
November 18, 2011

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EXHIBIT 31.1

CERTIFICATION PURSUANT TO RULE 13A-14 OF THE SECURITIES EXCHANGE ACT OF 1934 AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Howard Schultz, certify that:

1. I have reviewed this Annual Report on Form 10-K for the fiscal year ended October 2, 2011 of Starbucks Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant' s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant' s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant' s internal control over financial reporting that occurred during the registrant' s most recent fiscal quarter (the registrant' s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant' s internal control over financial reporting; and
5. The registrant' s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant' s auditors and the audit committee of the registrant' s board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant' s ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant' s internal control over financial reporting.

November 18, 2011

/s/ Howard Schultz

Howard Schultz
chairman, president and chief executive officer

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EXHIBIT 31.2

CERTIFICATION PURSUANT TO RULE 13A-14 OF THE SECURITIES EXCHANGE ACT OF 1934 AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Troy Alstead, certify that:

1. I have reviewed this Annual Report on Form 10-K for the fiscal year ended October 2, 2011 of Starbucks Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant' s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) Evaluated the effectiveness of the registrant' s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) Disclosed in this report any change in the registrant' s internal control over financial reporting that occurred during the registrant' s most recent fiscal quarter (the registrant' s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant' s internal control over financial reporting; and
5. The registrant' s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant' s auditors and the audit committee of the registrant' s board of directors (or persons performing the equivalent functions):
   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant' s ability to record, process, summarize and report financial information; and
   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant' s internal control over financial reporting.

November 18, 2011

/s/ Troy Alstead

Troy Alstead
chief financial officer and chief administrative officer

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EXHIBIT 32

**CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of Starbucks Corporation ("Starbucks") on Form 10-K for the fiscal year ended October 2, 2011, as filed with the Securities and Exchange Commission on November 18, 2011 (the "Report"), Howard Schultz, chairman, president and chief executive officer of Starbucks, and Troy Alstead, chief financial officer and chief administrative officer of Starbucks, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to his knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Starbucks.

November 18, 2011

/s/ Howard Schultz

Howard Schultz
chairman, president and chief executive officer

November 18, 2011

/s/ Troy Alstead

Troy Alstead
chief financial officer and chief administrative officer

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Commitments And Contingencies (Details) (USD $) In Millions, unless otherwise specified	0 Months Ended		12 Months Ended
	Nov. 29, 2010	Aug. 31, 2010	Oct. 02, 2011 Japanese Yen-Denominated Bank Loans (Starbucks Japan - An Unconsolidated Equity Investee) [Member]
Year in which guarantee expires			2014
Maximum exposure			$ 1.0
Potential additional premium to be paid to the affiliate over the fair value of agreement in case of termination	35.00%		
Value of rejected offer		$ 750	

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Equity And Cost Investments (Narrative) (Details) (USD $) In Millions, unless otherwise specified	12 Months Ended		
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
Ownership interest in equity investees	50.00%		
Revenues generated from related parties, net of eliminations	$ 151.6	$ 125.7	$ 125.3
Related costs of sales, net of eliminations	83.2	65.3	64.9
Accounts receivable from equity investees	31.9	31.4	
Investment of equity interests	37.9		
Equity method investments	334.4	308.1	
Percentage of investees financial information presented for equity method investments	100.00%		
Starbucks Coffee Japan, Ltd. [Member]			
Ownership interest in equity investees	39.80%		
Equity method investments	182.0		
Equity method investment, quoted market value	$ 334		
The North America Coffee Partnership [Member]			
Ownership interest in equity investees	50.00%		

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Consolidated Balance Sheets (USD $) In Millions	Oct. 02, 2011	Oct. 03, 2010
ASSETS		
Cash and cash equivalents	$ 1,148.1	$ 1,164.0
Short-term investments - available-for-sale securities	855.0	236.5
Short-term investments - trading securities	47.6	49.2
Accounts receivable, net	386.5	302.7
Inventories	965.8	543.3
Prepaid expenses and other current assets	161.5	156.5
Deferred income taxes, net	230.4	304.2
Total current assets	3,794.9	2,756.4
Long-term investments - available-for-sale securities	107.0	191.8
Equity and cost investments	372.3	341.5
Property, plant and equipment, net	2,355.0	2,416.5
Other assets	297.7	346.5
Other intangible assets	111.9	70.8
Goodwill	321.6	262.4
TOTAL ASSETS	7,360.4	6,385.9
LIABILITIES AND EQUITY		
Accounts payable	540.0	282.6
Accrued compensation and related costs	364.4	400.0
Accrued occupancy costs	148.3	173.2
Accrued taxes	109.2	100.2
Insurance reserves	145.6	146.2
Other accrued liabilities	319.0	262.8
Deferred revenue	449.3	414.1
Total current liabilities	2,075.8	1,779.1
Long-term debt	549.5	549.4
Other long-term liabilities	347.8	375.1
Total liabilities	2,973.1	2,703.6
Shareholders' equity:		
Common stock ($0.001 par value) - authorized, 1,200.0 shares; issued and outstanding, 744.8 and 742.6 shares, respectively (includes 3.4 common stock units in both periods)	0.7	0.7
Additional paid-in-capital	1.1	106.2
Other additional paid-in-capital	39.4	39.4
Retained earnings	4,297.4	3,471.2
Accumulated other comprehensive income	46.3	57.2
Total shareholders' equity	4,384.9	3,674.7
Noncontrolling interests	2.4	7.6
Total equity	4,387.3	3,682.3
TOTAL LIABILITIES AND EQUITY	$ 7,360.4	$ 6,385.9

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Consolidated Balance Sheets (Parenthetical) (USD $)	Oct. 02, 2011	Oct. 03, 2010
CONSOLIDATED BALANCE SHEETS		
Common stock, par value	$ 0.001	$ 0.001
Common stock, shares authorized	1,200,000,000	1,200,000,000
Common stock, shares issued	744,800,000	742,600,000
Common stock, shares outstanding	744,800,000	742,600,000
Common stock, units	3,400,000	3,400,000

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Employee Stock And Benefit Plans (Stock Option Transactions) (Details) (USD $) In Millions, except Per Share data, unless otherwise specified	12 Months Ended			
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009	Sep. 28, 2008
Employee Stock And Benefit Plans				
Outstanding, Shares Subject to Options, Beginning of Period	60.7	63.6	63.0	
Granted, Shares Subject to Options	4.3	14.9	30.9	
Granted under option exchange program, Shares Subject to Options			4.7	
Exercised, Shares Subject to Options	(16.1)	(9.6)	(7.2)	
Expired/forfeited, Shares Subject to Options	(3.6)	(8.2)	(13.5)	
Cancelled under option exchange program, Shares Subject to Options			(14.3)	
Outstanding, Shares Subject to Options, End of Period	45.3	60.7	63.6	
Exercisable, Shares Subject to Options	23.2			
Vested and expected to vest, Shares Subject to Options	42.9			
Outstanding, Weighted Average Exercise Price per Share, Beginning of Period	$ 16.52	$ 14.75	$ 20.96	
Granted, Weighted Average Exercise Price per Share	$ 31.46	$ 22.28	$ 8.97	
Granted under option exchange program, Weighted Average Exercise Price per Share			$ 14.92	
Exercised, Weighted Average Exercise Price per Share	$ 14.40	$ 11.94	$ 7.31	
Expired/forfeited, Weighted Average Exercise Price per Share	$ 18.06	$ 18.73	$ 18.99	
Cancelled under option exchange program, Weighted Average Exercise Price per Share			$ 29.34	
Outstanding, Weighted Average Exercise Price per Share, End of Period	$ 18.57	$ 16.52	$ 14.75	
Exercisable, Weighted Average Exercise Price per Share	$ 18.81			
Vested and expected to vest, Weighted Average Exercise Price per Share	$ 18.48			
Outstanding, Weighted Average Remaining Contractual Life (Years)	6.4	6.6	6.7	5.7
Exercisable, Weighted Average Remaining Contractual Life (Years)	5.0			
Vested and expected to vest, Weighted Average Remaining Contractual Life (Years)	6.3			
Outstanding, Aggregate Intrinsic Value	$ 848	$ 611	$ 442	$ 115
Exercisable, Aggregate Intrinsic Value	272			
Vested and expected to vest, Aggregate Intrinsic Value	$ 571			

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Equity And Cost Investments (Results Of Operations Of Equity Method Investments) (Details) (USD $) In Millions	12 Months Ended		
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
Equity And Cost Investments			
Net revenues	$ 2,395.1	$ 2,128.0	$ 2,100.1
Operating income	277.0	245.3	192.5
Net earnings	$ 231.1	$ 205.1	$ 155.8

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Acquisitions (Narrative) (Details) (USD $) In Millions, unless otherwise specified	12 Months Ended			3 Months Ended		3 Months Ended			3 Months Ended	
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009	Oct. 02, 2011 Switzerland And Austria [Member]	Jul. 03, 2011 Maxim's Caterers Limited [Member]	Dec. 27, 2009 France [Member]	Dec. 27, 2009 Spain [Member]	Dec. 27, 2009 Portugal [Member]	Oct. 03, 2010 Brazil [Member]	Oct. 03, 2010 UCO [Member]
Ownership Interest in joint venture acquired				50.00%						
Ownership in joint venture post acquisition				100.00%		100.00%			100.00%	100.00%
Purchase price				$ 65.5						
Interest income and other, net	55.2	23.1	0	55.0						
Definite-lived intangible assets				35.1						
Fair value of net assets acquired				131.0						
Goodwill				$ 63.8						
Ownership interest in joint venture prior to acquisition						50.00%			49.00%	50.00%
Ownership interest sold during acquisition							50.00%	50.00%		
Ownership interest acquired					30.00%					
Ownership interest in equity investees sold					5.00%					

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Segment Reporting (Schedule Of Long Lived Assets By Geographic Area) (Details) (USD $) In Millions	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
Long-lived assets	$ 3,565.5	$ 3,629.5	$ 3,541.0
United States [Member]			
Long-lived assets	2,587.1	2,807.9	2,776.7
Other Countries [Member]			
Long-lived assets	$ 978.4	$ 821.6	$ 764.3

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Restructuring Charges

12 Months Ended Oct. 02, 2011

Restructuring Charges

Restructuring Charges

Note 16: Restructuring Charges

The restructuring efforts we began in fiscal 2008 to rationalize our store portfolio and the non-retail support organization were completed in fiscal 2010. On a cumulative basis we closed 918 stores on a global basis as part of this effort.

Restructuring charges by type of cost and by reportable segment for the prior three fiscal years were as follows.(*in millions*):

	By Type of Cost				By Segment		
	Total	Lease Exit and Other Related Costs	Asset Impairments	Employee Termination Costs	US	International	Other
Costs incurred and charged to expense in fiscal 2010	$53.0	$ 53.0	$ 0.2	$ (0.2)	$27.2	$ 25.8	$0.0
Costs incurred and charged to expense in fiscal 2009	332.4	184.2	129.2	19.0	246.3	27.0	59.1
Costs incurred and charged to expense in fiscal 2008	266.9	47.8	201.6	17.5	210.9	19.2	36.8
Cumulative costs incurred to date	652.3	285.0	331.0	36.3	484.4	72.0	95.9
Accrued liability as of September 27, 2009	$104.0	$ 102.8		$ 1.2			
Costs incurred in fiscal 2010, excluding non-cash charges(1)	53.4	53.7		(0.3)			
Cash payments	(68.2)	(67.3)		(0.9)			
Accrued liability as of October 3, 2010(2)	$89.2	$ 89.2		$ 0.0			
Cash payments	(27.1)	(27.1)					
Other	0.5	0.5					

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Accrued liability as of October 2, 2011[2]	$62.6	$ 62.6	

[1] Non-cash charges and credits for lease exit and other related costs primarily represent deferred rent balances recognized as expense credits at the cease-use date.

[2] The remaining liability relates to lease obligations for stores that were previously closed where Starbucks has been unable to terminate the lease or find subtenants for the unused space.

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Earnings Per Share (Narrative) (Details) (Stock Options [Member]) In Millions	12 Months Ended		
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
Stock Options [Member]			
Out-of-the-money options	0.1	7.9	15.9

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Document And Entity Information (USD $) In Billions, except Share data in Millions	12 Months Ended		
	Oct. 02, 2011	Nov. 11, 2011	Apr. 01, 2011
Document And Entity Information			
Document Type	10-K		
Amendment Flag	false		
Document Period End Date	Oct. 02, 2011		
Document Fiscal Year Focus	2011		
Document Fiscal Period Focus	FY		
Entity Registrant Name	STARBUCKS CORP		
Entity Central Index Key	0000829224		
Current Fiscal Year End Date	--10-02		
Entity Filer Category	Large Accelerated Filer		
Entity Well-known Seasoned Issuer	Yes		
Entity Voluntary Filers	No		
Entity Current Reporting Status	Yes		
Entity Public Float			$ 27
Entity Common Stock, Shares Outstanding		745.4	

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Fair Value Measurements (Asset Fair Market Value Adjustments Charged To Earnings) (Details) (USD $) In Millions	12 Months Ended			
	Oct. 02, 2011		Oct. 03, 2010	
Property, Plant and Equipment [Member]				
Carrying value before adjustment	$ 8.8	[1]	$ 26.8	[1]
Fair value adjustment	(5.9)	[1]	(22.3)	[1]
Carrying value after adjustment	2.9	[1]	4.5	[1]
Other Assets [Member]				
Carrying value before adjustment	22.1	[2]		
Fair value adjustment	(22.1)	[2]		
Carrying value after adjustment	0	[2]		
Goodwill [Member]				
Carrying value before adjustment			4.1	[3]
Fair value adjustment			(1.6)	[3]
Carrying value after adjustment			$ 2.5	[3]

[1] These assets primarily consist of leasehold improvements in underperforming stores. The fair value was determined using a discounted cash flow model based on expected future store revenues and operating costs, using internal projections. The resulting impairment charge was included in store operating expenses.

[2] The fair value was determined using valuation techniques, including discounted cash flows, comparable transactions, and/or comparable company analyses. The resulting impairment charge was included in other operating expenses.

[3] The fair value was determined using a discounted cash flow model based on future cash flows for the reporting unit, using internal projections. The resulting impairment charge was included in store operating expenses

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Subsequent Event	12 Months Ended Oct. 02, 2011
Subsequent Event	
Subsequent Event	**Note 19: Subsequent Event** In the first quarter of fiscal 2012, we acquired the outstanding shares of Evolution Fresh, Inc., a specialty juice company, to expand our portfolio of product offerings and enter into the super-premium juice market. We acquired Evolution Fresh for a purchase price of $30 million in cash.

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Fair Value Measurements (Assets And Liabilities Measured At Fair Value On A Recurring Basis) (Details) (USD $) In Millions	Oct. 02, 2011	Oct. 03, 2010
Short-term investments - available-for-sale securities	$ 855.0	$ 236.5
Short-term investments - Trading securities	47.6	49.2
Total short-term investments	902.6	285.7
Long-term investments - available-for-sale securities	107.0	191.8
Total	1,009.6	477.5
Derivatives	31.5	34.7
Agency Obligations [Member]		
Short-term investments - available-for-sale securities	20.0	30.0
Long-term investments - available-for-sale securities		27.0
Agency Obligations [Member] | Quoted Prices in Active Markets for Identical Assets (Level 1) [Member]		
Short-term investments - available-for-sale securities	0	0
Long-term investments - available-for-sale securities		0
Agency Obligations [Member] | Significant Other Observable Inputs (Level 2) [Member]		
Short-term investments - available-for-sale securities	20.0	30.0
Long-term investments - available-for-sale securities		27.0
Agency Obligations [Member] | Significant Unobservable Inputs (Level 3) [Member]		
Short-term investments - available-for-sale securities	0	0
Long-term investments - available-for-sale securities		0
Commercial Paper [Member]		
Short-term investments - available-for-sale securities	87.0	
Commercial Paper [Member] | Quoted Prices in Active Markets for Identical Assets (Level 1) [Member]		
Short-term investments - available-for-sale securities	0	
Commercial Paper [Member] | Significant Other Observable Inputs (Level 2) [Member]		
Short-term investments - available-for-sale securities	87.0	
Commercial Paper [Member] | Significant Unobservable Inputs (Level 3) [Member]		
Short-term investments - available-for-sale securities	0	
Corporate Debt Securities [Member]		
Short-term investments - available-for-sale securities	78.0	15.0
Long-term investments - available-for-sale securities	67.0	123.5
Corporate Debt Securities [Member] | Quoted Prices in Active Markets for Identical Assets (Level 1) [Member]		
Short-term investments - available-for-sale securities	0	0
Long-term investments - available-for-sale securities	0	0
Corporate Debt Securities [Member] | Significant Other Observable Inputs (Level 2) [Member]		
Short-term investments - available-for-sale securities	78.0	15.0

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Long-term investments - available-for-sale securities	67.0	123.5
Corporate Debt Securities [Member] | Significant Unobservable Inputs (Level 3) [Member]		
Short-term investments - available-for-sale securities	0	0
Long-term investments - available-for-sale securities	0	0
Government Treasury Securities [Member]		
Short-term investments - available-for-sale securities	606.0	190.8
Government Treasury Securities [Member] | Quoted Prices in Active Markets for Identical Assets (Level 1) [Member]		
Short-term investments - available-for-sale securities	606.0	190.8
Government Treasury Securities [Member] | Significant Other Observable Inputs (Level 2) [Member]		
Short-term investments - available-for-sale securities	0	0
Government Treasury Securities [Member] | Significant Unobservable Inputs (Level 3) [Member]		
Short-term investments - available-for-sale securities	0	0
State and Local Government Obligations [Member]		
Short-term investments - available-for-sale securities		0.7
Long-term investments - available-for-sale securities	28.0	41.3
State and Local Government Obligations [Member] | Quoted Prices in Active Markets for Identical Assets (Level 1) [Member]		
Short-term investments - available-for-sale securities		0
Long-term investments - available-for-sale securities	0	0
State and Local Government Obligations [Member] | Significant Other Observable Inputs (Level 2) [Member]		
Short-term investments - available-for-sale securities		0.7
Long-term investments - available-for-sale securities	0	0
State and Local Government Obligations [Member] | Significant Unobservable Inputs (Level 3) [Member]		
Short-term investments - available-for-sale securities		0
Long-term investments - available-for-sale securities	28.0	41.3
Certificates Of Deposit [Member]		
Short-term investments - available-for-sale securities	64.0	
Long-term investments - available-for-sale securities	12.0	
Certificates Of Deposit [Member] | Quoted Prices in Active Markets for Identical Assets (Level 1) [Member]		
Short-term investments - available-for-sale securities	0	
Long-term investments - available-for-sale securities	0	
Certificates Of Deposit [Member] | Significant Other Observable Inputs (Level 2) [Member]		
Short-term investments - available-for-sale securities	64.0	
Long-term investments - available-for-sale securities	12.0	
Certificates Of Deposit [Member] | Significant Unobservable Inputs (Level 3) [Member]		
Short-term investments - available-for-sale securities	0	
Long-term investments - available-for-sale securities	0	
Quoted Prices in Active Markets for Identical Assets (Level 1) [Member]		
Short-term investments - available-for-sale securities	606.0	190.8

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Short-term investments - Trading securities	47.6	49.2
Total short-term investments	653.6	240.0
Long-term investments - available-for-sale securities	0	0
Total	653.6	240.0
Derivatives	0	0
Significant Other Observable Inputs (Level 2) [Member]		
Short-term investments - available-for-sale securities	249.0	45.7
Short-term investments - Trading securities	0	0
Total short-term investments	249.0	45.7
Long-term investments - available-for-sale securities	79.0	150.5
Total	328.0	196.2
Derivatives	31.5	34.7
Significant Unobservable Inputs (Level 3) [Member]		
Short-term investments - available-for-sale securities	0	0
Short-term investments - Trading securities	0	0
Total short-term investments	0	0
Long-term investments - available-for-sale securities	28.0	41.3
Total	28.0	41.3
Derivatives	$ 0	$ 0

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Income Taxes (Reconciliation Of The Statutory US Federal Income Tax Rate With Our Effective Income Tax Rate) (Details)	12 Months Ended		
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
Statutory rate	35.00%	35.00%	35.00%
State income taxes, net of federal income tax benefit	2.50%	2.50%	2.60%
Benefits and taxes related to foreign operations	(3.10%)	(2.50%)	(2.30%)
Domestic production activity deduction	(0.80%)	(0.90%)	(2.30%)
Credit resulting from employment audit	0.00%	0.00%	(2.00%)
Other, net	(2.50%) [1]	(0.10%) [1]	(0.90%) [1]
Effective tax rate	31.10%	34.00%	30.10%
Switzerland And Austria [Member]			
Other, net	0.90%		

[1] Fiscal 2011 includes a benefit of 0.9% related to the acquisition of the remaining ownership interest in Switzerland and Austria.

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Equity And Cost Investments	12 Months Ended Oct. 02, 2011

Equity And Cost Investments

Equity And Cost Investments

Note 5: Equity and Cost Investments *(in millions)*

	Oct 2, 2011	Oct 3, 2010
Equity method investments	$ 334.4	$ 308.1
Cost method investments	37.9	33.4
Total	$ 372.3	$ 341.5

Equity Method Investments

As of October 2, 2011, we had a 50 percent ownership interest in each of the following international equity investees: Starbucks Coffee Korea Co., Ltd.; President Starbucks Coffee Taiwan Ltd.; Shanghai President Coffee Co.; and Berjaya Starbucks Coffee Company Sdn. Bhd. (Malaysia). In addition, we had a 39.8 percent ownership interest in Starbucks Coffee Japan, Ltd. These international entities operate licensed Starbucks retail stores. We also have licensed the rights to produce and distribute Starbucks branded products to The North American Coffee Partnership with the Pepsi-Cola Company. We have a 50 percent ownership interest in The North America Coffee Partnership, which develops and distributes bottled Frappuccino® beverages, Starbucks DoubleShot® espresso drinks, and Seattle's Best Coffee® ready-to-drink espresso beverages.

Our share of income and losses from our equity method investments is included in income from equity investees on the consolidated statements of earnings. Also included in this line item is our proportionate share of gross margin resulting from coffee and other product sales to, and royalty and license fee revenues generated from, equity investees. Revenues generated from these related parties, net of eliminations, were $151.6 million, $125.7 million, and $125.3 million in fiscal years 2011, 2010, and 2009, respectively. Related costs of sales, net of eliminations, were $83.2 million, $65.3 million, and $64.9 million in fiscal years 2011, 2010, and 2009, respectively. As of October 2, 2011 and October 3, 2010, there were $31.9 million and $31.4 million of accounts receivable from equity investees, respectively, on our consolidated balance sheets, primarily related to product sales and store license fees.

As of October 2, 2011, the aggregate market value of our investment in Starbucks Japan was approximately $334 million, determined based on its available quoted market price, which exceeds its carrying value of $182 million.

Summarized combined financial information of our equity method investees, which represent 100% of the investees' financial information (*in millions*):

Financial Position as of	Oct 2, 2011	Oct 3, 2010
Current assets	$ 476.9	$ 390.1
Noncurrent assets	651.4	570.3
Current liabilities	340.1	260.6
Noncurrent liabilities	80.2	70.5

Results of Operations for Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Net revenues	$2,395.1	$2,128.0	$2,100.1

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Operating income	277.0	245.3	192.5
Net earnings	231.1	205.1	155.8

Cost Method Investments

As of October 2, 2011, we had a $37.9 million investment of equity interests in entities that develop and operate Starbucks licensed retail stores in several global markets. We have the ability to acquire additional interests in some of these cost method investees at certain intervals. Depending on our total percentage of ownership interest and our ability to exercise significant influence over financial and operating policies, additional investments may require a retroactive application of the equity method of accounting.

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Summary Of Significant Accounting Policies (Policy)	12 Months Ended Oct. 02, 2011
Summary Of Significant Accounting Policies	
Description Of Business	***Description of Business*** We purchase and roast high-quality whole bean coffees that we sell, along with handcrafted coffee and tea beverages and a variety of fresh food items, through our company-operated stores. We also sell a variety of coffee and tea products and license our trademarks through other channels such as licensed stores, grocery and national foodservice accounts. Additional details on the nature of our business are in Item 1 of this 10-K. In this 10-K, Starbucks Corporation (together with its subsidiaries) is referred to as "Starbucks," the "Company," "we," "us" or "our." We have three reportable operating segments: United States ("US"), International, and Global Consumer Products Group ("CPG").
Principles Of Consolidation	***Principles of Consolidation*** The consolidated financial statements reflect the financial position and operating results of Starbucks, including wholly owned subsidiaries and investees controlled by us. Investments in entities that we do not control, but have the ability to exercise significant influence over operating and financial policies, are accounted for under the equity method. Investments in entities in which we do not have the ability to exercise significant influence are accounted for under the cost method. Intercompany transactions and balances have been eliminated.
Fiscal Year End	***Fiscal Year End*** Our fiscal year ends on the Sunday closest to September 30. Fiscal years 2011 and 2009 included 52 weeks. Fiscal year 2010 included 53 weeks, with the 53rd week falling in the fourth fiscal quarter.
Estimates And Assumptions	***Estimates and Assumptions*** Preparing financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Examples include, but are not limited to, estimates for asset and goodwill impairments, stock-based compensation forfeiture rates, and future asset retirement obligations; assumptions underlying self-insurance reserves; and the potential outcome of future tax consequences of events that have been recognized in the financial statements. Actual results and outcomes may differ from these estimates and assumptions.
Cash And Cash Equivalents	***Cash and Cash Equivalents*** We consider all highly liquid instruments with a maturity of three months or less at the time of purchase to be cash equivalents. Cash and cash equivalents are valued using active markets for identical assets (Level 1 of the fair value hierarchy). We maintain cash and cash equivalent balances with financial institutions that exceed federally insured limits. We have not experienced any losses related to these balances, and we believe credit risk to be minimal.
Cash Management	***Cash Management***

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Our cash management system provides for the funding of all major bank disbursement accounts on a daily basis as checks are presented for payment. Under this system, outstanding checks are in excess of the cash balances at certain banks, which creates book overdrafts. Book overdrafts are presented as a current liability in accounts payable on the consolidated balance sheets.

Short-Term And Long-Term Investments

Short-term and Long-term Investments

Our short-term and long-term investments consist primarily of investment grade debt securities, including some auction rate securities, all of which are classified as available-for-sale. Also included in our available-for-sale investment portfolio are certificates of deposit placed through an account registry service. Available-for-sale securities are recorded at fair value, and unrealized holding gains and losses are recorded, net of tax, as a component of accumulated other comprehensive income. Available-for-sale securities with remaining maturities of less than one year and those identified by management at the time of purchase to be used to fund operations within one year are classified as short term. All other available-for-sale securities, including all of our auction rate securities, are classified as long term. Unrealized losses are charged against net earnings when a decline in fair value is determined to be other than temporary. We review several factors to determine whether a loss is other than temporary, such as the length and extent of the fair value decline, the financial condition and near term prospects of the issuer, and whether we have the intent to sell or will likely be required to sell before the securities anticipated recovery, which may be at maturity. Realized gains and losses are accounted for using the specific identification method. Purchases and sales are recorded on a trade date basis.

We also have a trading securities portfolio, which is comprised of marketable equity mutual funds and equity exchange-traded funds. Trading securities are recorded at fair value with unrealized holding gains and losses included in net earnings.

Fair Value

Fair Value

Fair value is the price we would receive to sell an asset or pay to transfer a liability (exit price) in an orderly transaction between market participants. For financial instruments and investments that we record or disclose at fair value, we determine fair value based upon the quoted market price as of the last day of the fiscal period, if available. If a quoted market price is not available for identical assets, we determine fair value based upon the quoted market price of similar assets or using a variety of other valuation methodologies. We determine fair value of our auction rate securities using an internally developed valuation model, using inputs that include interest rate curves, credit and liquidity spreads, and effective maturity.

The carrying value of cash and cash equivalents approximates fair value because of the short-term nature of these instruments. The fair value of our long-term debt is estimated based on the quoted market prices for the same or similar issues or on the current rates offered to us for debt of the same remaining maturities.

We measure our equity and cost method investments at fair value on a nonrecurring basis when they are determined to be other-than temporarily impaired. Fair values are determined using available quoted market prices or discounted cash flows.

Derivative Instruments

Derivative Instruments

We manage our exposure to various risks within the consolidated financial statements according to an umbrella risk management policy. Under this policy, we may engage in transactions involving various derivative instruments, with maturities generally not longer than five years, to

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hedge interest rates, commodity prices and foreign currency denominated revenues, purchases, assets and liabilities.

We record all derivatives on the balance sheets at fair value. For a cash flow hedge, the effective portion of the derivative's gain or loss is initially reported as a component of other comprehensive income ("OCI") and subsequently reclassified into net earnings when the hedged exposure affects net earnings. For a net investment hedge, the effective portion of the derivative's gain or loss is reported as a component of OCI.

Cash flow hedges related to anticipated transactions are designated and documented at the inception of each hedge by matching the terms of the contract to the underlying transaction. We classify the cash flows from hedging transactions in the same categories as the cash flows from the respective hedged items. Once established, cash flow hedges are generally not removed until maturity unless an anticipated transaction is no longer likely to occur. For discontinued or dedesignated cash flow hedges, the related accumulated derivative gains or losses are recognized in net interest income and other on the consolidated statements of earnings.

Forward contract effectiveness for cash flow hedges is calculated by comparing the fair value of the contract to the change in value of the anticipated transaction using forward rates on a monthly basis. For net investment hedges, the spot-to-spot method is used to calculate effectiveness. Under this method, the change in fair value of the forward contract attributable to the changes in spot exchange rates (the effective portion) is reported as a component of OCI. The remaining change in fair value of the forward contract (the ineffective portion) is reclassified into net earnings. Any ineffectiveness is recognized immediately in net interest income and other on the consolidated statements of earnings.

We also enter into certain foreign currency forward contracts, commodity swap contracts, and futures contracts that are not designated as hedging instruments for accounting purposes. These contracts are recorded at fair value, with the changes in fair value recognized in net interest income and other on the consolidated statements of earnings.

Allowance For Doubtful Accounts

Allowance for Doubtful Accounts

Allowance for doubtful accounts is calculated based on historical experience, customer credit risk and application of the specific identification method. As of October 2, 2011, October 3, 2010, and September 27, 2009, the allowance for doubtful accounts was $3.3 million, $3.3 million, and $5.0 million respectively.

Inventories

Inventories

Inventories are stated at the lower of cost (primarily moving average cost) or market. We record inventory reserves for obsolete and slow-moving inventory and for estimated shrinkage between physical inventory counts. Inventory reserves are based on inventory turnover trends, historical experience and application of the specific identification method. As of October 2, 2011, October 3, 2010, and September 27, 2009, inventory reserves were $19.5 million, $18.1 million, and $21.1 million, respectively.

Property, Plant And Equipment

Property, Plant and Equipment

Property, plant and equipment are carried at cost less accumulated depreciation. Depreciation of property, plant and equipment, which includes assets under capital leases, is provided on the straight-line method over estimated useful lives, generally ranging from two to 15 years for equipment and 30 to 40 years for buildings. Leasehold improvements are amortized over the

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shorter of their estimated useful lives or the related lease life, generally 10 years. For leases with renewal periods at our option, we generally use the original lease term, excluding renewal option periods, to determine estimated useful lives. If failure to exercise a renewal option imposes an economic penalty to us, we may determine at the inception of the lease that renewal is reasonably assured and include the renewal option period in the determination of appropriate estimated useful lives. The portion of depreciation expense related to production and distribution facilities is included in cost of sales including occupancy costs on the consolidated statements of earnings. The costs of repairs and maintenance are expensed when incurred, while expenditures for refurbishments and improvements that significantly add to the productive capacity or extend the useful life of an asset are capitalized. When assets are retired or sold, the asset cost and related accumulated depreciation are eliminated with any remaining gain or loss recognized in net earnings.

Goodwill

Goodwill

We test goodwill for impairment on an annual basis during our third fiscal quarter, or more frequently if circumstances, such as material deterioration in performance or a significant number of store closures, indicate reporting unit carrying values may exceed their fair values. If the carrying amount of goodwill exceeds the implied estimated fair value, an impairment charge to current operations is recorded to reduce the carrying value to the implied estimated fair value.

As a part of our ongoing operations, we may close certain stores within a reporting unit containing goodwill due to underperformance of the store or inability to renew our lease, among other reasons. We abandon certain assets associated with a closed store including leasehold improvements and other non-transferrable assets. Under GAAP, when a portion of a reporting unit that constitutes a business is to be disposed of, goodwill associated with the business is included in the carrying amount of the business in determining any loss on disposal. Our evaluation of whether the portion of a reporting unit being disposed of constitutes a business occurs on the date of abandonment. Although an operating store meets the accounting definition of a business prior to abandonment, it does not constitute a business on the closure date because the remaining assets on that date do not constitute an integrated set of assets that are capable of being conducted and managed for the purpose of providing a return to investors. As a result, when closing individual stores, we do not include goodwill in the calculation of any loss on disposal of the related assets. As noted above, if store closures are indicative of potential impairment of goodwill at the reporting unit level, we perform an evaluation of our reporting unit goodwill when such closures occur. During Fiscal 2011 we recorded no impairment charges and recorded $1.6 million in fiscal 2010 and $7.0 million in fiscal 2009.

Other Intangible Assets

Other Intangible Assets

Other intangible assets consist primarily of trademarks with indefinite lives, which are tested for impairment annually or more frequently if events or changes in circumstances indicate that the asset might be impaired. Definite-lived intangible assets, which mainly consist of contract-based patents and copyrights, are amortized over their estimated useful lives, and are tested for impairment when facts and circumstances indicate that the carrying values may not be recoverable. Based on the impairment tests performed, there was no impairment of other intangible assets in fiscal 2011, 2010, and 2009.

Insurance Reserves

Insurance Reserves

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We use a combination of insurance and self-insurance mechanisms, including a wholly owned captive insurance entity and participation in a reinsurance treaty, to provide for the potential liabilities for certain risks, including workers' compensation, healthcare benefits, general liability, property insurance, and director and officers' liability insurance. Liabilities associated with the risks that are retained by us are not discounted and are estimated, in part, by considering historical claims experience, demographic, exposure and severity factors, and other actuarial assumptions.

Long-Lived Assets

Long-lived Assets

When facts and circumstances indicate that the carrying values of long-lived assets may not be recoverable, we evaluate long-lived assets for impairment. We first compare the carrying value of the asset to the asset's estimated future cash flows (undiscounted). If the estimated future cash flows are less than the carrying value of the asset, we calculate an impairment loss based on the asset's estimated fair value. The fair value of the assets is estimated using a discounted cash flow model based on forecasted future revenues and operating costs, using internal projections. Property, plant and equipment assets are grouped at the lowest level for which there are identifiable cash flows when assessing impairment. Cash flows for company-operated store assets are identified at the individual store level. Long-lived assets to be disposed of are reported at the lower of their carrying amount, or fair value less estimated costs to sell.

We recognized net impairment and disposition losses of $36.2 million, $67.7 million, and $224.4 million in fiscal 2011, 2010, and 2009, respectively, primarily due to underperforming company-operated stores. The net losses in fiscal 2009 include $129.2 million of asset impairments related primarily to the US and International store closures that occurred as part of our store portfolio rationalization which began in fiscal 2008. Depending on the underlying asset that is impaired, these losses may be recorded in any one of the operating expense lines on the consolidated statements of earnings: for retail operations, the net impairment and disposition losses are recorded in restructuring charges and store operating expenses and for all other operations, these losses are recorded in cost of sales including occupancy costs, other operating expenses, general and administrative expenses, or restructuring charges.

Revenue Recognition

Revenue Recognition

Consolidated revenues are presented net of intercompany eliminations for wholly owned subsidiaries and investees controlled by us and for licensees accounted for under the equity method, based on our percentage ownership. Additionally, consolidated revenues are recognized net of any discounts, returns, allowances and sales incentives, including coupon redemptions and rebates.

Any revenue arrangements involving multiple elements and deliverables as well as upfront fees are individually evaluated for revenue recognition. Cash payments received in advance of product or service delivery are recorded in deferred revenue until earned.

Company-operated Stores Revenues

Company-operated store revenues are recognized when payment is tendered at the point of sale. Retail store revenues are reported net of sales, use or other transaction taxes that are collected from customers and remitted to taxing authorities.

Stored Value Cards

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Revenues from our stored value cards, primarily Starbucks Cards, are recognized when redeemed, or when we recognize breakage income. We recognize breakage income when the likelihood of redemption, based on historical experience, is deemed to be remote. Outstanding customer balances are included in deferred revenue on the consolidated balance sheets. There are no expiration dates on our stored value cards, and we do not charge any service fees that cause a decrement to customer balances. While we will continue to honor all stored value cards presented for payment, management may determine the likelihood of redemption to be remote for certain cards due to, among other things, long periods of inactivity. In these circumstances, if management also determines there is no requirement for remitting balances to government agencies under unclaimed property laws, card balances may then be recognized in the consolidated statements of earnings, in net interest income and other. For the fiscal years ended October 2, 2011, October 3, 2010, and September 27, 2009, income recognized on unredeemed stored value card balances was $46.9 million, $31.2 million, and $26.0 million, respectively.

Customers in the US who register their Starbucks Card are automatically enrolled in the My Starbucks Reward® program and earn points ("Stars") with each purchase. Reward program members receive various benefits depending on the number of Stars earned in a 12-month period. Customers at the highest level of the rewards program receive a free beverage coupon after a specified number of purchases. The value of Stars earned by our program members is included in deferred revenue and recorded as a reduction in revenue at the time the Stars are earned, based on the value of Stars that are projected to be redeemed.

Licensed Stores Revenues

Licensed stores revenues consist of product sales to licensed stores, as well as royalties and other fees paid by licensees to use the Starbucks brand. Sales of coffee, tea and related products are generally recognized upon shipment to licensees, depending on contract terms. Shipping charges billed to licensees are also recognized as revenue, and the related shipping costs are included in cost of sales including occupancy costs on the consolidated statements of earnings.

Initial nonrefundable development fees for licensed stores are recognized upon substantial performance of services for new market business development activities, such as initial business, real estate and store development planning, as well as providing operational materials and functional training courses for opening new licensed retail markets. Additional store licensing fees are recognized when new licensed stores are opened. Royalty revenues based upon a percentage of reported sales and other continuing fees, such as marketing and service fees, are recognized on a monthly basis when earned.

CPG, Foodservice and Other Revenues

CPG, foodservice and other revenues primarily consist of packaged coffee and tea sales to grocery and warehouse club stores, revenues from sales of products to and license revenues from manufacturers that produce and market Starbucks and Seattle's Best Coffee branded products through licensing agreements, and sales to our national foodservice accounts. Sales of coffee, tea and related products to grocery and warehouse club stores are generally recognized when received by the customer or distributor, depending on contract terms. We maintain a sales return allowance to reduce packaged goods revenues for estimated future product returns based on historical patterns. Revenues are recorded net of sales discounts given to customers for trade promotions and payments to customers for product placement in our customers' stores.

Revenues from sales of products to manufacturers that produce and market Starbucks and Seattle's Best Coffee branded products through licensing agreements are generally recognized

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when the product is received by the manufacturer or distributor. License revenues from manufacturers are based on a percentage of sales and are recognized on a monthly basis when earned. National foodservice account revenues are recognized when the product is received by the customer or distributor.

Advertising

Advertising

Our annual marketing expenses include many components, one of which is advertising costs. We expense most advertising costs as they are incurred, except for certain production costs that are expensed the first time the advertising campaign takes place.

Advertising expenses totaled $141.4 million, $176.2 million, and $126.3 million in fiscal 2011, 2010, and 2009, respectively.

Store Preopening Expenses

Store Preopening Expenses

Costs incurred in connection with the start-up and promotion of new store openings are expensed as incurred.

Operating Leases

Operating Leases

We lease retail stores, roasting, distribution and warehouse facilities, and office space under operating leases. Most lease agreements contain tenant improvement allowances, rent holidays, lease premiums, rent escalation clauses and/or contingent rent provisions. For purposes of recognizing incentives, premiums and minimum rental expenses on a straight-line basis over the terms of the leases, we use the date of initial possession to begin amortization, which is generally when we enter the space and begin to make improvements in preparation of intended use.

For tenant improvement allowances and rent holidays, we record a deferred rent liability on the consolidated balance sheets and amortize the deferred rent over the terms of the leases as reductions to rent expense on the consolidated statements of earnings.

For premiums paid upfront to enter a lease agreement, we record a deferred rent asset on the consolidated balance sheets and then amortize the deferred rent over the terms of the leases as additional rent expense on the consolidated statements of earnings.

For scheduled rent escalation clauses during the lease terms or for rental payments commencing at a date other than the date of initial occupancy, we record minimum rental expenses on a straight-line basis over the terms of the leases on the consolidated statements of earnings.

Certain leases provide for contingent rents, which are determined as a percentage of gross sales in excess of specified levels. We record a contingent rent liability on the consolidated balance sheets and the corresponding rent expense when specified levels have been achieved or when we determine that achieving the specified levels during the fiscal year is probable.

When ceasing operations in company-operated stores under operating leases, in cases where the lease contract specifies a termination fee due to the landlord, we record such expense at the time written notice is given to the landlord. In cases where terms, including termination fees, are yet to be negotiated with the landlord, we will record the expense upon signing of an agreement with the landlord. In cases where the landlord does not allow us to prematurely exit the lease, but allows for subleasing, we estimate the fair value of any sublease income that can be generated from the location and expense the present value of the excess of remaining lease payments to the landlord over the projected sublease income at the cease-use date.

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Asset Retirement Obligations

Asset Retirement Obligations

We recognize a liability for the fair value of required asset retirement obligations ("ARO") when such obligations are incurred. Our AROs are primarily associated with leasehold improvements, which, at the end of a lease, we are contractually obligated to remove in order to comply with the lease agreement. At the inception of a lease with such conditions, we record an ARO liability and a corresponding capital asset in an amount equal to the estimated fair value of the obligation. The liability is estimated based on a number of assumptions requiring management's judgment, including store closing costs, cost inflation rates and discount rates, and is accreted to its projected future value over time. The capitalized asset is depreciated using the same depreciation convention as leasehold improvement assets. Upon satisfaction of the ARO conditions, any difference between the recorded ARO liability and the actual retirement costs incurred is recognized as an operating gain or loss in the consolidated statements of earnings. As of October 2, 2011 and October 3, 2010, our net ARO asset included in property, plant and equipment was $11.8 million and $13.7 million, respectively, and our net ARO liability included in other long-term liabilities was $50.1 million and $47.7 million, respectively.

Stock-Based Compensation

Stock-based Compensation

We maintain several equity incentive plans under which we may grant non-qualified stock options, incentive stock options, restricted stock, restricted stock units ("RSUs") or stock appreciation rights to employees, non-employee directors and consultants. We also have employee stock purchase plans ("ESPP"). RSUs issued by us are equivalent to nonvested shares under the applicable accounting guidance. We record stock-based compensation expenses based on the fair value of stock awards at the grant date and recognize the expense over the related service period following a graded vesting expense schedule. For stock option awards we use the Black-Scholes-Merton option pricing model to measure fair value. For restricted stock units, fair value is calculated using the stock price at the date of grant.

Foreign Currency Translation

Foreign Currency Translation

Our international operations generally use their local currency as their functional currency. Assets and liabilities are translated at exchange rates in effect at the balance sheet date. Income and expense accounts are translated at the average monthly exchange rates during the year. Resulting translation adjustments are recorded as a component of accumulated other comprehensive income on the consolidated balance sheets.

Income Taxes

Income Taxes

We compute income taxes using the asset and liability method, under which deferred income taxes are provided for the temporary differences between the financial statement carrying amounts and the tax basis of our assets and liabilities. We routinely evaluate the likelihood of realizing the benefit of our deferred tax assets and may record a valuation allowance if, based on all available evidence, we determine that some portion of the tax benefit will not be realized. We recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the relevant taxing authorities, based on the technical merits of our position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. Starbucks recognizes interest and penalties related to income tax matters in income tax expense.

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Earnings Per Share

Earnings per Share

Basic earnings per share is computed based on the weighted average number of shares of common stock outstanding during the period. Diluted earnings per share is computed based on the weighted average number of shares of common stock and the effect of dilutive potential common shares outstanding during the period, calculated using the treasury stock method. Dilutive potential common shares include outstanding stock options and RSUs. Performance-based RSUs are considered dilutive when the related performance criterion has been met.

Common Stock Share Repurchases

Common Stock Share Repurchases

We may repurchase shares of Starbucks common stock under a program authorized by our Board of Directors, including pursuant to a contract, instruction or written plan meeting the requirements of Rule 10b5-1(c)(1) of the Securities Exchange Act of 1934. Under applicable Washington State law, shares repurchased are retired and not displayed separately as treasury stock on the financial statements. Instead, the par value of repurchased shares is deducted from common stock and the excess repurchase price over par value is deducted from additional paid-in capital and from retained earnings, once additional paid-in capital is depleted.

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Summary Of Significant Accounting Policies (Details) (USD $) In Millions, unless otherwise specified	12 Months Ended		
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
Derivative instruments maturity, in years	five		
Allowance for doubtful accounts	$ 3.3	$ 3.3	$ 5.0
Inventory reserves	19.5	18.1	21.1
Average estimated useful life of leasehold improvements, years	10		
Goodwill impairment charges	0	1.6	7.0
Net impairment and disposition losses	36.2	67.7	224.4
Impairment and disposition loss			129.2
Income recognized on unredeemed stored value card balances	46.9	31.2	26.0
Advertising expenses	141.4	176.2	126.3
Net ARO asset included in property, plant and equipment	11.8	13.7	
Net ARO liability included in other long-term liabilities	50.1	47.7	
CPG, foodservice and other	1,060.5	868.7	799.5
Buildings [Member]			
Minimum estimated useful life of property, plant and equipment, years	2		
Maximum estimated useful life of property, plant and equipment, years	15		
Equipment [Member]			
Minimum estimated useful life of property, plant and equipment, years	30		
Maximum estimated useful life of property, plant and equipment, years	40		
Reclassifications [Member]			
CPG, foodservice and other		$ 465.7	$ 427.3

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Income Taxes (Tables)

12 Months Ended Oct. 02, 2011

Income Taxes

Components Of Earnings Before Income Taxes

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
United States	$1,523.4	$1,308.9	$ 494.6
Foreign	287.7	128.1	65.3
Total earnings before income taxes	$1,811.1	$1,437.0	$ 559.9

Provision For Income Taxes

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Current taxes:			
Federal	$ 344.7	$ 457.5	$ 165.3
State	61.2	79.6	35.0
Foreign	37.3	38.3	26.3
Total current taxes	443.2	575.4	226.6
Deferred taxes:			
Federal	111.6	(76.0)	(48.3)
State	8.3	(9.3)	(10.7)
Foreign	0.0	(1.4)	0.8
Total deferred taxes	119.9	(86.7)	(58.2)
Total provision for income taxes	$ 563.1	$ 488.7	$ 168.4

Reconciliation Of The Statutory US Federal Income Tax Rate With Our Effective Income Tax Rate

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Statutory rate	35.0 %	35.0 %	35.0 %
State income taxes, net of federal income tax benefit	2.5 %	2.5 %	2.6 %
Benefits and taxes related to foreign operations	(3.1)%	(2.5)%	(2.3)%
Domestic production activity deduction	(0.8)%	(0.9)%	(2.3)%
Credit resulting from employment audit	0.0 %	0.0 %	(2.0)%

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Other, net[1]	(2.5)%	(0.1)%	(0.9)%
Effective tax rate	31.1 %	34.0 %	30.1 %

[1] Fiscal 2011 includes a benefit of 0.9% related to the acquisition of the remaining ownership interest in Switzerland and Austria.

Tax Effect Of Temporary Differences And Carryforwards That Comprise Significant Portions Of Deferred Tax Assets And Liabilities

	Oct 2, 2011	Oct 3, 2010
Deferred tax assets:		
Property, plant and equipment	$ 46.4	$ 32.6
Accrued occupancy costs	55.9	55.2
Accrued compensation and related costs	69.6	100.8
Other accrued liabilities	27.8	25.0
Asset retirement obligation asset	19.0	14.9
Deferred revenue	47.8	58.4
Asset impairments	60.0	94.8
Tax credits	23.0	41.0
Stock based compensation	128.8	115.9
Net operating losses	85.5	43.7
Other	58.6	50.6
Total	$ 622.4	$ 632.9
Valuation allowance	(137.4)	(88.1)
Total deferred tax asset, net of valuation allowance	$ 485.0	$ 544.8
Deferred tax liabilities:		
Property, plant and equipment	(66.4)	(26.2)
Other	(43.3)	(19.1)
Total	(109.7)	(45.3)
Net deferred tax asset	$ 375.3	$ 499.5
Reported as:		
Current deferred income tax assets	$ 230.4	$ 304.2
Long-term deferred income tax assets (included in Other assets)	156.3	195.3
Current deferred income tax liabilities	(4.9)	0.0
Long-term deferred income tax liabilities	(6.5)	0.0
Net deferred tax asset	$ 375.3	$ 499.5

Summary Of Activity Related To Unrecognized Tax Benefits

	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Beginning balance	$ 68.4	$ 49.1	$ 52.6

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Increase related to prior year tax positions	4.4	35.0	4.2
Decrease related to prior year tax positions	(32.3)	(21.4)	(11.6)
Increase related to current year tax positions	26.0	14.1	8.4
Decrease related to current year tax positions	(0.8)	(8.1)	(0.9)
Decreases related to settlements with taxing authorities	(5.0)	0.0	(3.0)
Decreases related to lapsing of statute of limitations	(7.8)	(0.3)	(0.6)
Ending balance	$ 52.9	$ 68.4	$ 49.1

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Segment Reporting

Segment Reporting
Segment Reporting

12 Months Ended
Oct. 02, 2011

Note 18: Segment Reporting

Segment information is prepared on the same basis that our management reviews financial information for operational decision making purposes. We have three reportable operating segments: US, International, and CPG. Our Seattle's Best Coffee operating segment is reported with our unallocated corporate expenses and Digital Ventures in "Other".

United States

US operations sell coffee and other beverages, complementary food, whole bean coffees, and a focused selection of merchandise primarily through company-operated stores. Other operations within the US include licensed stores.

International

International operations sell coffee and other beverages, complementary food, whole bean coffees, and a focused selection of merchandise through company-operated stores in Canada, the UK, and several other markets. Other operations in international markets primarily include retail store licensing operations in nearly 50 countries and foodservice accounts, primarily in the UK and Canada. Many of our international operations are in the early stages of development that require a more extensive support organization, relative to the current levels of revenue and operating income, than in the US.

Global Consumer Products Group

CPG operations sell a selection of whole bean and ground coffees as well as a selection of premium Tazo® teas in US and international markets. CPG operations also produce and sell ready-to-drink beverages which include, among others, bottled Frappuccino® beverages, Starbucks DoubleShot® espresso drinks, and Discoveries® chilled cup coffee. In addition, CPG operations produce and sell Starbucks VIA® Ready Brew, as well as Starbucks® super-premium ice creams through its marketing and distribution agreements and a joint venture. The US foodservice business sells coffee and other related products to institutional foodservice companies with the majority of its sales through national broadline distribution networks.

Other

Other includes Seattle's Best Coffee and Digital Ventures as well as expenses pertaining to corporate administrative functions that support the operating segments but are not specifically attributable to or managed by any segment, and are not included in the reported financial results of the operating segments.

Revenue mix by product type *(in millions)*:

Fiscal Year Ended	Oct 2, 2011		Oct 3, 2010		Sep 27, 2009	
Beverage	$7,217.0	62 %	$6,750.3	63 %	$6,238.4	64 %
Food	2,008.0	17 %	1,878.7	18 %	1,680.2	17 %
Whole bean and soluble coffees	1,451.0	12 %	1,131.3	10 %	965.2	10 %
Other[1]	1,024.4	9 %	947.1	9 %	890.8	9 %

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Total	$11,700.4	100%	$10,707.4	100%	$9,774.6	100%

(1) Other includes royalty and licensing revenues, beverage-related accessories and equipment revenues.

Information by geographic area (*in millions*):

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Net revenues from external customers:			
United States	$8,966.9	$8,335.4	$7,787.7
Other countries	2,733.5	2,372.0	1,986.9
Total	$11,700.4	$10,707.4	$9,774.6

No customer accounts for 10% or more of our revenues. Revenues are shown based on the geographic location of our customers. Revenues from countries other than the US consist primarily of revenues from Canada, UK, and China, which together account for approximately 66% of net revenues from other countries for fiscal 2011.

	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Long-lived assets:			
United States	$2,587.1	$2,807.9	$2,776.7
Other countries	978.4	821.6	764.3
Total	$3,565.5	$3,629.5	$3,541.0

Management evaluates the performance of its operating segments based on net revenues and operating income. The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies in Note 1. Operating income represents earnings before net interest income and other, interest expense and income taxes. Management does not evaluate the performance of its operating segments using asset measures. The identifiable assets by segment disclosed in this note are those assets specifically identifiable within each segment and include net property, plant and equipment, equity and cost investments, goodwill, and other intangible assets. Corporate assets are primarily comprised of cash and investments, assets of the corporate headquarters and roasting facilities, and inventory.
The table below presents financial information for our reportable operating segments and Other for the fiscal years noted *(in millions)*:

	United States	International	CPG	Other	Total
Fiscal 2011:					
Total net revenues	$ 8,038.0	$ 2,626.1	$860.5	$175.8	$11,700.4
Depreciation and amortization	343.8	118.5	2.4	58.6	523.3
Income from equity investees	0.0	100.5	75.6	(2.4)	173.7
Operating income/(loss)	1,562.6	349.7	273.0	(456.8)	1,728.5
Total assets	1,479.4	1,300.7	54.7	4,525.6	7,360.4
Fiscal 2010:					
Total net revenues	$ 7,560.4	$ 2,288.8	$707.4	$150.8	$10,707.4
Depreciation and amortization	350.7	108.6	3.7	47.4	510.4
Income from equity investees	0.0	80.8	70.6	(3.3)	148.1
Operating income/(loss)	1,291.1	225.2	261.4	(358.3)	1,419.4
Total assets	1,482.9	1,272.8	54.1	3,576.1	6,385.9
Fiscal 2009:					

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Total net revenues	$ 7,061.7	$ 1,914.3	$674.4	$124.2	$9,774.6
Depreciation and amortization	377.9	102.2	4.8	49.8	534.7
Income from equity investees	0.5	53.6	67.8	0.0	121.9
Operating income/(loss)	530.1	91.2	281.8	(341.1)	562.0
Total assets	1,640.8	1,071.3	71.1	2,793.6	5,576.8

The table below reconciles the total of the reportable segments' operating income and the operating income included in Other to consolidated earnings before income taxes *(in millions)*:

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Operating income	$1,728.5	$1,419.4	$ 562.0
Interest income and other, net	115.9	50.3	37.0
Interest expense	(33.3)	(32.7)	(39.1)
Earnings before income taxes	$1,811.1	$1,437.0	$ 559.9

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Leases	12 Months Ended Oct. 02, 2011

Leases

Leases

Note 10: Leases

Rental expense under operating lease agreements *(in millions)*:

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Minimum rentals	$ 715.6	$ 688.5	$ 690.0
Contingent rentals	34.3	26.1	24.7
Total	$ 749.9	$ 714.6	$ 714.7

Minimum future rental payments under non-cancelable operating leases as of October 2, 2011 *(in millions)*:

Fiscal Year Ending	
2012	$751.2
2013	699.9
2014	630.7
2015	545.4
2016	442.7
Thereafter	988.0
Total minimum lease payments	$4,057.9

We have subleases related to certain of our operating leases. During fiscal 2011, 2010, and 2009, we recognized sublease income of $13.7 million, $10.9 million, and $7.1 million, respectively.

We had capital lease obligations of $1.4 million and $2.6 million as of October 2, 2011 and October 3, 2010, respectively. Capital lease obligations expire at various dates, with the latest maturity in 2014. The current portion of the total obligation is included in other accrued liabilities and the remaining long-term portion is included in other long-term liabilities on the consolidated balance sheets. Assets held under capital leases are included in net property, plant and equipment on the consolidated balance sheets.

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Summary Of Significant Accounting Policies

Summary Of Significant Accounting Policies

Summary Of Significant Accounting Policies

12 Months Ended
Oct. 02, 2011

Note 1: Summary of Significant Accounting Policies

Description of Business

We purchase and roast high-quality whole bean coffees that we sell, along with handcrafted coffee and tea beverages and a variety of fresh food items, through our company-operated stores. We also sell a variety of coffee and tea products and license our trademarks through other channels such as licensed stores, grocery and national foodservice accounts. Additional details on the nature of our business are in Item 1 of this 10-K.

In this 10-K, Starbucks Corporation (together with its subsidiaries) is referred to as "Starbucks," the "Company," "we," "us" or "our."

We have three reportable operating segments: United States ("US"), International, and Global Consumer Products Group ("CPG").

Principles of Consolidation

The consolidated financial statements reflect the financial position and operating results of Starbucks, including wholly owned subsidiaries and investees controlled by us. Investments in entities that we do not control, but have the ability to exercise significant influence over operating and financial policies, are accounted for under the equity method. Investments in entities in which we do not have the ability to exercise significant influence are accounted for under the cost method. Intercompany transactions and balances have been eliminated.

Fiscal Year End

Our fiscal year ends on the Sunday closest to September 30. Fiscal years 2011 and 2009 included 52 weeks. Fiscal year 2010 included 53 weeks, with the 53rd week falling in the fourth fiscal quarter.

Estimates and Assumptions

Preparing financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Examples include, but are not limited to, estimates for asset and goodwill impairments, stock-based compensation forfeiture rates, and future asset retirement obligations; assumptions underlying self-insurance reserves; and the potential outcome of future tax consequences of events that have been recognized in the financial statements. Actual results and outcomes may differ from these estimates and assumptions.

Cash and Cash Equivalents

We consider all highly liquid instruments with a maturity of three months or less at the time of purchase to be cash equivalents. Cash and cash equivalents are valued using active markets for identical assets (Level 1 of the fair value hierarchy). We maintain cash and cash equivalent

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balances with financial institutions that exceed federally insured limits. We have not experienced any losses related to these balances, and we believe credit risk to be minimal.

Cash Management

Our cash management system provides for the funding of all major bank disbursement accounts on a daily basis as checks are presented for payment. Under this system, outstanding checks are in excess of the cash balances at certain banks, which creates book overdrafts. Book overdrafts are presented as a current liability in accounts payable on the consolidated balance sheets.

Short-term and Long-term Investments

Our short-term and long-term investments consist primarily of investment grade debt securities, including some auction rate securities, all of which are classified as available-for-sale. Also included in our available-for-sale investment portfolio are certificates of deposit placed through an account registry service. Available-for-sale securities are recorded at fair value, and unrealized holding gains and losses are recorded, net of tax, as a component of accumulated other comprehensive income. Available-for-sale securities with remaining maturities of less than one year and those identified by management at the time of purchase to be used to fund operations within one year are classified as short term. All other available-for-sale securities, including all of our auction rate securities, are classified as long term. Unrealized losses are charged against net earnings when a decline in fair value is determined to be other than temporary. We review several factors to determine whether a loss is other than temporary, such as the length and extent of the fair value decline, the financial condition and near term prospects of the issuer, and whether we have the intent to sell or will likely be required to sell before the securities anticipated recovery, which may be at maturity. Realized gains and losses are accounted for using the specific identification method. Purchases and sales are recorded on a trade date basis.

We also have a trading securities portfolio, which is comprised of marketable equity mutual funds and equity exchange-traded funds. Trading securities are recorded at fair value with unrealized holding gains and losses included in net earnings.

Fair Value

Fair value is the price we would receive to sell an asset or pay to transfer a liability (exit price) in an orderly transaction between market participants. For financial instruments and investments that we record or disclose at fair value, we determine fair value based upon the quoted market price as of the last day of the fiscal period, if available. If a quoted market price is not available for identical assets, we determine fair value based upon the quoted market price of similar assets or using a variety of other valuation methodologies. We determine fair value of our auction rate securities using an internally developed valuation model, using inputs that include interest rate curves, credit and liquidity spreads, and effective maturity.

The carrying value of cash and cash equivalents approximates fair value because of the short-term nature of these instruments. The fair value of our long-term debt is estimated based on the quoted market prices for the same or similar issues or on the current rates offered to us for debt of the same remaining maturities.

We measure our equity and cost method investments at fair value on a nonrecurring basis when they are determined to be other-than temporarily impaired. Fair values are determined using available quoted market prices or discounted cash flows.

Derivative Instruments

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We manage our exposure to various risks within the consolidated financial statements according to an umbrella risk management policy. Under this policy, we may engage in transactions involving various derivative instruments, with maturities generally not longer than five years, to hedge interest rates, commodity prices and foreign currency denominated revenues, purchases, assets and liabilities.

We record all derivatives on the balance sheets at fair value. For a cash flow hedge, the effective portion of the derivative's gain or loss is initially reported as a component of other comprehensive income ("OCI") and subsequently reclassified into net earnings when the hedged exposure affects net earnings. For a net investment hedge, the effective portion of the derivative's gain or loss is reported as a component of OCI.

Cash flow hedges related to anticipated transactions are designated and documented at the inception of each hedge by matching the terms of the contract to the underlying transaction. We classify the cash flows from hedging transactions in the same categories as the cash flows from the respective hedged items. Once established, cash flow hedges are generally not removed until maturity unless an anticipated transaction is no longer likely to occur. For discontinued or dedesignated cash flow hedges, the related accumulated derivative gains or losses are recognized in net interest income and other on the consolidated statements of earnings.

Forward contract effectiveness for cash flow hedges is calculated by comparing the fair value of the contract to the change in value of the anticipated transaction using forward rates on a monthly basis. For net investment hedges, the spot-to-spot method is used to calculate effectiveness. Under this method, the change in fair value of the forward contract attributable to the changes in spot exchange rates (the effective portion) is reported as a component of OCI. The remaining change in fair value of the forward contract (the ineffective portion) is reclassified into net earnings. Any ineffectiveness is recognized immediately in net interest income and other on the consolidated statements of earnings.

We also enter into certain foreign currency forward contracts, commodity swap contracts, and futures contracts that are not designated as hedging instruments for accounting purposes. These contracts are recorded at fair value, with the changes in fair value recognized in net interest income and other on the consolidated statements of earnings.

Allowance for Doubtful Accounts

Allowance for doubtful accounts is calculated based on historical experience, customer credit risk and application of the specific identification method. As of October 2, 2011, October 3, 2010, and September 27, 2009, the allowance for doubtful accounts was $3.3 million, $3.3 million, and $5.0 million respectively.

Inventories

Inventories are stated at the lower of cost (primarily moving average cost) or market. We record inventory reserves for obsolete and slow-moving inventory and for estimated shrinkage between physical inventory counts. Inventory reserves are based on inventory turnover trends, historical experience and application of the specific identification method. As of October 2, 2011, October 3, 2010, and September 27, 2009, inventory reserves were $19.5 million, $18.1 million, and $21.1 million, respectively.

Property, Plant and Equipment

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Property, plant and equipment are carried at cost less accumulated depreciation. Depreciation of property, plant and equipment, which includes assets under capital leases, is provided on the straight-line method over estimated useful lives, generally ranging from two to 15 years for equipment and 30 to 40 years for buildings. Leasehold improvements are amortized over the shorter of their estimated useful lives or the related lease life, generally 10 years. For leases with renewal periods at our option, we generally use the original lease term, excluding renewal option periods, to determine estimated useful lives. If failure to exercise a renewal option imposes an economic penalty to us, we may determine at the inception of the lease that renewal is reasonably assured and include the renewal option period in the determination of appropriate estimated useful lives. The portion of depreciation expense related to production and distribution facilities is included in cost of sales including occupancy costs on the consolidated statements of earnings. The costs of repairs and maintenance are expensed when incurred, while expenditures for refurbishments and improvements that significantly add to the productive capacity or extend the useful life of an asset are capitalized. When assets are retired or sold, the asset cost and related accumulated depreciation are eliminated with any remaining gain or loss recognized in net earnings.

Goodwill

We test goodwill for impairment on an annual basis during our third fiscal quarter, or more frequently if circumstances, such as material deterioration in performance or a significant number of store closures, indicate reporting unit carrying values may exceed their fair values. If the carrying amount of goodwill exceeds the implied estimated fair value, an impairment charge to current operations is recorded to reduce the carrying value to the implied estimated fair value.

As a part of our ongoing operations, we may close certain stores within a reporting unit containing goodwill due to underperformance of the store or inability to renew our lease, among other reasons. We abandon certain assets associated with a closed store including leasehold improvements and other non-transferrable assets. Under GAAP, when a portion of a reporting unit that constitutes a business is to be disposed of, goodwill associated with the business is included in the carrying amount of the business in determining any loss on disposal. Our evaluation of whether the portion of a reporting unit being disposed of constitutes a business occurs on the date of abandonment. Although an operating store meets the accounting definition of a business prior to abandonment, it does not constitute a business on the closure date because the remaining assets on that date do not constitute an integrated set of assets that are capable of being conducted and managed for the purpose of providing a return to investors. As a result, when closing individual stores, we do not include goodwill in the calculation of any loss on disposal of the related assets. As noted above, if store closures are indicative of potential impairment of goodwill at the reporting unit level, we perform an evaluation of our reporting unit goodwill when such closures occur. During Fiscal 2011 we recorded no impairment charges and recorded $1.6 million in fiscal 2010 and $7.0 million in fiscal 2009.

Other Intangible Assets

Other intangible assets consist primarily of trademarks with indefinite lives, which are tested for impairment annually or more frequently if events or changes in circumstances indicate that the asset might be impaired. Definite-lived intangible assets, which mainly consist of contract-based patents and copyrights, are amortized over their estimated useful lives, and are tested for impairment when facts and circumstances indicate that the carrying values may not be recoverable. Based on the impairment tests performed, there was no impairment of other intangible assets in fiscal 2011, 2010, and 2009.

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Long-lived Assets

When facts and circumstances indicate that the carrying values of long-lived assets may not be recoverable, we evaluate long-lived assets for impairment. We first compare the carrying value of the asset to the asset's estimated future cash flows (undiscounted). If the estimated future cash flows are less than the carrying value of the asset, we calculate an impairment loss based on the asset's estimated fair value. The fair value of the assets is estimated using a discounted cash flow model based on forecasted future revenues and operating costs, using internal projections. Property, plant and equipment assets are grouped at the lowest level for which there are identifiable cash flows when assessing impairment. Cash flows for company-operated store assets are identified at the individual store level. Long-lived assets to be disposed of are reported at the lower of their carrying amount, or fair value less estimated costs to sell.

We recognized net impairment and disposition losses of $36.2 million, $67.7 million, and $224.4 million in fiscal 2011, 2010, and 2009, respectively, primarily due to underperforming company-operated stores. The net losses in fiscal 2009 include $129.2 million of asset impairments related primarily to the US and International store closures that occurred as part of our store portfolio rationalization which began in fiscal 2008. Depending on the underlying asset that is impaired, these losses may be recorded in any one of the operating expense lines on the consolidated statements of earnings: for retail operations, the net impairment and disposition losses are recorded in restructuring charges and store operating expenses and for all other operations, these losses are recorded in cost of sales including occupancy costs, other operating expenses, general and administrative expenses, or restructuring charges.

Insurance Reserves

We use a combination of insurance and self-insurance mechanisms, including a wholly owned captive insurance entity and participation in a reinsurance treaty, to provide for the potential liabilities for certain risks, including workers' compensation, healthcare benefits, general liability, property insurance, and director and officers' liability insurance. Liabilities associated with the risks that are retained by us are not discounted and are estimated, in part, by considering historical claims experience, demographic, exposure and severity factors, and other actuarial assumptions.

Revenue Recognition

Consolidated revenues are presented net of intercompany eliminations for wholly owned subsidiaries and investees controlled by us and for licensees accounted for under the equity method, based on our percentage ownership. Additionally, consolidated revenues are recognized net of any discounts, returns, allowances and sales incentives, including coupon redemptions and rebates.

Any revenue arrangements involving multiple elements and deliverables as well as upfront fees are individually evaluated for revenue recognition. Cash payments received in advance of product or service delivery are recorded in deferred revenue until earned.

Company-operated Stores Revenues

Company-operated store revenues are recognized when payment is tendered at the point of sale. Retail store revenues are reported net of sales, use or other transaction taxes that are collected from customers and remitted to taxing authorities.

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Stored Value Cards

Revenues from our stored value cards, primarily Starbucks Cards, are recognized when redeemed, or when we recognize breakage income. We recognize breakage income when the likelihood of redemption, based on historical experience, is deemed to be remote. Outstanding customer balances are included in deferred revenue on the consolidated balance sheets. There are no expiration dates on our stored value cards, and we do not charge any service fees that cause a decrement to customer balances. While we will continue to honor all stored value cards presented for payment, management may determine the likelihood of redemption to be remote for certain cards due to, among other things, long periods of inactivity. In these circumstances, if management also determines there is no requirement for remitting balances to government agencies under unclaimed property laws, card balances may then be recognized in the consolidated statements of earnings, in net interest income and other. For the fiscal years ended October 2, 2011, October 3, 2010, and September 27, 2009, income recognized on unredeemed stored value card balances was $46.9 million, $31.2 million, and $26.0 million, respectively.

Customers in the US who register their Starbucks Card are automatically enrolled in the My Starbucks Reward® program and earn points ("Stars") with each purchase. Reward program members receive various benefits depending on the number of Stars earned in a 12-month period. Customers at the highest level of the rewards program receive a free beverage coupon after a specified number of purchases. The value of Stars earned by our program members is included in deferred revenue and recorded as a reduction in revenue at the time the Stars are earned, based on the value of Stars that are projected to be redeemed.

Licensed Stores Revenues

Licensed stores revenues consist of product sales to licensed stores, as well as royalties and other fees paid by licensees to use the Starbucks brand. Sales of coffee, tea and related products are generally recognized upon shipment to licensees, depending on contract terms. Shipping charges billed to licensees are also recognized as revenue, and the related shipping costs are included in cost of sales including occupancy costs on the consolidated statements of earnings.

Initial nonrefundable development fees for licensed stores are recognized upon substantial performance of services for new market business development activities, such as initial business, real estate and store development planning, as well as providing operational materials and functional training courses for opening new licensed retail markets. Additional store licensing fees are recognized when new licensed stores are opened. Royalty revenues based upon a percentage of reported sales and other continuing fees, such as marketing and service fees, are recognized on a monthly basis when earned.

CPG, Foodservice and Other Revenues

CPG, foodservice and other revenues primarily consist of packaged coffee and tea sales to grocery and warehouse club stores, revenues from sales of products to and license revenues from manufacturers that produce and market Starbucks and Seattle's Best Coffee branded products through licensing agreements, and sales to our national foodservice accounts. Sales of coffee, tea and related products to grocery and warehouse club stores are generally recognized when received by the customer or distributor, depending on contract terms. We maintain a sales return allowance to reduce packaged goods revenues for estimated future product returns based on historical patterns. Revenues are recorded net of sales discounts given to customers for trade promotions and payments to customers for product placement in our customers' stores.

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Revenues from sales of products to manufacturers that produce and market Starbucks and Seattle's Best Coffee branded products through licensing agreements are generally recognized when the product is received by the manufacturer or distributor. License revenues from manufacturers are based on a percentage of sales and are recognized on a monthly basis when earned. National foodservice account revenues are recognized when the product is received by the customer or distributor.

Advertising

Our annual marketing expenses include many components, one of which is advertising costs. We expense most advertising costs as they are incurred, except for certain production costs that are expensed the first time the advertising campaign takes place.

Advertising expenses totaled $141.4 million, $176.2 million, and $126.3 million in fiscal 2011, 2010, and 2009, respectively.

Store Preopening Expenses

Costs incurred in connection with the start-up and promotion of new store openings are expensed as incurred.

Operating Leases

We lease retail stores, roasting, distribution and warehouse facilities, and office space under operating leases. Most lease agreements contain tenant improvement allowances, rent holidays, lease premiums, rent escalation clauses and/or contingent rent provisions. For purposes of recognizing incentives, premiums and minimum rental expenses on a straight-line basis over the terms of the leases, we use the date of initial possession to begin amortization, which is generally when we enter the space and begin to make improvements in preparation of intended use.

For tenant improvement allowances and rent holidays, we record a deferred rent liability on the consolidated balance sheets and amortize the deferred rent over the terms of the leases as reductions to rent expense on the consolidated statements of earnings.

For premiums paid upfront to enter a lease agreement, we record a deferred rent asset on the consolidated balance sheets and then amortize the deferred rent over the terms of the leases as additional rent expense on the consolidated statements of earnings.

For scheduled rent escalation clauses during the lease terms or for rental payments commencing at a date other than the date of initial occupancy, we record minimum rental expenses on a straight-line basis over the terms of the leases on the consolidated statements of earnings.

Certain leases provide for contingent rents, which are determined as a percentage of gross sales in excess of specified levels. We record a contingent rent liability on the consolidated balance sheets and the corresponding rent expense when specified levels have been achieved or when we determine that achieving the specified levels during the fiscal year is probable.

When ceasing operations in company-operated stores under operating leases, in cases where the lease contract specifies a termination fee due to the landlord, we record such expense at the time written notice is given to the landlord. In cases where terms, including termination fees, are yet to be negotiated with the landlord, we will record the expense upon signing of an agreement with the landlord. In cases where the landlord does not allow us to prematurely exit the lease, but allows for subleasing, we estimate the fair value of any sublease income that can be generated from the location and expense the present value of the excess of remaining lease payments to the landlord over the projected sublease income at the cease-use date.

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Asset Retirement Obligations

We recognize a liability for the fair value of required asset retirement obligations ("ARO") when such obligations are incurred. Our AROs are primarily associated with leasehold improvements, which, at the end of a lease, we are contractually obligated to remove in order to comply with the lease agreement. At the inception of a lease with such conditions, we record an ARO liability and a corresponding capital asset in an amount equal to the estimated fair value of the obligation. The liability is estimated based on a number of assumptions requiring management's judgment, including store closing costs, cost inflation rates and discount rates, and is accreted to its projected future value over time. The capitalized asset is depreciated using the same depreciation convention as leasehold improvement assets. Upon satisfaction of the ARO conditions, any difference between the recorded ARO liability and the actual retirement costs incurred is recognized as an operating gain or loss in the consolidated statements of earnings. As of October 2, 2011 and October 3, 2010, our net ARO asset included in property, plant and equipment was $11.8 million and $13.7 million, respectively, and our net ARO liability included in other long-term liabilities was $50.1 million and $47.7 million, respectively.

Stock-based Compensation

We maintain several equity incentive plans under which we may grant non-qualified stock options, incentive stock options, restricted stock, restricted stock units ("RSUs") or stock appreciation rights to employees, non-employee directors and consultants. We also have employee stock purchase plans ("ESPP"). RSUs issued by us are equivalent to nonvested shares under the applicable accounting guidance. We record stock-based compensation expenses based on the fair value of stock awards at the grant date and recognize the expense over the related service period following a graded vesting expense schedule. For stock option awards we use the Black-Scholes-Merton option pricing model to measure fair value. For restricted stock units, fair value is calculated using the stock price at the date of grant.

Foreign Currency Translation

Our international operations generally use their local currency as their functional currency. Assets and liabilities are translated at exchange rates in effect at the balance sheet date. Income and expense accounts are translated at the average monthly exchange rates during the year. Resulting translation adjustments are recorded as a component of accumulated other comprehensive income on the consolidated balance sheets.

Income Taxes

We compute income taxes using the asset and liability method, under which deferred income taxes are provided for the temporary differences between the financial statement carrying amounts and the tax basis of our assets and liabilities. We routinely evaluate the likelihood of realizing the benefit of our deferred tax assets and may record a valuation allowance if, based on all available evidence, we determine that some portion of the tax benefit will not be realized. We recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the relevant taxing authorities, based on the technical merits of our position. The tax benefits recognized in the financial statements from such a position are measured based on the largest benefit that has a greater than 50% likelihood of being realized upon ultimate settlement. Starbucks recognizes interest and penalties related to income tax matters in income tax expense.

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Earnings per Share

Basic earnings per share is computed based on the weighted average number of shares of common stock outstanding during the period. Diluted earnings per share is computed based on the weighted average number of shares of common stock and the effect of dilutive potential common shares outstanding during the period, calculated using the treasury stock method. Dilutive potential common shares include outstanding stock options and RSUs. Performance-based RSUs are considered dilutive when the related performance criterion has been met.

Common Stock Share Repurchases

We may repurchase shares of Starbucks common stock under a program authorized by our Board of Directors, including pursuant to a contract, instruction or written plan meeting the requirements of Rule 10b5-1(c)(1) of the Securities Exchange Act of 1934. Under applicable Washington State law, shares repurchased are retired and not displayed separately as treasury stock on the financial statements. Instead, the par value of repurchased shares is deducted from common stock and the excess repurchase price over par value is deducted from additional paid-in capital and from retained earnings, once additional paid-in capital is depleted.

Recent Accounting Pronouncements

In September 2011, the FASB issued guidance that revises the requirements around how entities test goodwill for impairment. The guidance allows companies to perform a qualitative assessment before calculating the fair value of the reporting unit. If entities determine, on the basis of qualitative factors, that the fair value of the reporting unit is more likely than not greater than the carrying amount, a quantitative calculation would not be needed. We plan to early adopt this guidance effective for our fiscal 2012 annual goodwill impairment test. The adoption of this guidance will result in a change in how we perform our goodwill impairment assessment; however, it will not have a material impact on our financial statements.

In June 2011, the FASB issued guidance that revises the manner in which entities present comprehensive income in their financial statements. The guidance requires entities to report the components of comprehensive income in either a single, continuous statement or two separate but consecutive statements. The guidance will become effective for us at the beginning of our first quarter of fiscal 2013. The adoption of this new guidance will result in a change in how we present the components of comprehensive income, which is currently presented within our consolidated statements of equity.

In May 2011, the FASB issued guidance to amend the fair value measurement and disclosure requirements. The guidance requires the disclosure of quantitative information about unobservable inputs used, a description of the valuation processes used, and a qualitative discussion around the sensitivity of the measurements. The guidance will become effective for us at the beginning of our second quarter of fiscal 2012. The adoption of this new guidance will not have a material impact on our financial statements.

In June 2009, the FASB issued guidance on the consolidation of variable interest entities. We adopted this new guidance effective at the beginning of the first quarter of fiscal 2011, with no impact on our financial statements.

Reclassifications

In the second quarter of fiscal 2011, concurrent with the change in our distribution method for packaged coffee and tea in the US, we revised the presentation of revenues. Non-retail licensing

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revenues were reclassified on the consolidated financial statements to the renamed "CPG, foodservice and other" revenue line, which includes revenues from our direct sale of packaged coffee and tea as well as licensing revenues received under the previous distribution arrangement. The previous "Licensing" revenue line now includes only licensed store revenue and therefore has been renamed "Licensed stores." For fiscal 2010 and 2009, $465.7 million and $427.3 million, respectively, were reclassified from the previously named Licensing revenue to CPG, foodservice and other revenue. There was no impact to consolidated or segment total net revenues from this change in presentation.

In addition, certain other reclassifications have been made to prior year amounts to conform to the current year presentation.

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Leases (Tables)

Leases (Tables)	12 Months Ended Oct. 02, 2011

Leases

Schedule Of Rental Expense Under Operating Lease Agreements

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Minimum rentals	$ 715.6	$ 688.5	$ 690.0
Contingent rentals	34.3	26.1	24.7
Total	$ 749.9	$ 714.6	$ 714.7

Schedule Of Minimum Future Rental Payments Under Non-Cancelable Operating Leases

Fiscal Year Ending	
2012	$751.2
2013	699.9
2014	630.7
2015	545.4
2016	442.7
Thereafter	988.0
Total minimum lease payments	$4,057.9

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Other Intangible Assets And Goodwill	12 Months Ended Oct. 02, 2011

Other Intangible Assets And Goodwill

Other Intangible Assets and Goodwill

Note 7: Other Intangible Assets and Goodwill

Other intangible assets *(in millions)*:

	Oct 2, 2011	Oct 3, 2010
Indefinite-lived intangibles	$ 68.6	$ 63.5
Definite-lived intangibles	54.2	16.1
Accumulated amortization	(10.9)	(8.8)
Definite-lived intangibles, net	43.3	7.3
Total other intangible assets	$ 111.9	$ 70.8
Definite-lived intangibles approximate remaining weighted average useful life in years	11	7

Amortization expense for definite-lived intangibles was $2.2 million, $1.2 million, and $1.7 million during fiscal 2011, 2010, and 2009, respectively. Amortization expense is estimated to be approximately $4 million each year from fiscal 2012 through fiscal 2016, and a total of approximately $22 million thereafter.

Changes in the carrying amount of goodwill by reportable operating segment *(in millions)*:

	United States	International	Other	Total
Balance at September 27, 2009				
Goodwill prior to impairment	$ 109.3	$ 117.0	$39.8	$266.1
Accumulated impairment charges	(7.0)	0.0	0.0	(7.0)
Goodwill	$ 102.3	$ 117.0	$39.8	$259.1
Acquisitions	0.0	0.0	0.0	0.0
Purchase price adjustment of previous acquisitions	1.0	0.0	0.0	1.0
Impairment	0.0	(1.6)	0.0	(1.6)
Other(1)	0.0	3.9	0.0	3.9
Balance at October 3, 2010				
Goodwill prior to impairment	$ 110.3	$ 120.9	$39.8	$271.0
Accumulated impairment charges	(7.0)	(1.6)	0.0	(8.6)
Goodwill	$ 103.3	$ 119.3	$39.8	$262.4
Acquisitions	0.0	63.8	0.0	63.8
Other(1)	0.0	(4.6)	0.0	(4.6)
Balance at October 2, 2011				
Goodwill prior to impairment	$ 110.3	$ 180.1	$39.8	$330.2
Accumulated impairment charges	(7.0)	(1.6)	0.0	(8.6)
Goodwill	$ 103.3	$ 178.5	$39.8	$321.6

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(1) Other is primarily comprised of changes in the goodwill balance as a result of foreign exchange fluctuations.

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Employee Stock And Benefit Plans	12 Months Ended Oct. 02, 2011

Employee Stock And Benefit Plans

Employee Stock And Benefit Plans

Note 12: Employee Stock and Benefit Plans

We maintain several equity incentive plans under which we may grant non-qualified stock options, incentive stock options, restricted stock, restricted stock units ("RSUs"), or stock appreciation rights to employees, non-employee directors and consultants. We issue new shares of common stock upon exercise of stock options and the vesting of RSUs. We also have an employee stock purchase plan ("ESPP").

As of October 2, 2011, there were 32.7 million shares of common stock available for issuance pursuant to future equity-based compensation awards and 8.5 million shares available for issuance under our ESPP.

Stock based compensation expense recognized in the consolidated financial statements *(in millions)*:

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Options	$ 60.4	$ 76.8	$ 61.6
RSUs	84.8	36.8	16.6
ESPP	0.0	0.0	5.0
Total stock-based compensation expense recognized in the consolidated statement of earnings	$ 145.2	$ 113.6	$ 83.2
Total related tax benefit	$ 51.2	$ 40.6	$ 29.3
Total capitalized stock-based compensation included in net property, plant and equipment and inventories on the consolidated balance sheets	$ 2.1	$ 1.9	$ 1.3

Stock Option Plans

Stock options to purchase our common stock are granted at the fair market value of the stock on the date of grant. The majority of options become exercisable in four equal installments beginning a year from the date of grant and generally expire 10 years from the date of grant. Options granted in the 2009 exchange program vest over two years and expire seven years from the date of grant. The 2009 exchange program allowed for a one-time stock option exchange designed to provide eligible employees the opportunity to exchange certain outstanding underwater stock options for a lesser amount of new options with lower exercise prices. Options granted to non-employee directors generally vest over one to three years. Nearly all outstanding stock options are non-qualified stock options.

The fair value of each stock option granted is estimated on the grant date using the Black-Scholes-Merton ("BSM") option valuation model. The assumptions used to calculate the fair value of options granted are evaluated and revised, as necessary, to reflect market conditions and our experience. Options granted are valued using the multiple option valuation approach, and the resulting expense is recognized over the requisite service period for each separately vesting portion of the award. Compensation expense is recognized only for those options expected to

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vest, with forfeitures estimated at the date of grant based on our historical experience and future expectations.

The fair value of stock option awards was estimated at the grant date with the following weighted average assumptions for fiscal years 2011, 2010, and 2009 (excludes options granted in the 2009 stock option exchange program described above):

	Employee Stock Options Granted During the Period		
Fiscal Year Ended	**2011**	**2010**	**2009**
Expected term (in years)	5.0	4.7	4.9
Expected stock price volatility	39.0 %	43.0 %	44.5%
Risk-free interest rate	1.6 %	2.1 %	2.2 %
Expected dividend yield	1.7 %	0.1 %	0.0 %
Weighted average grant price	$31.46	$22.28	$8.97
Estimated fair value per option granted	$9.58	$8.50	$3.61

The expected term of the options represents the estimated period of time until exercise, and is based on historical experience of similar awards, giving consideration to the contractual terms, vesting schedules and expectations of future employee behavior. Expected stock price volatility is based on a combination of historical volatility of our stock and the one-year implied volatility of Starbucks traded options, for the related vesting periods. The risk-free interest rate is based on the implied yield available on US Treasury zero-coupon issues with an equivalent remaining term. The dividend yield assumption is based on the anticipated cash dividend payouts. We did not pay any cash dividends prior to fiscal 2010. The amounts shown above for the estimated fair value per option granted are before the estimated effect of forfeitures, which reduce the amount of expense recorded on the consolidated statements of earnings.

The BSM option valuation model was developed for use in estimating the fair value of traded options, which have no vesting restrictions and are fully transferable. Our employee stock options have characteristics significantly different from those of traded options, and changes in the subjective input assumptions can materially affect the fair value estimate. Because our stock options do not trade on a secondary exchange, employees do not derive a benefit from holding stock options unless there is an increase, above the grant price, in the market price of the our stock. Such an increase in stock price would benefit all shareholders commensurately.

Stock option transactions from September 28, 2008, through October 2, 2011 *(in millions, except per share and contractual life amounts)*:

	Shares Subject to Options	**Weighted Average Exercise Price per Share**	**Weighted Average Remaining Contractual Life (Years)**	**Aggregate Intrinsic Value**
Outstanding, September 28, 2008	63.0	$20.96	5.7	$ 115
Granted	30.9	8.97		
Granted under option exchange program	4.7	14.92		
Exercised	(7.2)	7.31		
Expired/forfeited	(13.5)	18.99		
Cancelled under option exchange program	(14.3)	29.34		

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Outstanding, September 27, 2009	63.6	14.75	6.7	442
Granted	14.9	22.28		
Exercised	(9.6)	11.94		
Expired/forfeited	(8.2)	18.73		
Outstanding, October 3, 2010	60.7	16.52	6.6	611
Granted	4.3	31.46		
Exercised	(16.1)	14.40		
Expired/forfeited	(3.6)	18.06		
Outstanding, October 2, 2011	45.3	18.57	6.4	848
Exercisable, October 2, 2011	23.2	18.81	5.0	272
Vested and expected to vest, October 2, 2011	42.9	18.48	6.3	571

The aggregate intrinsic value in the table above is the amount by which the market value of the underlying stock exceeded the exercise price of outstanding options, is before applicable income taxes and represents the amount optionees would have realized if all in-the-money options had been exercised on the last business day of the period indicated.

The following is a summary of stock options outstanding at the end of fiscal 2011 (shares in millions):

	Options Outstanding			Options Exercisable	
Range of Prices	Number of Options	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Under $10.00	13.9	7.0	$8.65	5.0	$8.65
$10.01 - $20.00	8.7	3.6	14.14	8.5	14.65
$20.01 - $30.00	15.0	7.0	23.09	6.1	24.10
Over $30.00	7.7	7.0	32.50	3.6	33.62
	45.3	6.4	$18.57	23.2	$18.81

As of October 2, 2011, total unrecognized stock-based compensation expense, net of estimated forfeitures, related to nonvested stock options was approximately $44 million, before income taxes, and is expected to be recognized over a weighted average period of approximately 2.4 years. The total intrinsic value of stock options exercised was $323 million, $118 million, and $44 million during fiscal years 2011, 2010, and 2009, respectively. The total fair value of options vested was $126 million, $108 million, and $75 million during fiscal years 2011, 2010, and 2009, respectively.

RSUs

We have both time-vested and performance-based RSUs. Time-vested RSUs are awarded to eligible employees and entitle the grantee to receive shares of common stock at the end of a vesting period, subject solely to the employee's continuing employment. Our performance-based RSUs are awarded to eligible employees and entitle the grantee to receive shares of common stock if we achieve specified performance goals for the full fiscal year in the year of award and the grantee remains employed during the subsequent vesting period. The fair value of RSUs is based on the closing price of Starbucks common stock on the award date. Expense for

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performance-based RSUs is recognized when it is probable the performance goal will be achieved.

RSU transactions from September 28, 2008 through October 2, 2011 *(in millions, except per share and contractual life amounts)*:

	Number of Shares	Weighted Average Grant Date Fair Value per Share	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
Nonvested, September 28, 2008	2.0	$ 17.36	2.5	$ 31
Granted	3.3	8.78		
Vested	0.0	0.00		
Forfeited/Cancelled	(0.9)	13.94		
Nonvested, September 27, 2009	4.4	11.55	1.6	88
Granted	2.3	22.27		
Vested	(0.7)	16.35		
Forfeited/Cancelled	(0.6)	12.27		
Nonvested, October 3, 2010	5.4	13.55	1.1	141
Granted	5.4	31.06		
Vested	(1.7)	9.40		
Forfeited/Cancelled	(0.8)	25.68		
Nonvested, October 2, 2011	8.3	23.11	0.8	309

As of October 2, 2011, total unrecognized stock-based compensation expense related to nonvested RSUs, net of estimated forfeitures, was approximately $71 million, before income taxes, and is expected to be recognized over a weighted average period of approximately 2.2 years.

ESPP

Our ESPP allows eligible employees to contribute up to 10% of their base earnings toward the quarterly purchase of our common stock, subject to an annual maximum dollar amount. The purchase price is 95% of the fair market value of the stock on the last business day of the quarterly offering period. The number of shares issued under our ESPP was 0.5 million in fiscal 2011.

Deferred Stock Plan

We have a deferred stock plan for certain non-employees that enables participants in the plan to defer receipt of ownership of common shares from the exercise of nonqualified stock options. The minimum deferral period is five years. As of October 2, 2011 and October 3, 2010, 3.4 million shares were deferred under the terms of this plan. The rights to receive these shares, represented by common stock units, are included in the calculation of basic and diluted earnings per share as common stock equivalents. No new initial deferrals are permitted under this plan; the plan permits re-deferrals of previously deferred shares.

Defined Contribution Plans

We maintain voluntary defined contribution plans, both qualified and non-qualified, covering eligible employees as defined in the plan documents. Participating employees may elect to defer

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and contribute a portion of their eligible compensation to the plans up to limits stated in the plan documents, not to exceed the dollar amounts set by applicable laws.

Our matching contributions to all US and non-US plans were $45.5 million, $23.5 million, and $19.7 million in fiscal years 2011, 2010, and 2009, respectively.

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Employee Stock And Benefit Plans (RSU Transactions) (Details) (Restricted Stock Units (RSUs) [Member], USD $) In Millions, except Per Share data, unless otherwise specified	12 Months Ended			
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009	Sep. 28, 2008
Restricted Stock Units (RSUs) [Member]				
Nonvested, Number of Shares, Beginning of Period	5.4	4.4	2.0	
Granted, Number of Shares	5.4	2.3	3.3	
Vested, Number of Shares	(1.7)	(0.7)	0	
Forfeited/Cancelled, Number of Shares	(0.8)	(0.6)	(0.9)	
Nonvested, Number of Shares, End of Period	8.3	5.4	4.4	2.0
Nonvested, Weighted Average Grant Date Fair Value per Share, Beginning of Period	$ 13.55	$ 11.55	$ 17.36	
Granted, Weighted Average Grant Date Fair Value per Share	$ 31.06	$ 22.27	$ 8.78	
Vested, Weighted Average Grant Date Fair Value per Share	$ 9.40	$ 16.35	$ 0.00	
Forfeited/Cancelled, Weighted Average Grant Date Fair Value per Share	$ 25.68	$ 12.27	$ 13.94	
Nonvested, Weighted Average Grant Date Fair Value per Share, End of Period	$ 23.11	$ 13.55	$ 11.55	$ 17.36
Nonvested, Number of Shares, Weighted Average Remaining Contractual Life (Years)	0.8	1.1	1.6	2.5
Nonvested, Aggregate Intrinsic Value	$ 309	$ 141	$ 88	$ 31

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Debt	12 Months Ended Oct. 02, 2011
Debt	
Debt	**Note 8: Debt** *(in millions)*

Revolving Credit Facility and Commercial Paper Program

Our previous $1 billion unsecured credit facility (the "2005 credit facility") was replaced in November 2010 with a new $500 million unsecured credit facility (the "2010 credit facility") with various banks, of which $100 million may be used for issuances of letters of credit. As with the 2005 credit facility, the 2010 credit facility is available for working capital, capital expenditures and other corporate purposes, including acquisitions and share repurchases and is currently set to mature in November 2014. No borrowings were outstanding under the credit facility at the end of fiscal 2011 or fiscal 2010. The interest rate for any borrowings under the credit facility, based on Starbucks current ratings and fixed charge coverage ratio, is 1.075% over LIBOR. The specific spread over LIBOR will depend upon our long-term credit ratings assigned by Moody's and Standard & Poor's rating agencies and our fixed charge coverage ratio. The credit facility contains provisions requiring us to maintain compliance with certain covenants, including a minimum fixed charge coverage ratio which measures our ability to cover financing expenses. We have the option, subject to negotiation and agreement with the related banks, to increase the maximum commitment amount by an additional $500 million.

Under our commercial paper program we may issue unsecured commercial paper notes, up to a maximum aggregate amount outstanding at any time of $500 million under the 2010 credit facility, with individual maturities that may vary, but not exceed, 397 days from the date of issue. The program is backstopped by the 2010 credit facility, and the combined borrowing limit is $500 million for the commercial paper program and the credit facility. We may issue commercial paper from time to time, and the proceeds of the commercial paper financing may be used for working capital needs, capital expenditures and other corporate purposes, including acquisitions and share repurchases. No borrowings were outstanding under the commercial paper program at the end of fiscal 2011 or fiscal 2010.

As of October 2, 2011, we had $17 million in letters of credit outstanding under the credit facility. As of October 3, 2010, we had letters of credit totaling $15 million outstanding under the 2005 credit facility.

Long-term Debt

In August 2007, we issued $550 million of 6.25% Senior Notes ("the notes") due in August 2017, in an underwritten registered public offering. Interest is payable semi-annually on February 15 and August 15 of each year. The notes require us to maintain compliance with certain covenants, which limit future liens and sale and leaseback transactions on certain material properties. As of October 2, 2011 and October 3, 2010, the fair value of the notes, recorded on the consolidated balance sheets, was $549.5 million and $549.4 million, respectively.

Interest Expense

Interest expense, net of interest capitalized, was $33.3 million, $32.7 million, and $39.1 million in fiscal 2011, 2010, and 2009, respectively. In fiscal 2011, 2010, and 2009, $4.4 million, $4.9 million, and $2.9 million, respectively, of interest was capitalized for asset construction projects.

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Segment Reporting (Schedule Of Revenue From External Customers By Geographic Area) (Details) (USD $) In Millions	12 Months Ended		
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
Total revenue	$ 11,700.4	$ 10,707.4	$ 9,774.6
United States [Member]			
Total revenue	8,966.9	8,335.4	7,787.7
Other Countries [Member]			
Total revenue	$ 2,733.5	$ 2,372.0	$ 1,986.9

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Acquisitions (Impact On Shareholders' Equity Of Acquisition Of Minority Interest Holder) (Details) (USD $) In Millions	12 Months Ended		
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
Net earnings attributable to Starbucks	$ 1,245.7	$ 945.6	$ 390.8
Decrease in additional paid-in capital for purchase of interest in subsidiary	(35.5)	(32.3)	
Change from net earnings attributable to Starbucks and transfers to noncontrolling interest	1,217.7	918.8	390.8
Additional Paid-in Capital [Member]			
Decrease in additional paid-in capital for purchase of interest in subsidiary	$ (28.0)	$ (26.8)	$ 0

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Property, Plant And Equipment (Tables)

12 Months Ended Oct. 02, 2011

Property, Plant And Equipment

Schedule Of Property, Plant And Equipment

	Oct 2, 2011	Oct 3, 2010
Land	$44.8	$58.0
Buildings	218.5	265.7
Leasehold improvements	3,617.7	3,435.6
Store equipment	1,101.8	1,047.7
Roasting equipment	295.1	290.6
Furniture, fixtures and other	757.8	617.5
Work in progress	127.4	173.6
Property, plant and equipment, gross	6,163.1	5,888.7
Less accumulated depreciation	(3,808.1)	(3,472.2)
Property, plant and equipment, net	$2,355.0	$2,416.5

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Property, Plant And Equipment	12 Months Ended Oct. 02, 2011

Property, Plant And Equipment

Property, Plant And Equipment

Note 6: Property, Plant and Equipment *(in millions)*

	Oct 2, 2011	Oct 3, 2010
Land	$44.8	$58.0
Buildings	218.5	265.7
Leasehold improvements	3,617.7	3,435.6
Store equipment	1,101.8	1,047.7
Roasting equipment	295.1	290.6
Furniture, fixtures and other	757.8	617.5
Work in progress	127.4	173.6
Property, plant and equipment, gross	6,163.1	5,888.7
Less accumulated depreciation	(3,808.1)	(3,472.2)
Property, plant and equipment, net	$2,355.0	$2,416.5

On August 8, 2011, we completed the sale of two office buildings for gross consideration of $125 million. As a result of this sale, we recognized a $30.2 million gain within operating income on the consolidated statements of earnings.

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Equity And Cost Investments (Financial Position Of Equity Method Investments) (Details) (USD $) In Millions	Oct. 02, 2011	Oct. 03, 2010
Equity And Cost Investments		
Current assets	$ 476.9	$ 390.1
Noncurrent assets	651.4	570.3
Current liabilities	340.1	260.6
Noncurrent liabilities	$ 80.2	$ 70.5

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Consolidated Statements Of Equity (USD $) In Millions	Common Stock [Member]	Additional Paid-in Capital [Member]	Other Additional Paid-in Capital [Member]	Retained Earnings [Member]	Accumulated Other Comprehensive Income/(Loss) [Member]	Shareholders' Equity [Member]	Noncontrolling Interest [Member]	Total
Balance at Sep. 28, 2008	$ 0.7	$ 0	$ 39.4	$ 2,402.4	$ 48.4	$ 2,490.9	$ 18.3	$ 2,509.2
Balance, shares at Sep. 28, 2008	735.5							
Net earnings	0	0	0	390.8	0	390.8	0.7	391.5
Unrealized holding gain/(loss), net	0	0	0	0	1.8	1.8	0	1.8
Translation adjustment, net of tax	0	0	0	0	15.2	15.2	0	15.2
Comprehensive income						407.8	0.7	408.5
Stock-based compensation expense	0	84.3	0	0	0	84.3	0	84.3
Exercise of stock options	0	35.9	0	0	0	35.9	0	35.9
Exercise of stock options, shares	4.9							7.2
Sale of common stock	0	26.8	0	0	0	26.8	0	26.8
Sale of common stock, shares	2.5							
Net distributions to noncontrolling interests	0	0	0	0	0	0	(7.8)	(7.8)
Purchase of noncontrolling interests		0						
Balance at Sep. 27, 2009	0.7	147.0	39.4	2,793.2	65.4	3,045.7	11.2	3,056.9
Balance, shares at Sep. 27, 2009	742.9							
Net earnings	0	0	0	945.6	0	945.6	2.7	948.3
Unrealized holding gain/(loss), net	0	0	0	0	(17.0)	(17.0)	0	(17.0)
Translation adjustment, net of tax	0	0	0	0	8.8	8.8	0	8.8
Comprehensive income						937.4	2.7	940.1
Stock-based compensation expense	0	115.6	0	0	0	115.6	0	115.6
Exercise of stock options	0	137.5	0	0	0	137.5	0	137.5
Exercise of stock options, shares	10.1							9.6
Sale of common stock	0	18.5	0	0	0	18.5	0	18.5
Sale of common stock, shares	0.8							
Repurchase of common stock	0	(285.6)	0	0	0	(285.6)	0	(285.6)
Repurchase of common stock, shares	(11.2)							
Net distributions to noncontrolling interests	0	0	0	0	0	0	(0.8)	(0.8)
Cash dividend	0	0	0	(267.6)	0	(267.6)	0	(267.6)
Purchase of noncontrolling interests	0	(26.8)	0	0	0	(26.8)	(5.5)	(32.3)
Balance at Oct. 03, 2010	0.7	106.2	39.4	3,471.2	57.2	3,674.7	7.6	3,682.3
Balance, shares at Oct. 03, 2010	742.6							742.6

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Net earnings	0	0	0	1,245.7	0	1,245.7	2.3	1,248.0
Unrealized holding gain/(loss), net	0	0	0	0	(4.4)	(4.4)	0	(4.4)
Translation adjustment, net of tax	0	0	0	0	(6.5)	(6.5)	0	(6.5)
Comprehensive income						1,234.8	2.3	1,237.1
Stock-based compensation expense	0	147.2	0	0	0	147.2	0	147.2
Exercise of stock options	0	312.5	0	0	0	312.5	0	312.5
Exercise of stock options, shares	17.3							16.1
Sale of common stock	0	19.1	0	0	0	19.1	0	19.1
Sale of common stock, shares	0.5							
Repurchase of common stock	0	(555.9)	0	0	0	(555.9)	0	(555.9)
Repurchase of common stock, shares	(15.6)							
Cash dividend	0	0	0	(419.5)	0	(419.5)	0	(419.5)
Purchase of noncontrolling interests	0	(28.0)	0	0	0	(28.0)	(7.5)	(35.5)
Balance at Oct. 02, 2011	$ 0.7	$ 1.1	$ 39.4	$ 4,297.4	$ 46.3	$ 4,384.9	$ 2.4	$ 4,387.3
Balance, shares at Oct. 02, 2011	744.8							744.8

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Restructuring Charges (Details) (USD $) In Millions, unless otherwise specified	12 Months Ended						
	Oct. 02, 2011		Oct. 03, 2010		Sep. 27, 2009		Sep. 28, 2008
Number of stores closed globally due to portfolio rationalization	918						
Costs incurred and charged to expense during the period	$ 0		$ 53.0		$ 332.4		$ 266.9
Cumulative costs incurred to date	652.3						
Accrued liability, beginning balance	89.2	[1]	104.0				
Costs incurred excluding non-cash charges			53.4	[2]			
Cash payments	(27.1)		(68.2)				
Other	0.5						
Accrued liability, ending balance	62.6	[1]	89.2	[1]	104.0		
US [Member]							
Costs incurred and charged to expense during the period			27.2		246.3		210.9
Cumulative costs incurred to date	484.4						
International [Member]							
Costs incurred and charged to expense during the period			25.8		27.0		19.2
Cumulative costs incurred to date	72.0						
Other [Member]							
Costs incurred and charged to expense during the period			0		59.1		36.8
Cumulative costs incurred to date	95.9						
Lease Exit And Other Related Costs [Member]							
Costs incurred and charged to expense during the period			53.0		184.2		47.8
Cumulative costs incurred to date	285.0						
Accrued liability, beginning balance	89.2	[1]	102.8				
Costs incurred excluding non-cash charges			53.7	[2]			
Cash payments	(27.1)		(67.3)				
Other	0.5						
Accrued liability, ending balance	62.6	[1]	89.2	[1]	102.8		
Asset Impairments [Member]							
Costs incurred and charged to expense during the period			0.2		129.2		201.6
Cumulative costs incurred to date	331.0						
Employee Termination Costs [Member]							
Costs incurred and charged to expense during the period			(0.2)		19.0		17.5
Cumulative costs incurred to date	36.3						
Accrued liability, beginning balance			1.2				
Costs incurred excluding non-cash charges			(0.3)	[2]			
Cash payments			(0.9)				
Accrued liability, ending balance			$ 0	[1]	$ 1.2		

[1] The remaining liability relates to lease obligations for stores that were previously closed where Starbucks has been unable to terminate the lease or find subtenants for the unused space.

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[2] Non-cash charges and credits for lease exit and other related costs primarily represent deferred rent balances recognized as expense credits at the cease-use date.

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Derivative Financial Instruments	12 Months Ended Oct. 02, 2011

Derivative Financial Instruments

Derivative Financial Instruments

Note 2: Derivative Financial Instruments

Cash Flow Hedges

Starbucks and certain subsidiaries enter into cash flow derivative instruments to hedge portions of anticipated revenue streams and inventory purchases in currencies other than the entity's functional currency. Outstanding forward contracts, which comprise the majority of our derivative instruments, hedge monthly forecasted revenue transactions denominated in Japanese yen and Canadian dollars, as well as forecasted inventory purchases denominated in US dollars for foreign operations.

Net Investment Hedges

Net investment derivative instruments are used to hedge our equity method investment in Starbucks Coffee Japan, Ltd. ("Starbucks Japan") as well as our net investments in our Canada, UK and China subsidiaries, to minimize foreign currency exposure.

Other Derivatives

To mitigate the translation risk of certain balance sheet items, we enter into certain foreign currency forward contracts that are not designated as hedging instruments. These contracts are recorded at fair value, with the changes in fair value recognized in net interest income and other on the consolidated statements of earnings. Gains and losses from these instruments are largely offset by the financial impact of translating foreign currency denominated payables and receivables, which are also recognized in net interest income and other.

We also enter into certain swap and futures contracts that are not designated as hedging instruments to mitigate the price uncertainty of a portion of our future purchases of dairy products and diesel fuel. These contracts are recorded at fair value, with the changes in fair value recognized in net interest income and other on the consolidated statements of earnings.

Fair values of derivative instruments on the consolidated balance sheet *(in millions)*:

	Cash Flow Hedges		Net Investment Hedges		Other Derivatives	
Financial Statement Location	**Oct 2, 2011**	**Oct 3, 2010**	**Oct 2, 2011**	**Oct 3, 2010**	**Oct 2, 2011**	**Oct 3, 2010**
Prepaid expenses and other current assets	$ 0.2	$ 0.1	$ 0.0	$ 0.0	$ 2.8	$ 0.0
Other accrued liabilities	11.0	10.6	9.0	5.6	1.6	4.0
Other long-term liabilities	3.0	6.4	6.9	8.1	0.0	0.0
Total losses in accumulated OCI, net of tax(1)	11.1	13.9	34.2	26.7		

(1) Amount that will be dedesignated within 12 months for cash flow hedges is $6.6 million as of October 2, 2011.

Ineffectiveness from hedges in fiscal years 2011 and 2010 was insignificant. Outstanding cash flow hedge and net investment hedge contracts will expire within 24 months and 30 months, respectively.

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The following table presents the pretax effect of derivative instruments on earnings and other comprehensive income for fiscal years ending (*in millions*):

	Cash Flow Hedges		Net Investment Hedges		Other Derivatives	
	Oct 2, 2011	**Oct 3, 2010**	**Oct 2, 2011**	**Oct 3, 2010**	**Oct 2, 2011**	**Oct 3, 2010**
Gain/(Loss) recognized in earnings	$ (15.9)	$ (5.9)	$ 0.0	$ 0.0	$ 6.6	$ 1.0
Gain/(Loss) recognized in OCI	$ (12.1)	$ (20.9)	$ (12.0)	$ (10.8)		

The amounts shown as recognized in earnings for cash flow and net investment hedges represent the realized gains/(losses) transferred out of other comprehensive income ("OCI") to earnings during the year. The amounts shown as recognized in OCI are prior to these transfers of realized gains/(losses) to earnings.

Notional amounts of outstanding derivative contracts (*in millions*):

	Oct 2, 2011	**Oct 3, 2010**
Foreign exchange	$ 499	$ 593
Dairy	$ 10	$ 20

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Restructuring Charges (Tables)	12 Months Ended Oct. 02, 2011

Restructuring Charges

Restructuring Charges By Type Of Cost And Segment

	By Type of Cost				By Segment		
	Total	Lease Exit and Other Related Costs	Asset Impairments	Employee Termination Costs	US	International	Other
Costs incurred and charged to expense in fiscal 2010	$53.0	$ 53.0	$ 0.2	$ (0.2)	$27.2	$ 25.8	$0.0
Costs incurred and charged to expense in fiscal 2009	332.4	184.2	129.2	19.0	246.3	27.0	59.1
Costs incurred and charged to expense in fiscal 2008	266.9	47.8	201.6	17.5	210.9	19.2	36.8
Cumulative costs incurred to date	652.3	285.0	331.0	36.3	484.4	72.0	95.9
Accrued liability as of September 27, 2009	$104.0	$ 102.8		$ 1.2			
Costs incurred in fiscal 2010, excluding non-cash charges[1]	53.4	53.7		(0.3)			
Cash payments	(68.2)	(67.3)		(0.9)			
Accrued liability as of October 3, 2010[2]	$89.2	$ 89.2		$ 0.0			
Cash payments	(27.1)	(27.1)					
Other	0.5	0.5					
Accrued liability as of October 2, 2011[2]	$62.6	$ 62.6					

[1] Non-cash charges and credits for lease exit and other related costs primarily represent deferred rent balances recognized as expense credits at the cease-use date.

[2] The remaining liability relates to lease obligations for stores that were previously closed where Starbucks has been unable to terminate the lease or find subtenants for the unused space.

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Equity And Cost Investments (Tables)	12 Months Ended Oct. 02, 2011

Equity And Cost Investments

Equity And Cost Method Investments

	Oct 2, 2011	Oct 3, 2010
Equity method investments	$ 334.4	$ 308.1
Cost method investments	37.9	33.4
Total	$ 372.3	$ 341.5

Financial Position Of Equity Method Investments

Financial Position as of	Oct 2, 2011	Oct 3, 2010
Current assets	$ 476.9	$ 390.1
Noncurrent assets	651.4	570.3
Current liabilities	340.1	260.6
Noncurrent liabilities	80.2	70.5

Results Of Operations Of Equity Method Investments

Results of Operations for Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Net revenues	$2,395.1	$2,128.0	$2,100.1
Operating income	277.0	245.3	192.5
Net earnings	231.1	205.1	155.8

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Debt (Narrative) (Details) (USD $)	12 Months Ended					1 Months Ended		12 Months Ended	
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009	Nov. 30, 2010	Oct. 03, 2010 2005 Credit Facility [Member]	Nov. 30, 2010 2010 Credit Facility [Member]	Oct. 02, 2011 2010 Credit Facility [Member]	Oct. 02, 2011 6.25% Senior Notes Due August 2017 [Member]	Oct. 03, 2010 6.25% Senior Notes Due August 2017 [Member]
Unsecured credit facility					$ 1,000,000,000	$ 500,000,000			
Amount of credit facility available for issuances of letters of credit						100,000,000			
Borrowings outstanding under credit facility	0	0							
Borrowings outstanding under commercial paper program	0	0							
Maturity date of credit facility						November 2014		August 2017	
Interest terms of new credit facility						1.075% over LIBOR			
Incremental interest rate over LIBOR						1.075%			
Maximum increase in commitment amount allowable under the credit facility						500,000,000			
Maximum allowable aggregate amount outstanding under commercial paper program				500,000,000					
Maximum allowable maturity period of credit under commercial paper program				397 days					
Combined borrowing limit of commercial paper program and credit facility				500,000,000					
Letters of credit outstanding					15,000,000		17,000,000		
Issue date of credit facility								August 2007	
Carrying amount								550,000,000	
Interest rate								6.25%	
Fair value of the notes								549,500,000	549,400,000
Interest expense, net of interest capitalized	33,300,000	32,700,000	39,100,000						
Interest capitalized	$ 4,400,000	$ 4,900,000	$ 2,900,000						

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Leases (Narrative) (Details) (USD $) In Millions	12 Months Ended		
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
Leases			
Sublease income recognized	$ 13.7	$ 10.9	$ 7.1
Capital lease obligations	$ 1.4	$ 2.6	
Maturity of capital lease obligations (year)	2014		

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Equity And Cost Investments (Equity And Cost Investments) (Details) (USD $) In Millions	Oct. 02, 2011	Oct. 03, 2010
Equity And Cost Investments		
Equity method investments	$ 334.4	$ 308.1
Cost method investments	37.9	33.4
Total	$ 372.3	$ 341.5

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Shareholders' Equity (Share Repurchase Activity) (Details) (USD $) In Millions, except Per Share data	12 Months Ended	
	Oct. 02, 2011	Oct. 03, 2010
Shareholders' Equity		
Number of shares acquired	15.6	11.2
Average price per share of acquired shares	$ 35.53	$ 25.53
Total cost of acquired shares	$ 555.9	$ 285.6

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Fair Value Measurements

Fair Value Measurements	12 Months Ended Oct. 02, 2011

Fair Value Measurements

Fair Value Measurements

Note 3: Fair Value Measurements

Assets and Liabilities Measured at Fair Value on a Recurring Basis (in millions):

		Fair Value Measurements at Reporting Date Using		
	Balance at October 2, 2011	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Short-term investments:				
Available-for-sale securities				
Agency obligations	$ 20.0	$ 0.0	$ 20.0	$ 0.0
Commercial paper	87.0	0.0	87.0	0.0
Corporate debt securities	78.0	0.0	78.0	0.0
Government treasury securities	606.0	606.0	0.0	0.0
Certificates of deposit	64.0	0.0	64.0	0.0
Total available-for-sale securities	855.0	606.0	249.0	0.0
Trading securities	47.6	47.6	0.0	0.0
Total short-term investments	902.6	653.6	249.0	0.0
Long-term investments:				
Available-for-sale securities				
Corporate debt securities	67.0	0.0	67.0	0.0
State and local government obligations	28.0	0.0	0.0	28.0
Certificates of deposit	12.0	0.0	12.0	0.0

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Total long-term investments	107.0	0.0	79.0	28.0
Total	$ 1,009.6	$ 653.6	$ 328.0	$ 28.0
Liabilities:				
Derivatives	$ 31.5	$ 0.0	$ 31.5	$ 0.0

		Fair Value Measurements at Reporting Date Using		
	Balance at October 3, 2010	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Short-term investments:				
Available-for-sale securities				
Agency obligations	$ 30.0	$ 0.0	$ 30.0	$ 0.0
Corporate debt securities	15.0	0.0	15.0	0.0
Government treasury securities	190.8	190.8	0.0	0.0
State and local government obligations	0.7	0.0	0.7	0.0
Total available-for-sale securities	236.5	190.8	45.7	0.0
Trading securities	49.2	49.2	0.0	0.0
Total short-term investments	285.7	240.0	45.7	0.0
Long-term investments:				
Available-for-sale securities				
Agency obligations	27.0	0.0	27.0	0.0
Corporate debt securities	123.5	0.0	123.5	0.0
State and local government obligations	41.3	0.0	0.0	41.3
Total long-term investments	191.8	0.0	150.5	41.3
Total	$ 477.5	$ 240.0	$ 196.2	$ 41.3
Liabilities:				

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Derivatives	$ 34.7	$ 0.0	$ 34.7	$ 0.0

Gross unrealized holding gains and losses on investments were not material at October 2, 2011 and October 3, 2010.

Available-for-sale Securities

Available-for-sale securities include government treasury securities, corporate and agency bonds, certificates of deposit placed through an account registry service ("CDARS") and auction rate securities ("ARS"). For government treasury securities, we use quoted prices in active markets for identical assets to determine fair value, thus these securities are considered Level 1 instruments. For corporate and agency bonds, for which a quoted market price is not available for identical assets, we determine fair value based upon the quoted market price of similar assets or the present value of expected future cash flows, calculated by applying revenue multiples to estimate future operating results and using discount rates appropriate for the duration and the risks involved. Fair values for certificates of deposit are estimated using a discounted cash flow calculation that applies current interest rates to aggregate expected maturities. Fair values for commercial paper are estimated using a discounted cash flow calculation that applies current imputed interest rates of similar securities. These securities are considered Level 2 instruments. Level 3 instruments are comprised solely of ARS. We determine fair value of our ARS using an internally developed valuation model, using inputs that include interest rate curves, credit and liquidity spreads, and effective maturity. Proceeds from sales of available-for-sale securities were $0.0 million, $1.1 million, and $5.0 million in fiscal years 2011, 2010, and 2009, respectively. For fiscal years 2011, 2010, and 2009 realized gains and losses on sales and maturities were not material.

Certificates of deposit placed through CDARS have maturity dates ranging from 4 weeks to 2 years and principal amounts, that when aggregated with interest that will accrue over the investment term, will not exceed Federal Deposit Insurance Corporation limits. Certificates of deposit with original maturities of 90 days or less are included in cash and cash equivalents. As of October 2, 2011, we had $4.2 million invested in certificates of deposit placed through CDARS that were included in cash and cash equivalents. We did not have any certificates of deposit placed through CDARS as of October 3, 2010.

As of October 2, 2011, long-term available-for-sale securities of $107.0 million included $28.0 million invested in ARS. As of October 3, 2010, long-term available-for-sale securities of $191.8 million included $41.3 million invested in ARS. Long-term investments (except for ARS) generally mature within three years. ARS have long-dated maturities but provide liquidity through a Dutch auction process that resets the applicable interest rate at pre-determined calendar intervals. Our ARS are collateralized by portfolios of student loans, substantially all of which are guaranteed by the United States Department of Education. Due to the auction failures that began in 2008, these securities became illiquid and were classified as long-term investments. The investment principal associated with the failed auctions will not be accessible until:

successful auctions resume;

an active secondary market for these securities develops;

the issuers replace these securities with another form of financing; or

final payments are made according to the contractual maturities of the debt issues which range from 20 to 35 years.

We do not intend to sell the ARS, nor is it likely we will be required to sell the ARS before their anticipated recovery, which may be at maturity. In fiscal 2011, $15.8 million of ARS were called at par value. In fiscal 2010, $12.1 million of ARS were called at par value.

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Trading Securities

Trading securities include equity mutual funds and exchange-traded funds. For these securities, we use quoted prices in active markets for identical assets to determine fair value, thus these securities are considered Level 1 instruments. Our trading securities portfolio approximates a portion of the liability under the Management Deferred Compensation Plan ("MDCP"), a defined contribution plan. The corresponding deferred compensation liability of $84.7 million and $82.7 million as of October 2, 2011 and October 3, 2010, respectively, is included in accrued compensation and related costs on the consolidated balance sheets. The changes in net unrealized holding gains/losses in the trading portfolio included in earnings for fiscal years 2011 and 2010 were a net loss of $2.1 million and a net gain of $4.1 million, respectively.

Derivative Assets and Liabilities

Derivative assets and liabilities include foreign currency forward contracts, commodity swaps and futures contracts. Where applicable, we use quoted prices in active markets for identical derivative assets and liabilities that are traded on exchanges. Derivative assets and liabilities included in Level 2 are over-the-counter currency forward contracts and commodity swaps whose fair values are estimated using industry-standard valuation models. Such models project future cash flows and discount the future amounts to a present value using market-based observable inputs, including interest rate curves and forward and spot prices for currencies and commodities.

Changes in Level 3 Instruments Measured at Fair Value on a Recurring Basis

Financial instruments measured using level 3 inputs described above are comprised entirely of our ARS. Changes in this balance related primarily to calls of certain of our ARS. No transfers among the levels within the fair value hierarchy occurred during fiscal 2011 or 2010.

Assets and Liabilities Measured at Fair Value on a Nonrecurring Basis

Assets and liabilities recognized or disclosed at fair value on a nonrecurring basis include items such as property, plant and equipment, goodwill and other intangible assets, equity and cost method investments, and other assets. These assets are measured at fair value if determined to be impaired.

During fiscal 2011 and 2010, we recognized fair market value adjustments with a charge to earnings for these assets as follows:

	Year Ended October 2, 2011		
	Carrying Value before adjustment	**Fair value adjustment**	**Carrying value after adjustment**
Other assets (1)	$ 22.1	$ (22.1)	$ 0.0
Property, plant and equipment (2)	$ 8.8	$ (5.9)	$ 2.9

	Year Ended October 3, 2010		
	Carrying Value before adjustment	**Fair value adjustment**	**Carrying value after adjustment**

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Property, plant and equipment (2)	$ 26.8	$ (22.3)	$ 4.5
Goodwill (3)	$ 4.1	$ (1.6)	$ 2.5

(1) The fair value was determined using valuation techniques, including discounted cash flows, comparable transactions, and/or comparable company analyses. The resulting impairment charge was included in other operating expenses.

(2) These assets primarily consist of leasehold improvements in underperforming stores. The fair value was determined using a discounted cash flow model based on expected future store revenues and operating costs, using internal projections. The resulting impairment charge was included in store operating expenses.

(3) The fair value was determined using a discounted cash flow model based on future cash flows for the reporting unit, using internal projections. The resulting impairment charge was included in store operating expenses

Fair Value of Other Financial Instruments

The estimated fair value of the $550 million of 6.25% Senior Notes based on the quoted market price was approximately $648 million and $637 million as of October 2, 2011 and October 3, 2010, respectively.

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Income Taxes (Provision For Income Taxes) (Details) (USD $) In Millions	12 Months Ended		
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
Income Taxes			
Federal	$ 344.7	$ 457.5	$ 165.3
State	61.2	79.6	35.0
Foreign	37.3	38.3	26.3
Total current taxes	443.2	575.4	226.6
Federal	111.6	(76.0)	(48.3)
State	8.3	(9.3)	(10.7)
Foreign	0	(1.4)	0.8
Total deferred taxes	119.9	(86.7)	(58.2)
Total provision for income taxes	$ 563.1	$ 488.7	$ 168.4

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Segment Reporting (Tables)

12 Months Ended Oct. 02, 2011

Segment Reporting

Revenue Mix By Product Type

Fiscal Year Ended	Oct 2, 2011		Oct 3, 2010		Sep 27, 2009	
Beverage	$7,217.0	62 %	$6,750.3	63 %	$6,238.4	64 %
Food	2,008.0	17 %	1,878.7	18 %	1,680.2	17 %
Whole bean and soluble coffees	1,451.0	12 %	1,131.3	10 %	965.2	10 %
Other[(1)]	1,024.4	9 %	947.1	9 %	890.8	9 %
Total	$11,700.4	100%	$10,707.4	100%	$9,774.6	100%

(1) Other includes royalty and licensing revenues, beverage-related accessories and equipment revenues.

Schedule Of Revenue From External Customers By Geographic Area

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Net revenues from external customers:			
United States	$8,966.9	$8,335.4	$7,787.7
Other countries	2,733.5	2,372.0	1,986.9
Total	$11,700.4	$10,707.4	$9,774.6

Schedule Of Long Lived Assets By Geographic Area

	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Long-lived assets:			
United States	$2,587.1	$2,807.9	$2,776.7
Other countries	978.4	821.6	764.3
Total	$3,565.5	$3,629.5	$3,541.0

Schedule Of Information By Reportable Operating Segment

	United States	International	CPG	Other	Total
Fiscal 2011:					
Total net revenues	$8,038.0	$2,626.1	$860.5	$175.8	$11,700.4
Depreciation and amortization	343.8	118.5	2.4	58.6	523.3
Income from equity investees	0.0	100.5	75.6	(2.4)	173.7
Operating income/ (loss)	1,562.6	349.7	273.0	(456.8)	1,728.5
Total assets	1,479.4	1,300.7	54.7	4,525.6	7,360.4
Fiscal 2010:					
Total net revenues	$7,560.4	$2,288.8	$707.4	$150.8	$10,707.4
Depreciation and amortization	350.7	108.6	3.7	47.4	510.4

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Income from equity investees	0.0	80.8	70.6	(3.3)	148.1
Operating income/ (loss)	1,291.1	225.2	261.4	(358.3)	1,419.4
Total assets	1,482.9	1,272.8	54.1	3,576.1	6,385.9
Fiscal 2009:					
Total net revenues	$ 7,061.7	$ 1,914.3	$674.4	$124.2	$9,774.6
Depreciation and amortization	377.9	102.2	4.8	49.8	534.7
Income from equity investees	0.5	53.6	67.8	0.0	121.9
Operating income/ (loss)	530.1	91.2	281.8	(341.1)	562.0
Total assets	1,640.8	1,071.3	71.1	2,793.6	5,576.8

Reconciliation Of The Total Reportable Segments' Operating Income To The Consolidated Earnings Before Income Taxes

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Operating income	$1,728.5	$1,419.4	$ 562.0
Interest income and other, net	115.9	50.3	37.0
Interest expense	(33.3)	(32.7)	(39.1)
Earnings before income taxes	$1,811.1	$1,437.0	$ 559.9

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Derivative Financial Instruments (Tables)	12 Months Ended Oct. 02, 2011

Derivative Financial Instruments

Fair Values Of Derivative Instruments On Consolidated Balance Sheet

	Cash Flow Hedges		Net Investment Hedges		Other Derivatives	
Financial Statement Location	Oct 2, 2011	Oct 3, 2010	Oct 2, 2011	Oct 3, 2010	Oct 2, 2011	Oct 3, 2010
Prepaid expenses and other current assets	$ 0.2	$ 0.1	$ 0.0	$ 0.0	$ 2.8	$ 0.0
Other accrued liabilities	11.0	10.6	9.0	5.6	1.6	4.0
Other long-term liabilities	3.0	6.4	6.9	8.1	0.0	0.0
Total losses in accumulated OCI, net of tax[(1)]	11.1	13.9	34.2	26.7		

[(1)] Amount that will be dedesignated within 12 months for cash flow hedges is $6.6 million as of October 2, 2011.

Pretax Effect Of Derivative Instruments On Other Comprehensive Income And Earnings

	Cash Flow Hedges		Net Investment Hedges		Other Derivatives	
	Oct 2, 2011	Oct 3, 2010	Oct 2, 2011	Oct 3, 2010	Oct 2, 2011	Oct 3, 2010
Gain/(Loss) recognized in earnings	$ (15.9)	$ (5.9)	$ 0.0	$ 0.0	$ 6.6	$ 1.0
Gain/(Loss) recognized in OCI	$ (12.1)	$ (20.9)	$ (12.0)	$ (10.8)		

Notional Amounts Of Outstanding Derivative Contracts

	Oct 2, 2011	Oct 3, 2010
Foreign exchange	$ 499	$ 593
Dairy	$ 10	$ 20

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Shareholders' Equity (Comprehensive Income, Net Of Related Tax Effects) (Details) (USD $) In Millions	12 Months Ended		
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
Net earnings attributable to Starbucks	$ 1,245.7	$ 945.6	$ 390.8
Net unrealized gain/(loss)	(4.4)	(17.0)	1.8
Total comprehensive income	1,234.8	937.4	407.8
Available-For-Sale Securities [Member]			
Unrealized holding gains/(losses) on available-for-sale securities, net of tax (provision)/benefit	0.4	(0.2)	3.3
Unrealized holding gains/(losses) on available-for-sale securities, tax (provision)/benefit	(0.3)	0.1	(1.9)
Cash Flow Hedging [Member]			
Unrealized holding gains/(losses) on derivatives, net of tax (provision)/benefit	(7.7)	(11.3)	4.0
Unrealized holding gains/(losses) on derivatives, tax (provision)/benefit	4.5	6.6	(2.4)
Reclassification adjustment for net losses realized in net earnings for cash flow hedges, net of tax benefit	10.5	1.3	1.3
Reclassification adjustment for net losses realized in net earnings for cash flow hedges, tax benefit	6.1	0.8	0.8
Net Investment Hedging [Member]			
Unrealized holding gains/(losses) on derivatives, net of tax (provision)/benefit	(7.6)	(6.8)	(6.8)
Unrealized holding gains/(losses) on derivatives, tax (provision)/benefit	4.5	4.0	4.0
Translation Adjustment [Member]			
Translation adjustment, net of tax benefit/(provision)	(6.5)	8.8	15.2
Translation adjustment, tax (provision)/benefit	$ 0.9	$ (3.2)	$ 6.0

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Segment Reporting (Revenue Mix By Product Type) (Details) (USD $) In Millions, unless otherwise specified	12 Months Ended					
	Oct. 02, 2011		Oct. 03, 2010		Sep. 27, 2009	
Total revenue	$ 11,700.4		$ 10,707.4		$ 9,774.6	
Percentage of product revenue to total revenue	100.00%		100.00%		100.00%	
Beverage [Member]						
Total revenue	7,217.0		6,750.3		6,238.4	
Percentage of product revenue to total revenue	62.00%		63.00%		64.00%	
Food [Member]						
Total revenue	2,008.0		1,878.7		1,680.2	
Percentage of product revenue to total revenue	17.00%		18.00%		17.00%	
Whole Bean And Soluble Coffees [Member]						
Total revenue	1,451.0		1,131.3		965.2	
Percentage of product revenue to total revenue	12.00%		10.00%		10.00%	
Other Products [Member]						
Total revenue	$ 1,024.4	[1]	$ 947.1	[1]	$ 890.8	[1]
Percentage of product revenue to total revenue	9.00%	[1]	9.00%	[1]	9.00%	[1]

[1] Other includes royalty and licensing revenues, beverage-related accessories and equipment revenues.

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Income Taxes (Tax Effect Of Temporary Differences And Carryforwards That Comprise Significant Portions Of Deferred Tax Assets And Liabilities) (Details) (USD $) In Millions	Oct. 02, 2011	Oct. 03, 2010
Income Taxes		
Property, plant and equipment	$ 46.4	$ 32.6
Accrued occupancy costs	55.9	55.2
Accrued compensation and related costs	69.6	100.8
Other accrued liabilities	27.8	25.0
Asset retirement obligation asset	19.0	14.9
Deferred revenue	47.8	58.4
Asset impairments	60.0	94.8
Tax credits	23.0	41.0
Stock based compensation	128.8	115.9
Net operating losses	85.5	43.7
Other	58.6	50.6
Total	622.4	632.9
Valuation allowance	(137.4)	(88.1)
Total deferred tax asset, net of valuation allowance	485.0	544.8
Property, plant and equipment	(66.4)	(26.2)
Other	(43.3)	(19.1)
Total	(109.7)	(45.3)
Net deferred tax asset	375.3	499.5
Current deferred income tax assets	230.4	304.2
Long-term deferred income tax assets (included in Other assets)	156.3	195.3
Current deferred income tax liabilities	(4.9)	0
Long-term deferred income tax liabilities	$ (6.5)	$ 0

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Leases (Minimum Future Rental Payments Under Non-Cancelable Operating Leases) (Details) (USD $) In Millions	Oct. 02, 2011
Leases	
2012	$ 751.2
2013	699.9
2014	630.7
2015	545.4
2016	442.7
Thereafter	988.0
Total minimum lease payments	$ 4,057.9

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Other Intangible Assets And Goodwill (Tables)	12 Months Ended
	Oct. 02, 2011

Other Intangible Assets And Goodwill

Schedule Of Other Intangible Assets

	Oct 2, 2011	Oct 3, 2010
Indefinite-lived intangibles	$ 68.6	$ 63.5
Definite-lived intangibles	54.2	16.1
Accumulated amortization	(10.9)	(8.8)
Definite-lived intangibles, net	43.3	7.3
Total other intangible assets	$ 111.9	$ 70.8
Definite-lived intangibles approximate remaining weighted average useful life in years	11	7

Schedule Of Goodwill

	United States	International	Other	Total
Balance at September 27, 2009				
Goodwill prior to impairment	$ 109.3	$ 117.0	$39.8	$266.1
Accumulated impairment charges	(7.0)	0.0	0.0	(7.0)
Goodwill	$ 102.3	$ 117.0	$39.8	$259.1
Acquisitions	0.0	0.0	0.0	0.0
Purchase price adjustment of previous acquisitions	1.0	0.0	0.0	1.0
Impairment	0.0	(1.6)	0.0	(1.6)
Other[1]	0.0	3.9	0.0	3.9
Balance at October 3, 2010				
Goodwill prior to impairment	$ 110.3	$ 120.9	$39.8	$271.0
Accumulated impairment charges	(7.0)	(1.6)	0.0	(8.6)
Goodwill	$ 103.3	$ 119.3	$39.8	$262.4
Acquisitions	0.0	63.8	0.0	63.8
Other[1]	0.0	(4.6)	0.0	(4.6)
Balance at October 2, 2011				
Goodwill prior to impairment	$ 110.3	$ 180.1	$39.8	$330.2
Accumulated impairment charges	(7.0)	(1.6)	0.0	(8.6)
Goodwill	$ 103.3	$ 178.5	$39.8	$321.6

(1) Other is primarily comprised of changes in the goodwill balance as a result of foreign exchange fluctuations.

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Acquisitions (Tables)	12 Months Ended Oct. 02, 2011
Acquisitions	
Impact On Shareholders' Equity Of Acquisition Of Minority Interest Holder	

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Net earnings attributable to Starbucks	$ 1,245.7	$ 945.6	$ 390.8
Transfers (to) from the noncontrolling interest:			
Decrease in additional paid-in capital for purchase of interest in subsidiary	(28.0)	(26.8)	0.0
Change from net earnings attributable to Starbucks and transfers to noncontrolling interest	$1,217.7	$ 918.8	$ 390.8

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Inventories (Tables)	12 Months Ended Oct. 02, 2011

Inventories

Schedule Of Inventories

	Oct 2, 2011	Oct 3, 2010
Coffee:		
Unroasted	$ 431.3	$ 238.3
Roasted	246.5	95.1
Other merchandise held for sale	150.8	115.6
Packaging and other supplies	137.2	94.3
Total	$ 965.8	$ 543.3

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Shareholders' Equity	12 Months Ended Oct. 02, 2011

Shareholders' Equity

Shareholders' Equity

Note 11: Shareholders' Equity

In addition to 1.2 billion shares of authorized common stock with $0.001 par value per share, we have authorized 7.5 million shares of preferred stock, none of which was outstanding at October 2, 2011.

Share repurchase activity *(in millions, except for average price data)*:

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010
Number of shares acquired	15.6	11.2
Average price per share of acquired shares	$ 35.53	$ 25.53
Total cost of acquired shares	$ 555.9	$ 285.6

As of October 2, 2011, 24.4 million shares remained available for repurchase under the current authorization. On November 3, 2011, we announced an additional share repurchase authorization made by the Board of Directors of up to 20 million shares in addition to the 4.4 million shares remaining under the previous program.

During fiscal years 2011 and 2010, our Board of Directors declared the following dividends (*in millions, except per share amounts)*:

	Dividend Per Share	Record date	Total Amount	Payment Date
Fiscal Year 2011:				
First quarter	$ 0.13	February 9, 2011	$ 97.4	February 25, 2011
Second quarter	$ 0.13	May 11, 2011	$ 97.8	May 27, 2011
Third quarter	$ 0.13	August 10, 2011	$ 97.4	August 26, 2011
Fourth quarter	$ 0.17	November 17, 2011	$ 126.6	December 2, 2011
Fiscal Year 2010[(1)]:				
Second quarter	$ 0.10	April 7, 2010	$ 74.8	April 23, 2010
Third quarter	$ 0.13	August 4, 2010	$ 96.2	August 20, 2010
Fourth quarter	$ 0.13	November 18, 2010	$ 96.9	December 3, 2010

(1) The Starbucks Board of Directors approved the initiation of a cash dividend to shareholders beginning in the second quarter of fiscal 2010.

Comprehensive Income

Comprehensive income includes all changes in equity during the period, except those resulting from transactions with our shareholders. Comprehensive income is comprised of net earnings and

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other comprehensive income. Accumulated other comprehensive income reported on our consolidated balance sheets consists of foreign currency translation adjustments and the unrealized gains and losses, net of applicable taxes, on available-for-sale securities and on derivative instruments designated and qualifying as cash flow and net investment hedges.

Comprehensive income, net of related tax effects *(in millions)*:

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Net earnings attributable to Starbucks	$1,245.7	$ 945.6	$ 390.8
Unrealized holding gains/(losses) on available-for-sale securities, net of tax (provision)/benefit of $(0.3), $0.1, and $(1.9), respectively	0.4	(0.2)	3.3
Unrealized holding gains/(losses) on cash flow hedging instruments, net of tax (provision)/benefit of $4.5, $6.6, and $(2.4), respectively	(7.7)	(11.3)	4.0
Unrealized holding losses on net investment hedging instruments, net of tax benefit of $4.5, $4.0, and $4.0, respectively	(7.6)	(6.8)	(6.8)
Reclassification adjustment for net losses realized in net earnings for cash flow hedges, net of tax benefit of $6.1, $0.8, and $0.8, respectively	10.5	1.3	1.3
Net unrealized gain/(loss)	(4.4)	(17.0)	1.8
Translation adjustment, net of tax (provision)/benefit of $0.9, $(3.2), and $6.0, respectively	(6.5)	8.8	15.2
Total comprehensive income	$1,234.8	$ 937.4	$ 407.8

The unfavorable translation adjustment change during fiscal 2011 was primarily due to the strengthening of the US dollar against several currencies including the euro, partially offset by the weakening of the US dollar against the Japanese yen. The favorable translation adjustment change during fiscal 2010 was primarily due to the weakening of the US dollar against several currencies including the Japanese yen and Canadian dollar, partially offset by the strengthening of the US dollar against the euro. The favorable translation adjustment change during fiscal 2009 was primarily due to the weakening of the US dollar against the Japanese yen, Australian dollar and the euro.

Components of accumulated other comprehensive income, net of tax *(in millions)*:

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010
Net unrealized gains/(losses) on available-for-sale securities	$ (0.5)	$ (0.9)
Net unrealized gains/(losses) on hedging instruments	(45.3)	(40.5)
Translation adjustment	92.1	98.6
Accumulated other comprehensive income	$ 46.3	$ 57.2

As of October 2, 2011, the translation adjustment was net of tax provisions of $3.3 million. As of October 3, 2010, the translation adjustment was net of tax provisions of $4.2 million.

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Other Intangible Assets And Goodwill (Other Intangible Assets) (Details) (USD $) In Millions, unless otherwise specified	12 Months Ended	
	Oct. 02, 2011	Oct. 03, 2010
Other Intangible Assets And Goodwill		
Indefinite-lived intangibles	$ 68.6	$ 63.5
Definite-lived intangibles	54.2	16.1
Accumulated amortization	(10.9)	(8.8)
Definite-lived intangibles, net	43.3	7.3
Total other intangible assets	$ 111.9	$ 70.8
Definite-lived intangibles approximate remaining weighted average useful life in years	11	7

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Earnings Per Share (Calculation Of Net Earnings Per Common Share ("EPS") - Basic And Diluted) (Details) (USD $) In Millions, except Per Share data	12 Months Ended		
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
Earnings Per Share			
Net earnings attributable to Starbucks	$ 1,245.7	$ 945.6	$ 390.8
Weighted average common shares and common stock units outstanding (for basic calculation)	748.3	744.4	738.7
Dilutive effect of outstanding common stock options and RSUs	21.4	19.8	7.2
Weighted average common and common equivalent shares outstanding (for diluted calculation)	769.7	764.2	745.9
EPS - basic	$ 1.66	$ 1.27	$ 0.53
EPS - diluted	$ 1.62	$ 1.24	$ 0.52

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Income Taxes (Narrative) (Details) (USD $) In Millions	12 Months Ended Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009	Sep. 28, 2008
Income Taxes				
Cumulative undistributed earnings of foreign subsidiaries and equity investees	$ 987			
Net change in the total valuation allowance	49.3	67.8		
Previously unrecognized deferred tax assets and valuation allowance	32	40		
Foreign tax credit carryforwards	7.5			
Foreign tax credit carryforwards expiration dates	2018 and 2019			
Capital loss carryforwards	7.8			
Capital loss carryforwards expiration dates	2015			
Foreign net operating losses	305.4			
Taxes currently payable	30.1	24.7		
Gross unrecognized tax benefits	52.9	68.4	49.1	52.6
Unrecognized tax benefits affecting the effective tax rate if recognized	27.3			
Accrued interest and penalties	6.2	16.8		
Amount of unrecognized tax benefits which may be recognized by the end of the period	$ 4.5			

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Segment Reporting (Schedule Of Information By Reportable Operating Segment) (Details) (USD $) In Millions	12 Months Ended		
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
Total net revenues	$ 11,700.4	$ 10,707.4	$ 9,774.6
Depreciation and amortization	523.3	510.4	534.7
Income from equity investees	173.7	148.1	121.9
Operating income/(loss)	1,728.5	1,419.4	562.0
Total assets	7,360.4	6,385.9	5,576.8
United States [Member]			
Total net revenues	8,038.0	7,560.4	7,061.7
Depreciation and amortization	343.8	350.7	377.9
Income from equity investees	0	0	0.5
Operating income/(loss)	1,562.6	1,291.1	530.1
Total assets	1,479.4	1,482.9	1,640.8
International [Member]			
Total net revenues	2,626.1	2,288.8	1,914.3
Depreciation and amortization	118.5	108.6	102.2
Income from equity investees	100.5	80.8	53.6
Operating income/(loss)	349.7	225.2	91.2
Total assets	1,300.7	1,272.8	1,071.3
CPG [Member]			
Total net revenues	860.5	707.4	674.4
Depreciation and amortization	2.4	3.7	4.8
Income from equity investees	75.6	70.6	67.8
Operating income/(loss)	273.0	261.4	281.8
Total assets	54.7	54.1	71.1
Other [Member]			
Total net revenues	175.8	150.8	124.2
Depreciation and amortization	58.6	47.4	49.8
Income from equity investees	(2.4)	(3.3)	0
Operating income/(loss)	(456.8)	(358.3)	(341.1)
Total assets	$ 4,525.6	$ 3,576.1	$ 2,793.6

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Leases (Rental Expense Under Operating Lease Agreements) (Details) (USD $) In Millions	12 Months Ended		
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
Leases			
Minimum rentals	$ 715.6	$ 688.5	$ 690.0
Contingent rentals	34.3	26.1	24.7
Total	$ 749.9	$ 714.6	$ 714.7

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Inventories	12 Months Ended Oct. 02, 2011

Inventories

Inventories

Note 4: Inventories *(in millions)*

	Oct 2, 2011	Oct 3, 2010
Coffee:		
Unroasted	$ 431.3	$ 238.3
Roasted	246.5	95.1
Other merchandise held for sale	150.8	115.6
Packaging and other supplies	137.2	94.3
Total	$ 965.8	$ 543.3

Other merchandise held for sale includes, among other items, serveware and tea.

Levels of inventory vary due to seasonality driven primarily by the holiday season, commodity market supply and price variations, and changes in our use of fixed-price and price-to-be-fixed coffee contracts.

As of October 2, 2011, we had committed to purchasing green coffee totaling $846 million under fixed-price contracts and an estimated $193 million under price-to-be-fixed contracts. Price-to-be-fixed contracts are purchase commitments whereby the quality, quantity, delivery period, and other negotiated terms are agreed upon, but the date at which the base "C" coffee commodity price component will be fixed has not yet been established. For these types of contracts, either Starbucks or the seller has the option to "fix" the base "C" coffee commodity price prior to the delivery date. Until prices are fixed, we estimate the total cost of these purchase commitments. We believe, based on relationships established with our suppliers in the past, the risk of non-delivery on such purchase commitments is remote.

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Segment Reporting (Narrative) (Details)	12 Months Ended Oct. 02, 2011
Number of countries of operation	50
Maximum percent of revenue from any customer	10.00%
Canada, UK And China [Member]	
Percentage of revenue from other countries	66.00%

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Earnings Per Share	12 Months Ended Oct. 02, 2011

Earnings Per Share

Earnings Per Share

Note 14: Earnings per Share

Calculation of net earnings per common share ("EPS") — basic and diluted *(in millions, except EPS)*:

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Net earnings attributable to Starbucks	$1,245.7	$ 945.6	$ 390.8
Weighted average common shares and common stock units outstanding (for basic calculation)	748.3	744.4	738.7
Dilutive effect of outstanding common stock options and RSUs	21.4	19.8	7.2
Weighted average common and common equivalent shares outstanding (for diluted calculation)	769.7	764.2	745.9
EPS — basic	$1.66	$ 1.27	$ 0.53
EPS — diluted	$1.62	$ 1.24	$ 0.52

Potential dilutive shares consist of the incremental common shares issuable upon the exercise of outstanding stock options (both vested and non-vested) and unvested RSUs, calculated using the treasury stock method. The calculation of dilutive shares outstanding excludes out-of-the-money stock options (i.e., such options' exercise prices were greater than the average market price of our common shares for the period) because their inclusion would have been antidilutive. Out-of-the-money stock options totaled 0.1 million, 7.9 million, and 15.9 million as of October 2, 2011, October 3, 2010, and September 27, 2009, respectively.

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Shareholders' Equity (Dividends Declared) (Details) (USD $) In Millions, except Per Share data	3 Months Ended						
	Oct. 02, 2011	Jul. 03, 2011	Apr. 03, 2011	Jan. 02, 2011	Oct. 03, 2010	Jun. 27, 2010	Mar. 28, 2010
Shareholders' Equity							
Dividend Per Share	$ 0.17	$ 0.13	$ 0.13	$ 0.13	$ 0.13 [1]	$ 0.13 [1]	$ 0.10 [1]
Record date	Nov. 17, 2011	Aug. 10, 2011	May 11, 2011	Feb. 09, 2011	Nov. 18, 2010 [1]	Aug. 04, 2010 [1]	Apr. 07, 2010 [1]
Total Amount	$ 126.6	$ 97.4	$ 97.8	$ 97.4	$ 96.9 [1]	$ 96.2 [1]	$ 74.8 [1]
Payment Date	Dec. 02, 2011	Aug. 26, 2011	May 27, 2011	Feb. 25, 2011	Dec. 03, 2010 [1]	Aug. 20, 2010 [1]	Apr. 23, 2010 [1]

[1] The Starbucks Board of Directors approved the initiation of a cash dividend to shareholders beginning in the second quarter of fiscal 2010.

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Shareholders' Equity (Narrative) (Details) (USD $)	Oct. 02, 2011	Oct. 03, 2010
Shareholders' Equity		
Authorized shares of common stock	1,200,000,000	1,200,000,000
Par value of common stock	$ 0.001	$ 0.001
Authorized shares of preferred stock	7,500,000	
Outstanding shares of preferred stock	0	
Shares available for repurchase	24,400,000	
Additional share repurchase authorization	20,000,000	
Shares remaining under the previous program	4,400,000	

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Earnings Per Share (Tables)	12 Months Ended Oct. 02, 2011
Earnings Per Share	
Calculation Of Net Earnings Per Common Share ("EPS") - Basic And Diluted	

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Net earnings attributable to Starbucks	$1,245.7	$ 945.6	$ 390.8
Weighted average common shares and common stock units outstanding (for basic calculation)	748.3	744.4	738.7
Dilutive effect of outstanding common stock options and RSUs	21.4	19.8	7.2
Weighted average common and common equivalent shares outstanding (for diluted calculation)	769.7	764.2	745.9
EPS — basic	$1.66	$ 1.27	$ 0.53
EPS — diluted	$1.62	$ 1.24	$ 0.52

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Employee Stock And Benefit Plans (Employee Stock Options Granted During The Period, Valuation Assumptions) (Details) (USD $)	12 Months Ended		
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
Employee Stock And Benefit Plans			
Expected term (in years)	5.0	4.7	4.9
Expected stock price volatility	39.00%	43.00%	44.50%
Risk-free interest rate	1.60%	2.10%	2.20%
Expected dividend yield	1.70%	0.10%	0.00%
Weighted average option grant price	$ 31.46	$ 22.28	$ 8.97
Estimated fair value per option granted	$ 9.58	$ 8.50	$ 3.61

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Fair Value Measurements (Tables)

	12 Months Ended
	Oct. 02, 2011 / Oct. 03, 2010

Fair Value Measurements

Assets And Liabilities Measured At Fair Value On A Recurring Basis

Oct. 02, 2011

	Balance at October 2, 2011	Fair Value Measurements at Reporting Date Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Short-term investments:				
Available-for-sale securities				
Agency obligations	$ 20.0	$ 0.0	$ 20.0	$ 0.0
Commercial paper	87.0	0.0	87.0	0.0
Corporate debt securities	78.0	0.0	78.0	0.0
Government treasury securities	606.0	606.0	0.0	0.0
Certificates of deposit	64.0	0.0	64.0	0.0
Total available-for-sale securities	855.0	606.0	249.0	0.0
Trading securities	47.6	47.6	0.0	0.0
Total short-term investments	902.6	653.6	249.0	0.0
Long-term investments:				
Available-for-sale securities				
Corporate debt securities	67.0	0.0	67.0	0.0
State and local government obligations	28.0	0.0	0.0	28.0
Certificates of deposit	12.0	0.0	12.0	0.0
Total long-term investments	107.0	0.0	79.0	28.0
Total	$ 1,009.6	$ 653.6	$ 328.0	$ 28.0
Liabilities:				
Derivatives	$ 31.5	$ 0.0	$ 31.5	$ 0.0

Oct. 03, 2010

	Balance at October 3, 2010	Fair Value Measurements at Reporting Date Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Assets:				
Short-term investments:				
Available-for-sale securities				
Agency obligations	$ 30.0	$ 0.0	$ 30.0	$ 0.0
Corporate debt securities	15.0	0.0	15.0	0.0
Government treasury securities	190.8	190.8	0.0	0.0
State and local government obligations	0.7	0.0	0.7	0.0
Total available-for-sale securities	236.5	190.8	45.7	0.0
Trading securities	49.2	49.2	0.0	0.0
Total short-term investments	285.7	240.0	45.7	0.0
Long-term investments:				
Available-for-sale securities				
Agency obligations	27.0	0.0	27.0	0.0
Corporate debt securities	123.5	0.0	123.5	0.0
State and local government obligations	41.3	0.0	0.0	41.3
Total long-term investments	191.8	0.0	150.5	41.3
Total	$ 477.5	$ 240.0	$ 196.2	$ 41.3
Liabilities:				
Derivatives	$ 34.7	$ 0.0	$ 34.7	$ 0.0

Fair Market Value Adjustments With A Charge To Earnings To Assets Measured At Fair Value On A Non-Recurring Basis

Year Ended October 2, 2011	Carrying Value before adjustment	Fair value adjustment	Carrying value after adjustment
Other assets (1)	$ 22.1	$ (22.1)	$ 0.0
Property, plant and equipment (2)	$ 8.8	$ (5.9)	$ 2.9

Year Ended October 3, 2010	Carrying Value before adjustment	Fair value adjustment	Carrying value after adjustment
Property, plant and equipment (2)	$ 26.8	$ (22.3)	$ 4.5
Goodwill (3)	$ 4.1	$ (1.6)	$ 2.5

(1) The fair value was determined using valuation techniques, including discounted cash flows, comparable transactions, and/or comparable company analyses. The resulting impairment charge was included in other operating expenses.

(2) These assets primarily consist of leasehold improvements in underperforming stores. The fair value was determined using a discounted cash flow model based on expected future store revenues and operating costs, using internal

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projections. The resulting impairment charge was included in store operating expenses.

(3) The fair value was determined using a discounted cash flow model based on future cash flows for the reporting unit, using internal projections. The resulting impairment charge was included in store operating expenses

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Consolidated Statements Of Cash Flows (USD $) In Millions	12 Months Ended		
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
OPERATING ACTIVITIES:			
Net earnings including noncontrolling interests	$ 1,248.0	$ 948.3	$ 391.5
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation and amortization	550.0	540.8	563.3
Gain on sale of properties	(30.2)	0	0
Provision for impairments and asset disposals	36.2	67.7	224.4
Deferred income taxes, net	106.2	(42.0)	(69.6)
Equity in income of investees	(118.5)	(108.6)	(78.4)
Distributions of income from equity investees	85.6	91.4	53.0
Gain resulting from acquisition of joint ventures	(55.2)	(23.1)	0
Stock-based compensation	145.2	113.6	83.2
Excess tax benefit from exercise of stock options	(103.9)	(36.9)	(15.9)
Other	(2.9)	7.8	5.4
Cash provided/(used) by changes in operating assets and liabilities:			
Accounts receivable	(88.7)	(33.4)	59.1
Inventories	(422.3)	123.2	28.5
Accounts payable	227.5	(3.6)	(53.0)
Accrued taxes	104.0	0.6	59.2
Deferred revenue	35.8	24.2	16.3
Other operating assets	(22.5)	17.3	61.4
Other operating liabilities	(81.9)	17.6	60.6
Net cash provided by operating activities	1,612.4	1,704.9	1,389.0
INVESTING ACTIVITIES:			
Purchase of available-for-sale securities	(966.0)	(549.0)	(129.2)
Maturities and calls of available-for-sale securities	430.0	209.9	111.0
Sales of available-for-sale securities	0	1.1	5.0
Acquisitions, net of cash acquired	(55.8)	(12.0)	0
Net (purchases)/sales of equity, other investments and other assets	(13.2)	1.2	(4.8)
Additions to property, plant and equipment	(531.9)	(440.7)	(445.6)
Proceeds from sale of property, plant and equipment	117.4	0	42.5
Net cash used by investing activities	(1,019.5)	(789.5)	(421.1)
FINANCING ACTIVITIES:			
Proceeds from issuance of commercial paper	0	0	20,965.4
Repayments of commercial paper	0	0	(21,378.5)
Proceeds from short-term borrowings	30.8	0	1,338.0
Repayments of short-term borrowings	0	0	(1,638.0)
Purchase of noncontrolling interest	(27.5)	(45.8)	0
Proceeds from issuance of common stock	235.4	127.9	57.3
Excess tax benefit from exercise of stock options	103.9	36.9	15.9

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Principal payments on long-term debt	(4.3)	(6.6)	(0.7)
Cash dividends paid	(389.5)	(171.0)	0
Repurchase of common stock	(555.9)	(285.6)	0
Other	(0.9)	(1.8)	(1.6)
Net cash used by financing activities	(608.0)	(346.0)	(642.2)
Effect of exchange rate changes on cash and cash equivalents	(0.8)	(5.2)	4.3
Net increase/(decrease) in cash and cash equivalents	(15.9)	564.2	330.0
CASH AND CASH EQUIVALENTS:			
Beginning of period	1,164.0	599.8	269.8
End of period	1,148.1	1,164.0	599.8
Cash paid during the period for:			
Interest, net of capitalized interest	34.4	32.0	39.8
Income taxes	$ 350.1	$ 527.0	$ 162.0

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Commitments And Contingencies	12 Months Ended Oct. 02, 2011

Commitments And Contingencies

Commitments And Contingencies

Note 15: Commitments and Contingencies

Guarantees

We have unconditionally guaranteed the repayment of certain Japanese yen-denominated bank loans and related interest and fees of an unconsolidated equity investee, Starbucks Japan. The guarantees continue until the loans, including accrued interest and fees, have been paid in full. These guarantees expire in 2014. Our maximum exposure under this commitment as of October 2, 2011 was $1.0 million and is limited to the sum of unpaid principal and interest, as well as other related expenses. Since there has been no modification of these loan guarantees subsequent to the adoption of accounting requirements for guarantees, we have applied the disclosure provisions only and have not recorded the guarantees on our consolidated balance sheets.

Legal Proceedings

In the first quarter of fiscal 2011, Starbucks notified Kraft Foods Global, Inc. ("Kraft") that we were discontinuing our distribution arrangement with Kraft on March 1, 2011 due to material breaches by Kraft of its obligations under the Supply and License Agreement between the Company and Kraft, dated March 29, 2004 (the "Agreement"), which defined the main distribution arrangement between the parties. Through our arrangement with Kraft, Starbucks sold a selection of Starbucks and Seattle's Best Coffee branded packaged coffees in grocery and warehouse club stores throughout the US, and to grocery stores in Canada, the UK and other European countries. Kraft managed the distribution, marketing, advertising and promotion of these products.

Kraft denies it has materially breached the Agreement. On November 29, 2010, Starbucks received a notice of arbitration from Kraft putting the commercial dispute between the parties into binding arbitration pursuant to the terms of the Agreement. In addition to denying it materially breached the Agreement, Kraft further alleges that if Starbucks wished to terminate the Agreement it must compensate Kraft as provided in the Agreement in an amount equal to the fair value of the Agreement, with an additional premium of up to 35% under certain circumstances. The parties are now engaged in extensive discovery with an arbitration trial expected in mid-2012.

On December 6, 2010, Kraft commenced a federal court action against Starbucks, entitled *Kraft Foods Global, Inc. v. Starbucks Corporation*, in the U.S. District Court for the Southern District of New York (the "District Court") seeking injunctive relief to prevent Starbucks from terminating the distribution arrangement until the parties' dispute is resolved through the arbitration proceeding. On January 28, 2011, the District Court denied Kraft's request for injunctive relief. Kraft appealed the District Court's decision to the Second Circuit Court of Appeals. On February 25, 2011, the Second Circuit Court of Appeals affirmed the District Court's decision. As a result, Starbucks is in full control of our packaged coffee business as of March 1, 2011.

While Starbucks believes we have valid claims of material breach by Kraft under the Agreement that allowed us to terminate the Agreement and certain other relationships with Kraft without compensation to Kraft, there exists the possibility of material adverse outcomes to Starbucks in

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the arbitration or to resolve the matter. At this time, the Company is unable to estimate the range of possible outcomes with respect to the arbitration as we have not received any statement or articulation of damages from Kraft nor have we estimated the damages to Starbucks caused by Kraft's breaches. Information in this regard will be provided during the discovery process and is currently expected to be available in late March or early April 2012. And, although Kraft disclosed to the press and in federal court filings a $750 million offer Starbucks made to Kraft in August 2010 to avoid litigation and ensure a smooth transition of the business, the figure is not a proper basis upon which to estimate a possible outcome of the arbitration but was based upon facts and circumstances at the time. Kraft rejected the offer immediately and did not provide a counter-offer, effectively ending the discussions between the parties with regard to any payment. Moreover, the offer was made prior to our investigation of Kraft's breaches and without consideration of Kraft's continuing failure to comply with material terms of the agreements.

Starbucks is party to various other legal proceedings arising in the ordinary course of business, including certain employment litigation cases that have been certified as class or collective actions, but, except as noted above, is not currently a party to any legal proceeding that management believes could have a material adverse effect on our consolidated financial position, results of operations or cash flows.

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Derivative Financial Instruments (Fair Value Of Derivative Instruments On Consolidated Balance Sheet) (Details) (USD $) In Millions	12 Months Ended Oct. 02, 2011	Oct. 02, 2011 Prepaid Expenses And Other Current Assets [Member]	Oct. 03, 2010 Prepaid Expenses And Other Current Assets [Member]	Oct. 02, 2011 Other Accrued Liabilities [Member]	Oct. 03, 2010 Other Accrued Liabilities [Member]	Oct. 02, 2011 Other Long-Term Liabilities [Member]	Oct. 03, 2010 Other Long-Term Liabilities [Member]	Oct. 02, 2011 Total Losses In Accumulated OCI, Net Of Tax [Member]	Oct. 03, 2010 Total Losses In Accumulated OCI, Net Of Tax [Member]	Oct. 02, 2011 Cash Flow Hedging [Member]	Oct. 02, 2011 Net Investment Hedging [Member]
Cash Flow Hedges		$ 0.2	$ 0.1	$ 11.0	$ 10.6	$ 3.0	$ 6.4	$ 11.1 [1]	$ 13.9 [1]		
Net Investment Hedges		0	0	9.0	5.6	6.9	8.1	34.2 [1]	26.7 [1]		
Other Derivatives		2.8	0	1.6	4.0	0	0				
Amount of derivative losses that will be dedesignated within twelve months	$ 6.6										
Outstanding contracts expire (in months)										24	30

[1] Amount that will be dedesignated within 12 months for cash flow hedges is $6.6 million as of October 2, 2011.

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Subsequent Event (Details) (Evolution Fresh, Inc [Member], USD $) In Millions	Nov. 10, 2011
Evolution Fresh, Inc [Member]	
Purchase price	$ 30.0

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Acquisitions	12 Months Ended Oct. 02, 2011

Acquisitions

Acquisitions

Note 17: Acquisitions

In the fourth quarter of fiscal 2011, we acquired the 50% ownership interest in Switzerland and Austria from our joint venture partner, Marinopoulos Holdings S.A.R.L, converting these markets to 100% owned company-operated markets, for a purchase price of $65.5 million. As a result of this acquisition, we adjusted the carrying value of our previous equity investment to fair value, resulting in a gain of approximately $55 million which was included in net interest income and other on our consolidated statements of earnings. The fair value of 100% of the net assets of these markets on the acquisition date was $131.0 million and was recorded on our consolidated balance sheets. Included in these net assets were $63.8 million of goodwill and $35.1 million in definite-lived intangible assets.

In the third quarter of fiscal 2011, we acquired the remaining 30% ownership of our business in the southern portion of China from our noncontrolling partner, Maxim's Caterers Limited (Maxim's). We simultaneously sold our 5% ownership interest in the Hong Kong market to Maxim's.

In the first quarter of fiscal 2010, we acquired 100% ownership of our business in France, converting it from a 50% joint venture with Sigla S.A. (Grupo Vips) of Spain to a company-operated market. We simultaneously sold our 50% ownership interests in the Spain and Portugal markets to Grupo Vips, converting them to licensed markets.

In the fourth quarter of fiscal 2010, we acquired 100% ownership of our business in Brazil, converting it from a 49% joint venture with Cafés Sereia do Brasil Participações S.A of Brazil to a company-operated market.

In the fourth quarter of fiscal 2010, we acquired 100% ownership of a previously consolidated 50% joint venture in the US with Johnson Coffee Corporation, Urban Coffee Opportunities ("UCO").

The following table shows the effects of the change in Starbucks ownership interest in UCO and our business in South China on Starbucks equity:

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Net earnings attributable to Starbucks	$ 1,245.7	$ 945.6	$ 390.8
Transfers (to) from the noncontrolling interest:			
Decrease in additional paid-in capital for purchase of interest in subsidiary	(28.0)	(26.8)	0.0
Change from net earnings attributable to Starbucks and transfers to noncontrolling interest	$1,217.7	$ 918.8	$ 390.8

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Employee Stock And Benefit Plans (Summary Of Stock Options Outstanding) (Details) (USD $) In Millions, except Per Share data, unless otherwise specified	12 Months Ended
	Oct. 02, 2011
Options Outstanding, Number of Options	45.3
Options Outstanding, Weighted Average Remaining Contractual Life, years	6.4
Options Outstanding, Weighted Average Exercise Price	$ 18.57
Options Exercisable, Number of Options	23.2
Options Exercisable, Weighted Average Exercise Price	$ 18.81
Under $10.00 [Member]	
Range of Prices, Upper Range Limit	$ 10.00
Options Outstanding, Number of Options	13.9
Options Outstanding, Weighted Average Remaining Contractual Life, years	7.0
Options Outstanding, Weighted Average Exercise Price	$ 8.65
Options Exercisable, Number of Options	5.0
Options Exercisable, Weighted Average Exercise Price	$ 8.65
$10.01 - $20.00 [Member]	
Range of Prices, Lower Range Limit	$ 10.01
Range of Prices, Upper Range Limit	$ 20.00
Options Outstanding, Number of Options	8.7
Options Outstanding, Weighted Average Remaining Contractual Life, years	3.6
Options Outstanding, Weighted Average Exercise Price	$ 14.14
Options Exercisable, Number of Options	8.5
Options Exercisable, Weighted Average Exercise Price	$ 14.65
$20.01 - $30.00 [Member]	
Range of Prices, Lower Range Limit	$ 20.01
Range of Prices, Upper Range Limit	$ 30.00
Options Outstanding, Number of Options	15.0
Options Outstanding, Weighted Average Remaining Contractual Life, years	7.0
Options Outstanding, Weighted Average Exercise Price	$ 23.09
Options Exercisable, Number of Options	6.1
Options Exercisable, Weighted Average Exercise Price	$ 24.10
Over $30.00 [Member]	
Range of Prices, Lower Range Limit	$ 30.00
Options Outstanding, Number of Options	7.7
Options Outstanding, Weighted Average Remaining Contractual Life, years	7.0
Options Outstanding, Weighted Average Exercise Price	$ 32.50
Options Exercisable, Number of Options	3.6
Options Exercisable, Weighted Average Exercise Price	$ 33.62

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Employee Stock And Benefit Plans (Narrative) (Details) (USD $) In Millions, unless otherwise specified	12 Months Ended		
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
Common stock available for issuance pursuant to future equity-based compensation awards	32.7		
Shares available for issuance under plan	8.5		
Total intrinsic value of stock options exercised	$ 323	$ 118	$ 44
Total fair value of options vested	126	108	75
Matching contributions	45.5	23.5	19.7
Non-Employee Directors [Member] | Stock Options [Member]			
Award vesting period, minimum (years)	one		
Award vesting period, maximum (years)	three		
Employee Stock Purchase Plan ("ESPP") [Member]			
Maximum permitted contribution to Deferred Stock Plan, percent	10.00%		
Discounted stock purchase price, percent of market value	95.00%		
Number of shares issued under plan	0.5		
Stock Options [Member]			
Award expiration period (years)	10		
Total unrecognized stock-based compensation expense, net of estimated forfeitures	44		
Weighted average recognition period for total unrecognized stock-based compensation expense (in years)	2.4		
Restricted Stock Units (RSUs) [Member]			
Total unrecognized stock-based compensation expense, net of estimated forfeitures	$ 71		
Weighted average recognition period for total unrecognized stock-based compensation expense (in years)	2.2		
2009 Option Exchange Program [Member]			
Award vesting period (years)	two		
Award expiration period (years)	7		
Deferred Stock Plan [Member]			
Minimum deferral period (years)	5		
Shares were deferred under plan	3.4	3.4	

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Consolidated Statements Of Equity (Parenthetical) (USD $) In Millions	12 Months Ended		
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
CONSOLIDATED STATEMENTS OF EQUITY			
Tax benefit from exercise of stock options	$ 96.1	$ 27.7	$ 5.3
Tax benefit from sale of common stock	$ 0.1	$ 0.1	$ 0.1

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Other Liabilities	12 Months Ended Oct. 02, 2011

Other Liabilities

Other Liabilities

Note 9: Other Liabilities *(in millions)*

	Oct 2, 2011	Oct 3, 2010
Accrued dividend payable	$ 126.6	$ 96.5
Other	192.4	166.3
Total other accrued liabilities	$ 319.0	$ 262.8

	Oct 2, 2011	Oct 3, 2010
Deferred rent	$ 215.2	$ 239.7
Unrecognized tax benefits	56.7	65.1
Asset retirement obligations	50.1	47.7
Other	25.8	22.6
Total other long term liabilities	$ 347.8	$ 375.1

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Other Intangible Assets And Goodwill (Narrative) (Details) (USD $) In Millions	12 Months Ended		
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
Amortization expense for definite-lived intangibles	$ 2.2	$ 1.2	$ 1.7
Estimated amortization expense starting in 2017	22		
Fiscal 2012 Through Fiscal 2016 [Member]			
Estimated amortization expense	$ 4		

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Other Liabilities (Details) (USD $) In Millions	Oct. 02, 2011	Oct. 03, 2010
Other Liabilities		
Deferred rent	$ 215.2	$ 239.7
Unrecognized tax benefits	56.7	65.1
Asset retirement obligations	50.1	47.7
Other	25.8	22.6
Total other long term liabilities	347.8	375.1
Accrued dividend payable	126.6	96.5
Other	192.4	166.3
Total other accrued liabilities	$ 319.0	$ 262.8

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Employee Stock And Benefit Plans (Stock Based Compensation Expense Recognized In The Consolidated Statement Of Earnings) (Details) (USD $) In Millions	12 Months Ended		
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
Stock-based compensation expense	$ 145.2	$ 113.6	$ 83.2
Total related tax benefit	51.2	40.6	29.3
Total capitalized stock-based compensation included in net property, plant and equipment and inventories on the consolidated balance sheets	2.1	1.9	1.3
Options [Member]			
Stock-based compensation expense	60.4	76.8	61.6
Restricted Stock Units (RSUs) [Member]			
Stock-based compensation expense	84.8	36.8	16.6
ESPP [Member]			
Stock-based compensation expense	$ 0	$ 0	$ 5.0

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Other Liabilities (Tables)

12 Months Ended Oct. 02, 2011

Other Liabilities

Schedule Of Other Accrued Liabilities

	Oct 2, 2011	Oct 3, 2010
Accrued dividend payable	$ 126.6	$ 96.5
Other	192.4	166.3
Total other accrued liabilities	$ 319.0	$ 262.8

Schedule Of Other Long-Term Liabilities

	Oct 2, 2011	Oct 3, 2010
Deferred rent	$ 215.2	$ 239.7
Unrecognized tax benefits	56.7	65.1
Asset retirement obligations	50.1	47.7
Other	25.8	22.6
Total other long term liabilities	$ 347.8	$ 375.1

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Income Taxes

Income Taxes	12 Months Ended Oct. 02, 2011

Income Taxes

Income Taxes

Note 13: Income Taxes

The components of earnings before income taxes were as follows:

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
United States	$1,523.4	$1,308.9	$ 494.6
Foreign	287.7	128.1	65.3
Total earnings before income taxes	$1,811.1	$1,437.0	$ 559.9

Provision for income taxes *(in millions)*:

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Current taxes:			
Federal	$ 344.7	$ 457.5	$ 165.3
State	61.2	79.6	35.0
Foreign	37.3	38.3	26.3
Total current taxes	443.2	575.4	226.6
Deferred taxes:			
Federal	111.6	(76.0)	(48.3)
State	8.3	(9.3)	(10.7)
Foreign	0.0	(1.4)	0.8
Total deferred taxes	119.9	(86.7)	(58.2)
Total provision for income taxes	$ 563.1	$ 488.7	$ 168.4

Reconciliation of the statutory US federal income tax rate with our effective income tax rate:

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Statutory rate	35.0 %	35.0 %	35.0 %
State income taxes, net of federal income tax benefit	2.5 %	2.5 %	2.6 %
Benefits and taxes related to foreign operations	(3.1)%	(2.5)%	(2.3)%
Domestic production activity deduction	(0.8)%	(0.9)%	(2.3)%
Credit resulting from employment audit	0.0 %	0.0 %	(2.0)%
Other, net[(1)]	(2.5)%	(0.1)%	(0.9)%
Effective tax rate	31.1 %	34.0 %	30.1 %

(1) Fiscal 2011 includes a benefit of 0.9% related to the acquisition of the remaining ownership interest in Switzerland and Austria.

US income and foreign withholding taxes have not been provided on approximately $987 million of cumulative undistributed earnings of foreign subsidiaries and equity investees. We intend to reinvest these earnings for the foreseeable future. If these amounts were distributed to the US, in the form of dividends or otherwise, we would be subject to additional US income taxes, which could be material. Determination of the amount of unrecognized deferred income tax liabilities on

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these earnings is not practicable because such liability, if any, is dependent on circumstances existing if and when remittance occurs.

Tax effect of temporary differences and carryforwards that comprise significant portions of deferred tax assets and liabilities *(in millions):*

	Oct 2, 2011	**Oct 3, 2010**
Deferred tax assets:		
Property, plant and equipment	$ 46.4	$ 32.6
Accrued occupancy costs	55.9	55.2
Accrued compensation and related costs	69.6	100.8
Other accrued liabilities	27.8	25.0
Asset retirement obligation asset	19.0	14.9
Deferred revenue	47.8	58.4
Asset impairments	60.0	94.8
Tax credits	23.0	41.0
Stock based compensation	128.8	115.9
Net operating losses	85.5	43.7
Other	58.6	50.6
Total	$ 622.4	$ 632.9
Valuation allowance	(137.4)	(88.1)
Total deferred tax asset, net of valuation allowance	$ 485.0	$ 544.8
Deferred tax liabilities:		
Property, plant and equipment	(66.4)	(26.2)
Other	(43.3)	(19.1)
Total	(109.7)	(45.3)
Net deferred tax asset	$ 375.3	$ 499.5
Reported as:		
Current deferred income tax assets	$ 230.4	$ 304.2
Long-term deferred income tax assets (included in Other assets)	156.3	195.3
Current deferred income tax liabilities	(4.9)	0.0
Long-term deferred income tax liabilities	(6.5)	0.0
Net deferred tax asset	$ 375.3	$ 499.5

We will establish a valuation allowance if either it is more likely than not that the deferred tax asset will expire before we are able to realize the benefit, or the future deductibility is uncertain. Periodically, the valuation allowance is reviewed and adjusted based on our assessments of the likelihood of realizing the benefit of our deferred tax assets. The valuation allowance as of October 2, 2011 and October 3, 2010 primarily related to net operating losses and other deferred tax assets of consolidated foreign subsidiaries. The net change in the total valuation allowance for the years ended October 2, 2011 and October 3, 2010, was an increase of $49.3 million and $67.8 million, respectively. During fiscal 2011 and 2010, we recognized approximately $32 million and $40 million, respectively, of previously unrecognized deferred tax assets in certain foreign jurisdictions, with a corresponding increase to the valuation allowance due to the uncertainty of their realization.

As of October 2, 2011, Starbucks had foreign tax credit carryforwards of $7.5 million, with expiration dates between fiscal years 2018 and 2019, capital loss carryforwards of $7.8 million,

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with an expiration date of 2015, and foreign net operating losses of $305.4 million, with the predominant amount having no expiration date.

Taxes currently payable of $30.1 million and $24.7 million are included in accrued taxes on the consolidated balance sheets as of October 2, 2011 and October 3, 2010, respectively.

Uncertain Tax Positions

As of October 2, 2011, we had $52.9 million of gross unrecognized tax benefits of which $27.3 million, if recognized, would affect our effective tax rate. We recognize interest and penalties related to income tax matters in income tax expense. As of October 2, 2011 and October 3, 2010, we had accrued interest and penalties of $6.2 million and $16.8 million, respectively, before the benefit of the federal tax deduction, recorded on our consolidated balance sheets.

The following table summarizes the activity related to our unrecognized tax benefits *(in millions)*:

	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Beginning balance	$ 68.4	$ 49.1	$ 52.6
Increase related to prior year tax positions	4.4	35.0	4.2
Decrease related to prior year tax positions	(32.3)	(21.4)	(11.6)
Increase related to current year tax positions	26.0	14.1	8.4
Decrease related to current year tax positions	(0.8)	(8.1)	(0.9)
Decreases related to settlements with taxing authorities	(5.0)	0.0	(3.0)
Decreases related to lapsing of statute of limitations	(7.8)	(0.3)	(0.6)
Ending balance	$ 52.9	$ 68.4	$ 49.1

We are currently under routine audit by various jurisdictions outside the US as well as US state taxing jurisdictions for fiscal years 2006 through 2010. We are no longer subject to US federal or state examination for years prior to fiscal year 2008, with the exception of nine states. We are subject to income tax in many jurisdictions outside the US. We are no longer subject to examination in any material international markets prior to 2006.

There is a reasonable possibility that $4.5 million of the currently remaining unrecognized tax benefits, each of which is individually insignificant, may be recognized by the end of fiscal 2012 as a result of a lapse of the statute of limitations.

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Consolidated Statements Of Earnings (USD $) In Millions, except Per Share data	12 Months Ended		
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
Net revenues:			
Company-operated stores	$ 9,632.4	$ 8,963.5	$ 8,180.1
Licensed stores	1,007.5	875.2	795.0
CPG, foodservice and other	1,060.5	868.7	799.5
Total net revenues	11,700.4	10,707.4	9,774.6
Cost of sales including occupancy costs	4,949.3	4,458.6	4,324.9
Store operating expenses	3,665.1	3,551.4	3,425.1
Other operating expenses	402.0	293.2	264.4
Depreciation and amortization expenses	523.3	510.4	534.7
General and administrative expenses	636.1	569.5	453.0
Restructuring charges	0	53.0	332.4
Total operating expenses	10,175.8	9,436.1	9,334.5
Gain on sale of properties	30.2	0	0
Income from equity investees	173.7	148.1	121.9
Operating income	1,728.5	1,419.4	562.0
Interest income and other, net	115.9	50.3	37.0
Interest expense	(33.3)	(32.7)	(39.1)
Earnings before income taxes	1,811.1	1,437.0	559.9
Income taxes	563.1	488.7	168.4
Net earnings including noncontrolling interests	1,248.0	948.3	391.5
Net earnings (loss) attributable to noncontrolling interests	2.3	2.7	0.7
Net earnings attributable to Starbucks	$ 1,245.7	$ 945.6	$ 390.8
Earnings per share - basic	$ 1.66	$ 1.27	$ 0.53
Earnings per share - diluted	$ 1.62	$ 1.24	$ 0.52
Weighted average shares outstanding:			
Basic	748.3	744.4	738.7
Diluted	769.7	764.2	745.9
Cash dividends declared per share	$ 0.56	$ 0.36	$ 0.00

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Shareholders' Equity (Tables)	12 Months Ended Oct. 02, 2011

Shareholders' Equity

Share Repurchase Activity

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010
Number of shares acquired	15.6	11.2
Average price per share of acquired shares	$ 35.53	$ 25.53
Total cost of acquired shares	$ 555.9	$ 285.6

Dividends Declared

	Dividend Per Share	Record date	Total Amount	Payment Date
Fiscal Year 2011:				
First quarter	$ 0.13	February 9, 2011	$ 97.4	February 25, 2011
Second quarter	$ 0.13	May 11, 2011	$ 97.8	May 27, 2011
Third quarter	$ 0.13	August 10, 2011	$ 97.4	August 26, 2011
Fourth quarter	$ 0.17	November 17, 2011	$ 126.6	December 2, 2011
Fiscal Year 2010[(1)]:				
Second quarter	$ 0.10	April 7, 2010	$ 74.8	April 23, 2010
Third quarter	$ 0.13	August 4, 2010	$ 96.2	August 20, 2010
Fourth quarter	$ 0.13	November 18, 2010	$ 96.9	December 3, 2010

[(1)] The Starbucks Board of Directors approved the initiation of a cash dividend to shareholders beginning in the second quarter of fiscal 2010.

Comprehensive Income, Net Of Related Tax Effects

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Net earnings attributable to Starbucks	$1,245.7	$ 945.6	$ 390.8
Unrealized holding gains/(losses) on available-for-sale securities, net of tax (provision)/benefit of $(0.3), $0.1, and $(1.9), respectively	0.4	(0.2)	3.3
Unrealized holding gains/(losses) on cash flow hedging instruments, net of tax (provision)/benefit of $4.5, $6.6, and $(2.4), respectively	(7.7)	(11.3)	4.0
Unrealized holding losses on net investment hedging instruments, net of tax benefit of $4.5, $4.0, and $4.0, respectively	(7.6)	(6.8)	(6.8)

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Reclassification adjustment for net losses realized in net earnings for cash flow hedges, net of tax benefit of $6.1, $0.8, and $0.8, respectively	10.5	1.3	1.3
Net unrealized gain/(loss)	(4.4)	(17.0)	1.8
Translation adjustment, net of tax (provision)/benefit of $0.9, $(3.2), and $6.0, respectively	(6.5)	8.8	15.2
Total comprehensive income	$1,234.8	$ 937.4	$ 407.8

Schedule Of Components Of Accumulated Other Comprehensive Income, Net Of Tax

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010
Net unrealized gains/(losses) on available-for-sale securities	$ (0.5)	$ (0.9)
Net unrealized gains/(losses) on hedging instruments	(45.3)	(40.5)
Translation adjustment	92.1	98.6
Accumulated other comprehensive income	$ 46.3	$ 57.2

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Income Taxes (Summary Of Activity Related To Unrecognized Tax Benefits) (Details) (USD $) In Millions	12 Months Ended		
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
Income Taxes			
Beginning balance	$ 68.4	$ 49.1	$ 52.6
Increase related to prior year tax positions	4.4	35.0	4.2
Decrease related to prior year tax positions	(32.3)	(21.4)	(11.6)
Increase related to current year tax positions	26.0	14.1	8.4
Decrease related to current year tax positions	(0.8)	(8.1)	(0.9)
Decreases related to settlements with taxing authorities	(5.0)	0	(3.0)
Decreases related to lapsing of statute of limitations	(7.8)	(0.3)	(0.6)
Ending balance	$ 52.9	$ 68.4	$ 49.1

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Segment Reporting (Reconciliation Of The Total Reportable Segments' Operating Income To The Consolidated Earnings Before Income Taxes) (Details) (USD $) In Millions	12 Months Ended		
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
Segment Reporting			
Operating income	$ 1,728.5	$ 1,419.4	$ 562.0
Interest income and other, net	115.9	50.3	37.0
Interest expense	(33.3)	(32.7)	(39.1)
Earnings before income taxes	$ 1,811.1	$ 1,437.0	$ 559.9

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Income Taxes (Components Of Earnings Before Income Taxes) (Details) (USD $) In Millions	12 Months Ended		
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
Income Taxes			
United States	$ 1,523.4	$ 1,308.9	$ 494.6
Foreign	287.7	128.1	65.3
Earnings before income taxes	$ 1,811.1	$ 1,437.0	$ 559.9

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Inventories (Details) (USD $) In Millions	Oct. 02, 2011	Oct. 03, 2010
Inventories		
Unroasted coffee	$ 431.3	$ 238.3
Roasted coffee	246.5	95.1
Other merchandise held for sale	150.8	115.6
Packaging and other supplies	137.2	94.3
Total	965.8	543.3
Amount of coffee committed to be purchased under fixed-price contracts	846	
Amount of coffee committed to be purchased under price-to-be-fixed contracts	$ 193	

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Other Intangible Assets And Goodwill (Goodwill By Segment) (Details) (USD $) In Millions	12 Months Ended		
	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
Goodwill prior to impairment	$ 330.2	$ 271.0	$ 266.1
Accumulated impairment charges	(8.6)	(8.6)	(7.0)
Goodwill	321.6	262.4	259.1
Acquisitions	63.8	0	
Purchase price adjustment of previous acquisitions		1.0	
Impairment	0	(1.6)	(7.0)
Other	(4.6) [1]	3.9 [1]	
US [Member]			
Goodwill prior to impairment	110.3	110.3	109.3
Accumulated impairment charges	(7.0)	(7.0)	(7.0)
Goodwill	103.3	103.3	102.3
Acquisitions	0	0	
Purchase price adjustment of previous acquisitions		1.0	
Impairment		0	
Other	0 [1]	0 [1]	
International [Member]			
Goodwill prior to impairment	180.1	120.9	117.0
Accumulated impairment charges	(1.6)	(1.6)	0
Goodwill	178.5	119.3	117.0
Acquisitions	63.8	0	
Purchase price adjustment of previous acquisitions		0	
Impairment		(1.6)	
Other	(4.6) [1]	3.9 [1]	
Other [Member]			
Goodwill prior to impairment	39.8	39.8	39.8
Accumulated impairment charges	0	0	0
Goodwill	39.8	39.8	39.8
Acquisitions	0	0	
Purchase price adjustment of previous acquisitions		0	
Impairment		0	
Other	$ 0 [1]	$ 0 [1]	

[1] Other is primarily comprised of changes in the goodwill balance as a result of foreign exchange fluctuations.

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Shareholders' Equity (Components Of Accumulated Other Comprehensive Income, Net Of Tax) (Details) (USD $) In Millions	12 Months Ended	
	Oct. 02, 2011	Oct. 03, 2010
Shareholders' Equity		
Net unrealized gains / (losses) on available-for-sale securities	$ (0.5)	$ (0.9)
Net unrealized gains / (losses) on hedging instruments	(45.3)	(40.5)
Translation adjustment	92.1	98.6
Accumulated other comprehensive income	46.3	57.2
Translation adjustment, tax	$ (3.3)	$ (4.2)

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Derivative Financial Instruments (Pretax Effect Of Derivative Instruments On Earnings And Other Comprehensive Income) (Details) (USD $) In Millions	12 Months Ended	
	Oct. 02, 2011	Oct. 03, 2010
Foreign Exchange [Member]		
Notional amount of foreign currency derivatives	$ 499	$ 593
Dairy [Member]		
Notional amounts of outstanding derivatives contracts	10	20
Cash Flow Hedging [Member]		
Gain/(Loss) recognized in earnings	(15.9)	(5.9)
Gain/(Loss) recognized in OCI	(12.1)	(20.9)
Net Investment Hedging [Member]		
Gain/(Loss) recognized in earnings	0	0
Gain/(Loss) recognized in OCI	(12.0)	(10.8)
Other Derivatives [Member]		
Gain/(Loss) recognized in earnings	$ 6.6	$ 1.0

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Fair Value Measurements (Narrative) (Details) (USD $)	12 Months Ended		
	Oct. 02, 2011 years	Oct. 03, 2010	Sep. 27, 2009
Proceeds from sale of available-for-sale securities	$ 0	$ 1,100,000	$ 5,000,000
Long-term available-for-sale securities	107,000,000	191,800,000	
Long-term investment, contractual maturity period (years)	3		
Deferred compensation liability	84,700,000	82,700,000	
Net unrealized holding gains (losses) in the trading portfolio	(2,100,000)	4,100,000	
Maximum [Member] | Auction Rate Securities [Member]			
Long-term investment, contractual maturity period (years)	35		
Minimum [Member] | Auction Rate Securities [Member]			
Long-term investment, contractual maturity period (years)	20		
6.25% Senior Notes [Member]			
Face amount	550,000,000		
Interest rate	6.25%		
Fair value	648,000,000	637,000,000	
Certificates Of Deposit [Member]			
Available-for-sale securities, debt maturity, date range, low	4 weeks		
Available-for-sale securities, debt maturity, date range, high	2 years		
Certificates of deposit	4,200,000	0	
Auction Rate Securities [Member]			
Long-term available-for-sale securities	28,000,000	41,300,000	
Transfers among the levels within the fair value hierarchy	0	0	
Auction Rate Securities, First Grouping [Member]			
Available-for-sale securities, sold at par	$ 15,800,000	$ 12,100,000	

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Property, Plant And Equipment (Details) (USD $) In Millions	0 Months Ended	12 Months Ended		
	Aug. 08, 2011	Oct. 02, 2011	Oct. 03, 2010	Sep. 27, 2009
Property, Plant And Equipment				
Land		$ 44.8	$ 58.0	
Buildings		218.5	265.7	
Leasehold improvements		3,617.7	3,435.6	
Store equipment		1,101.8	1,047.7	
Roasting equipment		295.1	290.6	
Furniture, fixtures and other		757.8	617.5	
Work in progress		127.4	173.6	
Property, plant and equipment, gross		6,163.1	5,888.7	
Less accumulated depreciation		(3,808.1)	(3,472.2)	
Property, plant and equipment, net		2,355.0	2,416.5	
Proceeds from sale of office buildings	125			
Gain on sale of office buildings	$ 30.2	$ 30.2	$ 0	$ 0

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Employee Stock And Benefit Plans (Tables)	12 Months Ended Oct. 02, 2011

Employee Stock And Benefit Plans

Stock Based Compensation Expense Recognized In The Consolidated Statement Of Earnings

Fiscal Year Ended	Oct 2, 2011	Oct 3, 2010	Sep 27, 2009
Options	$ 60.4	$ 76.8	$ 61.6
RSUs	84.8	36.8	16.6
ESPP	0.0	0.0	5.0
Total stock-based compensation expense recognized in the consolidated statement of earnings	$ 145.2	$ 113.6	$ 83.2
Total related tax benefit	$ 51.2	$ 40.6	$ 29.3
Total capitalized stock-based compensation included in net property, plant and equipment and inventories on the consolidated balance sheets	$ 2.1	$ 1.9	$ 1.3

Employee Stock Options Granted During The Period, Valuation Assumptions

	Employee Stock Options Granted During the Period		
Fiscal Year Ended	2011	2010	2009
Expected term (in years)	5.0	4.7	4.9
Expected stock price volatility	39.0 %	43.0 %	44.5%
Risk-free interest rate	1.6 %	2.1 %	2.2 %
Expected dividend yield	1.7 %	0.1 %	0.0 %
Weighted average grant price	$31.46	$22.28	$8.97
Estimated fair value per option granted	$9.58	$8.50	$3.61

Stock Option Transactions

	Shares Subject to Options	Weighted Average Exercise Price per Share	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
Outstanding, September 28, 2008	63.0	$ 20.96	5.7	$ 115
Granted	30.9	8.97		
Granted under option exchange program	4.7	14.92		
Exercised	(7.2)	7.31		
Expired/forfeited	(13.5)	18.99		
Cancelled under option exchange program	(14.3)	29.34		
Outstanding, September 27, 2009	63.6	14.75	6.7	442
Granted	14.9	22.28		
Exercised	(9.6)	11.94		
Expired/forfeited	(8.2)	18.73		

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Outstanding, October 3, 2010	60.7	16.52	6.6	611
Granted	4.3	31.46		
Exercised	(16.1)	14.40		
Expired/forfeited	(3.6)	18.06		
Outstanding, October 2, 2011	45.3	18.57	6.4	848
Exercisable, October 2, 2011	23.2	18.81	5.0	272
Vested and expected to vest, October 2, 2011	42.9	18.48	6.3	571

[Summary Of Stock Options Outstanding]

	Options Outstanding			Options Exercisable	
Range of Prices	Number of Options	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Number of Options	Weighted Average Exercise Price
Under $10.00	13.9	7.0	$8.65	5.0	$8.65
$10.01 - $20.00	8.7	3.6	14.14	8.5	14.65
$20.01 - $30.00	15.0	7.0	23.09	6.1	24.10
Over $30.00	7.7	7.0	32.50	3.6	33.62
	45.3	6.4	$18.57	23.2	$18.81

[RSU Transactions]

	Number of Shares	Weighted Average Grant Date Fair Value per Share	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
Nonvested, September 28, 2008	2.0	$ 17.36	2.5	$ 31
Granted	3.3	8.78		
Vested	0.0	0.00		
Forfeited/Cancelled	(0.9)	13.94		
Nonvested, September 27, 2009	4.4	11.55	1.6	88
Granted	2.3	22.27		
Vested	(0.7)	16.35		
Forfeited/Cancelled	(0.6)	12.27		
Nonvested, October 3, 2010	5.4	13.55	1.1	141
Granted	5.4	31.06		
Vested	(1.7)	9.40		
Forfeited/Cancelled	(0.8)	25.68		
Nonvested, October 2, 2011	8.3	23.11	0.8	309

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