

# EV3 Starbucks Contract Advisory Meeting Minutes

11 November 2010, 10AM

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## Attending:

Mark Seasons, Interim Dean, Faculty of Environment

Lee Elkas, Director of Food Services

Jonathan Pinto, Masters Student, School of Planning

Vanessa Minke-Martin, Vice President, Operations of Environment Students Society

## Discussion Items:

### 1. Food Services Sourcing Practices

#### A. Current Practices

- buys from distributors, determines product sourcing
- has a lot of purchasing power
- sources from Elmira farm auction throughout the spring, summer, fall (chooses local over organic produce, products)
- students and other members of UW community are generally misinformed about Food Services and the work that they do on campus (i.e. food sourcing, regulations, mandates, determining coffee sourcing, etc.)
- manages unionized staff
- how does *organic* fit into the mandate of ENV? Since it's more expensive, it hurts the Food Services bottom line – would choose local over organic, given the choice
- students purchasing food at Starbucks need to know where things are coming from

#### B. Food Advisory Board

- members are health services, housing, students, FeDS, Food Services
- meets once a month
- listen to student's concerns about food and services
- Traveling Tummies program (students travel to other campuses and test their food)
- Food Services pricing strategies, meal plans are approved by the Board
- minutes posted online

#### C. With Regards to Starbucks Franchise

- most of the issues that have been raised are pertinent to Food Services decisions, not Starbucks decisions
- Starbucks has a specific menu that you can into: the food items can be purchased from a local producer or produced for the outlet on campus
- Food Services wants to buy the ingredients and make the products
- Starbucks provides the recipes and corporate nutritionist approves the products
- what percentage of food will be made on campus? All of it, essentially
- two kitchens on campus that can make their products

### 2. Fair Trade Coffee

#### A. Fair Trade on Campus

- Food Services offers Fair Trade options everywhere
- Fair Trade is not exclusive, but some outlets (i.e. Browsers) offer only Fair Trade
- it makes sense to have exclusively Fair Trade coffee on campus

#### B. Fair Trade at Starbucks Franchise

- Starbucks has 2 Fair Trade coffee brands, as well as their corporate responsibility brand (*all agree that corporate responsibility brand is not adequate for EV3*)
- Starbucks doesn't have a Fair Trade tea program, although their Tazo tea is organic (Can we do Fair Trade tea?)
- Fair Trade certified espresso is available overseas, but not sure if it is available in North America  
(*need to leverage Fair Trade espresso*, because that customers will be going to SB for lattes and other specialty drinks – big component of the market)
- Starbucks may require us to offer 4 blends, but they only have 2 Fair Trade blends – will Fair Trade be a higher price? We should offer exclusively Fair Trade coffee. (students will pay a premium for Fair Trade... will it be 10 cents more?)
- Promote FT (constantly available), so that the other blends have to be specifically requested*
- to some extent, customers must make the ethical choice – if the Fair Trade blend is available, buy it
- do they have Fair Trade sugar? Food Services can source this until Starbucks can supply it
- Mark wants to make this the best Starbucks outlet – it's their marketing opportunity (lab for testing new product lines; their goals must be in line with the ENV ethos)

### 3. Sustainability of Franchise

#### A. General Outlet Details

- the outlet is a Starbucks "kiosk" of about 8 x 20ft.
- Lee is currently dealing with a regional business development person, not a sustainability coordinator

#### B. Sustainable Design Elements

- does the Starbucks sustainability branch have anything to do with the design of the kiosk? If corporate stores are LEED certified, then kiosks should be focused on the same goals
- Food Services can tackle this
- the key millwork component of the design will be completely new
- fixtures, lighting can be locally sourced, made from reclaimed materials
- what is about the consumption of energy, water?
- fridges, dishwashers, light sources that conserve energy and water
- can you have a china mug as the priority, rather than the paper cup (some kind of trade to be able to take the cup and return it later)?
- the paper cups need to be 100% recyclable (with the recycling facilities available in the outlet)
- wooden stir sticks with an appropriate recycling box right there

### C. Promotion

- Mark proposes we invite representatives from the sustainability branch at Starbucks to walk through the building and get a sense of the ENV community
- can we be the most sustainable Starbucks outlet? (What is it currently?)
- promotion of the sustainable Starbucks outlet (“this isn’t just any old SB”)
- in-store description of sustainable elements and feature, Fair Trade coffee, etc.
- this promotion is up to Food Services
- Food Services agrees with maintaining the Bottled Water-Free Zone*

### 4. Contract Transparency

- student request for an annual report of operations
- reports and stats are available through Financial Services; Food Services completes sustainability report card, but no general environmental report
- opportunity for collaboration with the Faculty (i.e. providing sustainability reports through ENV courses)
- Starbucks & Food Services self-promotion of initiatives in-store and how they are being accomplished

### 5. Contract Terms

- Food Services contracts typically negotiable every 10 years
- heavily favours Starbucks and their ability to walk away (if we don’t provide the proper corporate support)
- Food Services pays a non-refundable fee to open the Starbucks
- Food Services also pays the cost of construction of location (although these are reusable facilities, they belong to Food Services)
- trying to rework the language of this contract so that we have the ability to walk away, if Starbucks isn’t meeting our requirements
- is the 10 year term too ominous?
- there is the possibility to have a 5 year contract with a renewal

### 6. Food Services Employment & Hiring Policies

#### A. Outlet Employees

- this franchise would meet the Food Services standards for paying employees (because they are employees of Food Services, not of Starbucks directly)
- tiered program for part time staff
- 2 or 3 full time staff at this location

#### B. Food Services Hiring Policy

- individuals can apply for part-time work in Food Services outlets by talking to manager
- can pickup an application in the unit

### 7. Competition with ESS Coffee Shop

- student suggestion that WATcard service not be offered at Starbucks to avoid competition with ESS Coffee Shop

- suggestion to the ESS Coffee Shop to offer the WATcard service (cost is prohibitive for the Coffee Shop)
- C&D's do have the option of accepting WATcards
- cannot start a precedent for waiving the charge (5% of sales at Bomber go to WATcard; 10-19% premium on sales at restaurants off-campus; flat rate at Sobey's and taxi companies)
- if WATcard isn't offered at this Starbucks, students will just go to Tim's (Starbucks *will* be accepting WATcard or cash; no debit or credit payments)
- worth exploring whether coffee shop WATCard costs could be supported somehow

## Next Steps:

### 1. Feedback to ENV Community

- offer another Town Hall with Lee available to answer questions
- Vanessa's meeting minutes posted on ESS website, pending approval from Mark, Jonathan, and Lee

### 2. Bringing Suggestions to Starbucks

- Lee to check with Starbucks and get back to us today or tomorrow (intends to make contact with a sustainability representative at Starbucks)
- Lee to respond to Karen's list of requirements regarding the outcomes of this discussion and get back to us later today or tomorrow
- currently a general agreement has been outlined and the draft is being sent back to Starbucks

### 3. Construction Timeline

- Cooper doesn't want to make changes to the EV3 space (it will cost lots of money to change any construction that is done), but they cannot delay either
- Cooper has preliminary design from Food Services, but some details may need to be added

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## Notes taken by:

Vanessa Minke-Martin, Vice President, Operations of Environment Students Society