

No Bang for Your Bucks: Starbucks CEO Asks Customers to Leave their Guns at Home

By Jill Petroski and Mahmood A. Khan

Introduction

Gun debate stems from a controversial area of politics in the United States which is based on very strong views of two groups: one in favor of gun control and the other in favor of gun rights. Activists on both sides have very strong arguments in support of their views. Apparently there has been an ongoing disagreement between these two groups since 1990s, which can be referred to as gun politics. Much of the disagreements can be traced to the interpretation of laws and court cases related to firearms, crime, and public safety. The second amendment to the U.S. Constitution and its implementation by government has been the subject of debate. Gun rights supporters say that broad or unrestricted firearms are needed for self-defense, hunting, and supporting activities. Gun control supporters say that broad or unrestricted gun rights inhibit the fulfillment of government's responsibilities in protecting its citizens. According to their view keeping guns out of the hands of criminals result in safer communities, while gun rights advocates state that firearm ownership by law-abiding citizens reduces crime.

In December 2012, a 20-year old man wearing combat gear and armed with pistols and a semi-automatic rifle forced his way into a school in Newtown, Connecticut and killed 26 people, including 20 elementary school students. This is only one example of several incidences that prompt attention to be given when people walk into public places with guns. The debate over guns has been going in the United States for decades. Both pros and cons are aggressively debated in many public and governmental venues. Tired of being thrust onto the front lines of the nation's debate over guns, Starbucks decided to ask customers to leave firearms behind when they visit their stores as well as its seating areas. This policy change was made soon after a shooting rampage at the Washington Navy Yard that left 13 people, including the gunman, dead.

Starbucks opened its first store in 1971 in Seattle's Pike Place Market. Specializing in fine coffees and exotic teas, the company quickly earned the title of the world's premier roaster and retailer. Today, Starbucks has more than 18,000 stores in 62 countries worldwide. Over 10,000 of these stores are located in the United States (Starbucks

Company Profile, 2013). Howard Schultz joined Starbucks in 1982 as the director of retail operations and marketing. He has acted as Chairman of the Board since 1985. In 2000, Schultz transitioned to the role of chief global strategist to continue to promote the Starbucks brand globally. In 2008, he was named CEO and President of the Starbucks Corporation. Since his appointment, the company's value has nearly quadrupled (Starbucks Company Profile, 2013).

From the beginning, Starbucks set out to be a different type of company. It has always believed in selling the best possible coffee, but it also wanted to deliver a feeling of connection and comfort to their customers. To that end, it established a mission statement that expanded beyond the product: "To inspire and nurture the human spirit—one person, one cup and one neighborhood at a time" (Our Mission Statement, 2013). Starbucks desires to create a human connection with their customers—offering them a friendly and inviting atmosphere where they can relax and enjoy premium blends of specialty coffees and teas. Starbucks prides itself on being a socially responsible company as well, striking a balance between profitability and social conscience on their way to developing a globally recognized brand. It also invests heavily in communities where stores are located. Starbucks employees are encouraged to volunteer and support their local neighborhoods to inspire change and make a difference. It is this same commitment to the community and to the customer that surrounded Starbucks in unwelcomed controversy over the past year.

Open Carry Laws

Recent tragedies like the movie theater shooting in Aurora, CO, the elementary school massacre in Newtown, CT and the Navy Yard shooting in Washington, DC, have fueled an ongoing gun control debate in the United States. Current legislation varies by state and the nation remains highly polarized in its pro-gun or anti-gun views. Many states allow some form of an "open carry" law, where gun owners are permitted to openly carry a firearm in public (OpenCarry, 2013). This includes restaurants and other retail establishments. Still, even with open carry laws, some restaurants have imposed their own personal ban on weapons in their stores. For example, California Pizza Kitchen, Buffalo Wild Wings and Peet's Coffee all do not allow guns in their restaurants or outdoor seating areas. Whole Foods Market has banned guns from its stores since 2001 (Notte, 2013). With so many restaurants taking an anti-gun stance, gun activists were quick to embrace

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any restaurant with no such policy. One nation-wide chain with no anti-gun policy was Starbucks.

Starbucks Appreciation Days

Starbucks long-standing policy regarding gun control had been to comply with local laws and statutes. Usually known for its more liberal-leaning corporate image, Starbucks surprised some as it remained neutral on the issue. Subsequently, it was often targeted and even criticized for allowing guns in its establishments. Gun enthusiasts took this criticism as an opportunity to defend and support Starbucks. They interpreted Starbucks' lack of opposition to guns as being inherently pro-gun. To thank Starbucks for standing up for the nation's Second Amendment right to bear arms, they organized a "Starbucks Appreciation Day" scheduled for August 9th. Gun advocates were encouraged to openly carry their guns to the store and wear pro-gun apparel (Choi, 2013).

Newtown Closes Early

One location set to host a "Starbucks Appreciation Day" was in Newtown, CT. In December, 2012, the town of Newtown suffered an unthinkable tragedy when 20 children and six adults were shot and killed at Sandy Hook Elementary School. When the local Starbucks was notified that gun rights advocates would be holding a rally at their store, it made the decision to close the store early. Chris Carr, Executive Vice President of U.S. Retail released the following statement on August 9th:

"At Starbucks we are proud that our stores serve as gathering places for thousands of communities across the country and we appreciate that our customers share diverse points of view on issues that matter to them. We also believe in being sensitive to each community we serve.

Today, advocacy groups from different sides of the open carry debate announced plans to visit our Newtown, Connecticut store to bring attention to their points of view. We recognize that there is significant and genuine passion surrounding this topic, however out of respect for Newtown and everything the community has been through we decided to close our store early before the event started. Starbucks did not endorse or sponsor the event. We continue to encourage customers and advocacy groups from all sides of the debate to contact their elected officials, who make the open carry laws that our company follows. Our long-standing approach to this topic has been to comply with local laws and statutes in the communities we serve. Thank you for your understanding and respect for the Newtown community" (Carr, 2013).

With this letter, Starbucks once again stayed neutral on the gun debate issue, but made it clear that it did not endorse or sponsor the event. However, under mounting pressure from anti-gun advocates,

its position would soon change.

An Open Letter from Howard Schultz

In the weeks that followed, gun control groups urged Starbucks to ban guns in all of its U.S. stores. Moms Demand Action for Gun Sense in America, a non-partisan grassroots movement to mobilize moms and families to advocate for strong gun laws, sent members of their organization around the country to ask Starbucks to change its policy (Moms Demand Action, 2013). Newtown Action Alliance, another grassroots organization dedicated to introducing safer gun laws and cultural change aimed at decreasing gun violence in America, added similar pressure (Newtown Action Alliance, 2013). The Brady Campaign to Prevent Gun Violence, a group that works to pass laws and public policy related to gun violence at both the federal and state level, collected more than 28,000 signatures on a petition to get Starbucks to change its policy (Brady Campaign, 2013). On September 17th, Starbucks issued a second letter, this one from its CEO Howard Schultz. Included in this letter was the following statement:

"Our company's longstanding approach to 'open carry' has been to follow local laws: we permit it in states where allowed and we prohibit it in states where these laws don't exist. We have chosen this approach because we believe our store partners should not be put in the uncomfortable position of requiring customers to disarm or leave our stores. We believe that gun policy should be addressed by government and law enforcement—not by Starbucks and our store partners.

Recently, however, we've seen the 'open carry' debate become increasingly uncivil and, in some cases, even threatening. Pro-gun activists have used our stores as a political stage for media events misleadingly called 'Starbucks Appreciation Days' that disingenuously portray Starbucks as a champion of 'open carry.' To be clear: we do not want these events in our stores. Some anti-gun activists have also played a role in ratcheting up the rhetoric and friction, including soliciting and confronting our customers and partners.

For these reasons, today we are respectfully requesting that customers no longer bring firearms into our stores or outdoor seating areas—even in states where 'open carry' is permitted—unless they are authorized law enforcement personnel" (Schultz, 2013).

In a sudden shift, Starbucks stated that not only does it not endorse "Starbucks Appreciation Days" it no longer want these events taking place in its stores at all. Additionally, though they fully acknowledge that gun policy should be established and enforced by law enforcement, they respectfully request that customers no longer bring firearms into its stores.

Starbucks Dilemma

Should Schultz have sent the open letter? Should Starbucks have taken such a strong stance in asking customers to leave their firearms at home? The company had always deferred to local laws and statutes

in the past, so why now did it choose to take a stand on such a politically charged issue?

Starbucks Supporters

Those in favor of Starbucks decision to “respectfully request” that guns no longer enter its stores, even in open carry states, commended them on their commitment to customer safety. Starbucks has always wanted to create a safe and comfortable environment for its customers. The company’s values are centered on bringing local communities together rather than dividing them. The company recognized that the presence of a weapon in its stores often made other customers feel uncomfortable and unsettled. Starbucks asked gun owners to leave their guns at home out of respect for other customers. This decision was consistent with Starbucks mission and values.

Additionally, had Schultz not written the letter nor taken a stance, his inaction would allow the company to continue to be wrongly portrayed as a champion of open carry laws. Gun rights activists had taken it upon themselves to label the Starbucks Corporation as an ally. Schultz needed to form some type of response before “Starbucks Appreciation Days” got out of hand. While Schultz respects and encourages healthy debate relating to gun laws, he felt that his stores had unfairly and unwillingly been placed in the middle. His letter was intended to remove the Starbucks organization from the debate.

Even in States where open carry laws apply, restaurant and retail business owners have the final say on their property. It is well within their rights to impose a personal ban on firearms inside and outside of their stores. As previously mentioned, many businesses have already adopted this “no guns allowed” policy. One of Starbucks main competitors, Peet’s Coffee, has been banning guns for years. That being said, Starbucks policy is much less severe. Schultz’s letter was a request for gun owners to leave their guns at home, not a ban on guns. He wanted to give responsible gun owners an opportunity to comply with their request. He also wanted to ensure the safety of his own employees. Enforcing a ban would potentially require employees to confront armed customers—something Schultz was not comfortable with. Whenever a business imposes such a controversial policy, there is always a risk that it will alienate potential customers. For Schultz, he felt comfortable with his decision and felt that customers who believed in the company’s mission and values would continue to patronize the store.

Opposition

Not surprisingly, many people criticized Howard Schultz and Starbucks for their contentious letter and stance. Schultz himself acknowledged that the debate over gun rights was a political issue and that the matter should ultimately be left to lawmakers. Lawmakers in the majority of States have passed open gun laws that allow patrons to bring guns into Starbucks stores. However, Schultz requested that gun owners in these States leave their guns at home. By doing so, many

felt that Schultz was taking sides on the issue: if you do not want guns to be brought into your stores in places where it is perfectly legal to do so, your views most likely align with gun control advocates. By writing the open letter, Schultz surrendered the company’s impartiality.

Although Schultz claimed he made the right decision and that he was not worried about losing customers as a result, this should be a serious concern. Though estimates vary widely, according to GunPolicy.org, there are over 300 million guns in the United States—almost enough for every person in America to own a firearm. Given that gun owners make up a large percentage of the population, Starbucks must be careful not to alienate such a powerful group. Unintentional or not, Starbucks engendered some goodwill with pro-gun advocates when they remained silent on gun control issues. With Schultz’s letter, this goodwill is now at risk.

It should be noted that Schultz chose to disclose this letter on behalf of the entire Starbucks Corporation. It was released to the general public and published on the company’s website. Due to its controversial content, the letter received national media coverage. Because of this, all Starbucks locations were impacted. Geographical and cultural differences throughout the country mean that no two Starbucks franchises are impacted in a similar manner. The Newtown, CT location most likely benefited from this announcement, since its customers were still sensitive to the tragic events that took place less than a year before. However, Starbucks franchises located in gun-friendly states like Kentucky and Utah were most likely hesitant to embrace the new policy. Schultz’s blanket announcement put his company—and, by extension, his employees, managers and franchisees—in a difficult situation. Many franchisees themselves are gun owners and now must struggle with conflicting personal and company values.

Conclusion

Starbucks Corporation had a history of impartiality relating to gun regulations. For years, it deferred to the local laws of the communities they served. If a State had an open carry policy, Starbucks welcomed law abiding, gun-carrying citizens into their stores. It remained silent in an effort to remain neutral on the controversial and emotionally charged issue. However, when pro-gun supporters adopted Starbucks as a rallying point for demonstrations and gatherings, Starbucks was unwillingly thrust into the center of the gun debate. After being criticized for its policy that seemed inconsistent with its usually liberal-leaning ways, Starbucks caved in to the pressure from numerous anti-gun groups. On September 17th, CEO Howard Schultz issued an open letter to customers requesting that gun owners respectfully leave their guns at home. Gun control advocates celebrated as gun rights activists planned boycotts. This case raises the issue of whether or not companies should take a political stand on such controversial issues.

Discussion Questions

1. What would have happened if Schultz never wrote his open letter to customers?
2. Are the topics addressed in Schultz's letter consistent with Starbucks mission and values? How does this impact the overall customer experience Starbucks strives for?
3. How will gun rights and gun control advocates interpret the timing of Schultz's letter?
4. Given that Schultz's letter details a respectful request rather than an outright ban, will it be effective in keeping guns out of Starbucks stores? How will sales be impacted?
5. Should individual franchisees and managers have been consulted prior to Schultz issuing the letter? Should they be able to create their own policies on guns in their stores?
6. Is it appropriate for business owners to voice their political views?
7. If you were a CEO of one of the well-recognized coffee chains in the world, how would you have handled the situation?

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Exhibit 1

Letter from Executive Vice President of U.S. Retail Chris Carr regarding Starbucks decision to close its Newtown, Connecticut location early before “Starbucks Appreciation Day” events take place

[Source: Starbucks.com]

Early store closure in Newtown, Connecticut

Friday, August 09, 2013

Posted by Chris Carr., executive vice president, U.S. Retail

Dear Customers,

At Starbucks we are proud that our stores serve as gathering places for thousands of communities across the country and we appreciate that our customers share diverse points of view on issues that matter to them. We also believe in being sensitive to each community we serve.

Today, advocacy groups from different sides of the open carry debate announced plans to visit our Newtown, Connecticut store to bring attention to their points of view. We recognize that there is significant and genuine passion surrounding this topic, however out of respect for Newtown and everything the community has been through we decided to close our store early before the event started. Starbucks did not endorse or sponsor the event. We continue to encourage customers and advocacy groups from all sides of the debate to contact their elected officials, who make the open carry laws that our company follows. Our long-standing approach to this topic has been to comply with local laws and statutes in the communities we serve.

Thank you for your understanding and respect for the Newtown community.

Sincerely,
Chris Carr
executive vice president, U.S. Retail

Exhibit 2

Letter from CEO Howard Schultz asking customers to no longer bring firearms into their stores and outdoor seating areas

[Source: Starbucks.com]

An Open Letter from Howard Schultz, ceo of Starbucks Coffee Company

Tuesday, September 17, 2013

Posted by Howard Schultz, Starbucks chairman, president and chief executive officer

Dear Fellow Americans,

Few topics in America generate a more polarized and emotional debate than guns. In recent months, Starbucks stores and our partners (employees) who work in our stores have been thrust unwillingly into the middle of this debate. That's why I am writing today with a respectful request that customers no longer bring firearms into our stores or outdoor seating areas.

From the beginning, our vision at Starbucks has been to create a "third place" between home and work where people can come together to enjoy the peace and pleasure of coffee and community. Our values have always centered on building community rather than dividing people, and our stores exist to give every customer a safe and comfortable respite from the concerns of daily life.

We appreciate that there is a highly sensitive balance of rights and responsibilities surrounding America's gun laws, and we recognize the deep passion for and against the "open carry" laws adopted by many states. (In the United States, "open carry" is the term used for openly carrying a firearm in public.) For years we have listened carefully to input from our customers, partners, community leaders and voices on both sides of this complicated, highly charged issue.

Our company's longstanding approach to "open carry" has been to follow local laws: we permit it in states where allowed and we prohibit it in states where these laws don't exist. We have chosen this approach because we believe our store partners should not be put in the uncomfortable position of requiring customers to disarm or leave our stores. We believe that gun policy should be addressed by government and law enforcement—not by Starbucks and our store partners.

Recently, however, we've seen the "open carry" debate become increasingly uncivil and, in some cases, even threatening. Pro-gun activists have used our stores as a political stage for media events misleadingly called "Starbucks Appreciation Days" that disingenuously portray Starbucks as a champion of "open carry." To be clear: we do not want these events in our stores. Some anti-gun activists have also played a role in ratcheting up the rhetoric and friction, including soliciting and confronting our customers and partners.

For these reasons, today we are respectfully requesting that customers no longer bring firearms into our stores or outdoor seating areas—even in states where "open carry" is permitted—unless they are authorized law enforcement personnel.

I would like to clarify two points. First, this is a request and not an outright ban. Why? Because we want to give responsible gun owners the chance to respect our request—and also because enforcing a ban would potentially require our partners to confront armed customers, and that is not a role I am comfortable asking Starbucks partners to take on. Second, we know we cannot satisfy everyone. For those who oppose "open carry," we believe the legislative and policy-making process is the proper arena for this debate, not our stores. For those who champion "open carry," please respect that Starbucks stores are places where everyone should feel relaxed and comfortable. The presence of a weapon in our stores is unsettling and upsetting for many of our customers.

I am proud of our country and our heritage of civil discourse and debate. It is in this spirit that we make today's request. Whatever your view, I encourage you to be responsible and respectful of each other as citizens and neighbors.

Sincerely,
Howard Schultz