NFFOODS Spectrum
perspectives on food technologies & business
ASIA

# Starbucks to buy out China venture

28 July 2017 | News

**Starbucks will acquire the outstanding 50 per cent of its joint venture in China for $1.3 billion, as part of its commitment to growing its business in the region.**




**The acquisition, the largest in Starbuckâ??s history, will build on the companyâ??s ongoing investments in the country**

Starbucks will acquire the outstanding 50 per cent of its joint venture in China for $1.3 billion, as part of its commitment to growing its business in the region.

The coffee chain will assume ownership of approximately 1,300 Starbucks stores across Shanghai province and neighbouring Jiangsu and Zhejiang.

The acquisition, the largest in Starbuck's history, will build on the company's ongoing investments in the country – its fastest-growing market outside the US in terms of store numbers.

The Seattle-based business is acquiring the remaining 50 per cent stake in the Chinese operation from long-term joint venture partners Uni-President Enterprises Corporation (UPEC) and President Chain Store Corporation (PCSC).

The deal eclipses the $620 million it paid for Teavana five years ago, as well as a similar $913 million buyout of its Japanese operation in 2014.

East China represents a region of significant opportunity for Starbucks. Shanghai is home to nearly 600 stores – more than any other city in the world. In December 2017, Shanghai will also be the first city outside of the US to welcome the opening of the ultra-premium Starbucks Reserve Roastery.