

Starbucks Streamlines Its Expense Process

By Nigel Williams

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Kate: Hi. My name is Kate Luzio, and I'm the head of Commercial Card for Europe, Middle East, and Africa at J.P. Morgan. As companies expand across the globe, many are migrating to regional or global travel expenditure and procurement programs to consolidate services and improve efficiencies. Whether opting for a regional or global approach, expanding firms must plan and execute on a country-by-country basis, considering card acceptance, cost controls, reporting and integration issues. Listen as Nigel Williams, Financial Controller for the U.K. and Ireland for Starbucks, discusses his company strategy for card expansion and successful implementation.

Nigel: The objectives that Starbucks had in rolling out the card program in Europe was it was a piece in a jigsaw for the global rollout for our change management program, called Global Business Systems Solutions. So the actual goals of the J.P. Morgan card to consolidate all of our expenditure under what we call a small spend threshold, which is two and one-half thousand U.S. dollars, all that expenditure is captured by the J.P. Morgan system either being spent on the cards, or by being captured elsewhere, but recorded on SDOL, the Smart Data Online. One of the other factors that we chose J.P. Morgan was because of J.P. Morgan's global reach.

Starbucks operates in a number of markets worldwide, and it has intentions to open up more markets in the future. And we know that J.P. Morgan are going to be a helpful partner in all of those markets that we currently operate in, and will also be able to support us in the new markets that we intend to go into in the future. J.P. Morgan have helped us successfully rollout in the U.K. so far, but we've identified that there is a particular issue in Ireland on the legal side, which we need to understand. Ireland is a different market to the U.K. obviously. So we're just pausing for thought as we look into that and it's good to have J.P. Morgan's experience and support to help us understand how to do that.

My overall impression of the one-card product from J.P. Morgan as the financial controller of the U.K. and Ireland business is it's a very professional product. It looks like a lot of experience has gone into it. It's easy to understand this as a financial controller, and I get a lot of new reports, which gives me the intelligence on the business to help drive cost savings through. And it's just been thoroughly professionally rolled out.

What's next for Starbucks is to get the card program rolled out in Ireland. It's going live in Europe, Middle East, and Africa markets at the moment. And then we'll have a pause for consolidation. And then we'll look to go live in the North American business in the calendar year 2009.

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