Starbucks Relocates Tazo Tea To WA

Sarah Skidmore, AP Food Industry Writer

Starbucks Corp. is relocating its Tazo Tea business to Kent, Wash., as it consolidates and upgrades its manufacturing facilities there.

The coffee company acquired the Portland, Ore.-based tea company in 1999 and has kept its tea manufacturing and distribution services there since that time

Starbucks said Wednesday that it is making a multi-million investment in its manufacturing facilities to improve efficiency and expand its business. As a result, the company decided to move Tazo to its existing Kent facility to streamline operations.

Starbucks said the 37 employees at Tazo in Portland will all be offered jobs and relocation expenses. Those employees who do not wish to move will be given a full severance package. Employees were informed of the change Tuesday.

Tazo makes a variety of bagged and bottled teas that are sold in Starbucks stores and other retailers nationwide. The brand generated more than $1 billion in sales through tea sold in stores and other venues, according to Starbucks.

The company's Portland site included a tasting room, manufacturing and distribution services. Starbucks said the existing site, located on the east side of Portland, was not originally designed to operate as a manufacturing facility. The company will begin dialing back operations in April and close the plant completely by November of 2012.

Starbucks, based in Seattle, said the move was necessary to set the company up for future growth.

The company plans to upgrade the existing roasting and manufacturing facilities in Kent, add the Tazo business and a pilot plant, where it will test new products. Starbucks operates four manufacturing facilities in the U.S. located in Kent, Wash., Carson City, Nev., York, Pa., and Sandy Run, S.C. The company said it will also add another manufacturing facility in the next 18 months but has not disclosed where.

Source URL (retrieved on *07/30/2014 - 8:43am*):
http://www.impomag.com/news/2011/11/starbucks-relocates-tazo-tea-wa?qt-most_popular=0