

Keurig Dr Pepper and Nestlé USA Announce Long-term Partnership for Starbucks K-Cup Pods in North America

BURLINGTON, Mass. and PLANO, Texas and ARLINGTON, Va., Feb. 27, 2020 /PRNewswire/ -- Keurig Dr Pepper, Inc. (KDP) announced today that it has entered into a long-term, strategic agreement with Nestlé USA (Nestlé) to manufacture and distribute Starbucks branded packaged coffee in K-Cup® pods in the U.S. and Canada. The new agreement with Nestlé, which acquired the rights in August 2018 to market and distribute Starbucks CPG and Foodservice products globally, outside of Starbucks coffee shops, will replace the existing K-Cup® pod agreement between KDP and Starbucks Corporation (Starbucks) following a transition period. Financial terms of the agreement between KDP and Nestlé were not disclosed.

Keurig Dr Pepper Chief Commercial Officer Derek Hopkins stated, "Today's announcement with Nestlé recognizes the success of the Keurig and Starbucks strategic relationship, which dates back to 2011. It also underscores the mutually-beneficial nature of that partnership and the significant, untapped opportunities that still exist for the single serve coffee category in North America."

"We are excited to enter into an agreement directly with KDP that enables us to continue the strategic partnership and accelerate growth of the Starbucks brand on the Keurig K-Cup® platform," said Tony Matta, President of Nestle Coffee Partners.

About Keurig Dr Pepper

Keurig Dr Pepper (KDP) is a leading beverage company in North America, with annual revenue in excess of \$11 billion and 25,000+ employees. KDP holds leadership positions in soft drinks, specialty coffee and tea, water, juice and juice drinks and mixers, and markets the #1 single serve coffee brewing system in the U.S. and Canada. The Company's portfolio of more than 125 owned, licensed and partner brands is designed to satisfy virtually any consumer need, any time, and includes Keurig®, Dr Pepper®, Green Mountain Coffee Roasters®, Canada Dry®, Snapple®, Bai®, Mott's®, CORE® and The Original Donut Shop®. Through its powerful sales and distribution network, KDP can deliver its portfolio of hot and cold beverages to nearly every point of purchase for consumers. The Company is committed to sourcing, producing and distributing its beverages responsibly through its *Drink Well. Do Good.* corporate responsibility platform, including efforts around circular packaging, efficient natural resource use and supply chain sustainability. For more information, visit, www.keurigdrpepper.com.

About Nestlé USA

Nestlé USA is committed to enhancing quality of life and contributing to a healthier future for individuals and families, for our communities and for the planet. The company's food and beverage portfolio includes some of the most recognizable brands in the United States including Coffee mate, DiGiorno and Nestlé Toll House as well as category disruptors such as Sweet Earth, and are in nearly every home in the country. With Nescafé, Nestlé Starbucks Coffee and Chameleon Cold Brew, Nestlé USA also boasts the largest coffee portfolio in the U.S. Nestlé USA is part of Nestlé S.A. in Vevey, Switzerland — the world's largest food and beverage company, which has been named among "The World's Most Admired Food Companies" by Fortune magazine for twenty-three consecutive years,. For product news and information, visit Nestleusa.com or Facebook.com/NestleUSA.

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