

Customers Want Their (Star)Bucks Back

By Reg P. Wydeven
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One of my very favorite all-time ad campaigns featured elderly actress Clara Peller hocking Wendy's hamburgers. Clara and two fellow little old ladies visited a fast food burger joint claiming to be the "Home of the Big Bun." As her two friends admire the size of the bun, Clara discovers the tiny hamburger patty and proclaims, "Where's the beef!?"

Well, if Peller were still alive today, many consumers think she might be asking, "Where's the coffee!?"

Last month, Siera Strumlauf and Benjamin Robles filed a class-action lawsuit in California against Starbucks. The pair, who visited Starbucks several times a week, accuse the coffee juggernaut of intentionally underfilling lattes by at least 25%. The lawsuit alleges that by purposefully putting less milk in the lattes to cut costs, Starbucks is committing an intentional act of fraud. The suit further asserts that by underfilling, the chain "has saved countless millions of dollars in the cost of goods sold and was unjustly enriched by taking payment for more product than it delivers."

Strumlauf and Robles further contend that this is a company-wide policy. They point to a system introduced by Starbucks in 2009 for preparing lattes. The systems indicates, for example, that a 16-ounce latte consists of 12 ounces of milk and 2 ounces of espresso – so 14 ounces of beverage, not 16. Similar methods were used for other size lattes.

Plus, the suit reads that Starbucks' 16-ounce cups hold exactly 16 ounces. Because baristas are instructed to leave a quarter-inch of space at the top of a cup, there is no way the customer can get the full 16 ounces.

In response, a Starbucks spokesperson explained that their "handcrafted beverages" inherently vary in size. In addition, because they "inform customers of the likelihood of variations," the suit has no merit.

Peller would be rolling in her grave, especially if she heard about the lawsuit in Illinois. Earlier this month, Stacy Pincus also sued Starbucks because they allegedly use so much ice in their cold drinks that liquid only accounts for about half the advertised drink size. According to her suit, Pincus claims that "the word 'beverage' is defined as 'a drinkable liquid,'" and since ice is not considered "a 'beverage' by definition," Starbucks is intentionally overfilling drinks with ice so it can charge customers more for less product.

Pincus is also seeking class-action status for her suit so that all customers who bought iced drinks from Starbucks in the last ten years can participate. Again, like the California suit, Pincus says baristas are purportedly instructed to fill cups with the beverage up to a line about halfway up the cup, while the rest is filled with ice. So a 16-ounce cold drink actually contains only 12 ounces of beverage.

Pincus also believes that because Starbucks charges more for iced coffee than for hot coffee, the chain "is not only underfilling its cold drinks compared to how they are advertised, but it is charging a premium price for them as well." Pincus is asking for at least \$5 million in damages and that Starbucks be required to use bigger cups to hold the advertised amount of liquid.

A representative of Starbucks said that "Customers understand and expect that ice is an essential component of any 'iced' beverage," and hopes this constitutes 'grounds' for having the case dismissed.

These plaintiffs are giving new meaning to the term 'bean counter.'

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