

THE BREAKDOWN OF THE STARBUCKS' JOINT VENTURE IN SPAIN

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The joint venture created by Starbucks and Vips in Spain during 2001, denominated Sigla, was dissolved in the early autumn 2009 when it was announced that Grupo Vips acquired 100% of the joint venture. The deal also involved the sale of the participation owned by Vips in another joint venture with Starbucks in France, so the American firm took control of 100% of its activity in France.

With this ownership shifting, the Spanish company headed by Plácido Arango became the exclusive licensee of Starbucks for the entire Iberian Peninsula, as Sigla had extended its activity to Portugal during 2008. In late 2009, the company had about 75 premises in Spain, located in Madrid, Barcelona, Seville and Valencia; and another 4 in Portugal, all of them in Lisbon.

The Spanish company justified this operation as an effort to improve efficiency and profitability in its core market, the Iberian Peninsula, through the empowerment of the Starbucks brand. In spite of the change in ownership, Sigla's management team was remained, headed by Alvaro Salafranca.