Starbucks Adding Movies to Its Menu
By Lorenza Muñoz and Claire Hoffman, Times Staff Writers

Starbucks Corp. is out to wake Hollywood from its box-office slumber. And movie executives are lining up to get their fix.

On Thursday, Starbucks and Lionsgate Entertainment announced a partnership to promote the release of the studio’s upcoming “Akeelah and the Bee,” making the independent studio the first to clinch a marketing deal with the coffee behemoth. Starbucks plans to promote the film, its DVD and its soundtrack in its 5,500 North American stores, sharing in a cut of the profit.

“What I feel the studios will realize is that we are going to provide them with a very tasteful and elegant way to promote their films in our stores,” said Ken Lombard, president of Starbucks Entertainment. “We are building awareness in a way that we feel will be a very effective model for the studios.”

With Starbucks outlets blanketing the country, virtually every Hollywood studio has been wooing the chain, hoping it can help boost lethargic movie attendance and stagnant DVD sales.

Starbucks proved its entertainment marketing prowess by giving the music industry a much-needed shot in the arm. The company co-produced the late Ray Charles’ "Genius Loves Company," which has sold more than 1.3 million CDs.

“They broke the mold when they decided to do music,” said Ron Paul, founder of Technomic Inc., a food market research company. “If bookstores have coffee, then why can’t a coffee store sell books and movies?”

Lombard said Starbucks wanted to be to movies what talk-show host Oprah Winfrey's book club was to reading. Though the company says it will not produce films, it plans to pump millions of dollars into films it chooses to promote.

“This is not a test for us,” Lombard said. “This is a firm commitment for us to expand the brand into the movies.”

Starbucks already enjoys some ties to Hollywood. Founder Howard Schultz sits on the board of directors of DreamWorks Animation SKG. Lombard used to work for the development arm of former Laker great Earvin “Magic” Johnson, who partnered with Starbucks to open outlets in inner-city areas.

Lionsgate is a maverick independent film company that has enjoyed box-office success with such diverse films as the critically acclaimed "Crash" and the teen horror flick “Saw.”

For nearly a year, the studio has been meeting with top executives at Starbucks hoping to forge a deal.

The studio offered up documentaries on singer-songwriter Leonard Cohen and the late Beatle John Lennon, which are to be released this year and could involve CD sales.

But "Akeelah" had special appeal for Starbucks. The drama, which stars Laurence Fishburne and Angela Bassett, follows an African American girl from South Los Angeles as she struggles to make it to a national spelling bee championship.

Lombard said Starbucks would tread carefully so as not to offend customers who might be turned off by an aggressive sales pitch. Consequently, there will be no

Housing Bargains, at a Price
Hollywood Studios Rewriting Pay System for Their Talent
KB Home, Anschutz to Take Over Planned Hotel, Condo Project Near Staples Center
Tenet to Settle Investor Suits Over Billing
Stocks’ Rally Takes a Breather

A New Color in Brazil TV
Wine Imports Squeeze State’s Vintners
Getty’s constant garden

SIGN UP NOW FOR HOME DELIVERY!
Starbucks Adding Movies to Its Menu – Los Angeles Times

posters or cutouts of characters in the coffeehouses.

"They know they can't really over-commercialize that environment," said Steve Beeks, president of Lionsgate. "You have to go about this totally differently than a typical retailer promotional partner."

The film's soundtrack will be sold in stores April 4, and the movie will be released nationwide April 28. The DVD will be available in the fall at the same time it will be offered by other retailers, such as Blockbuster Inc. and Wal-Mart Stores Inc. The publicity campaign will include trivia games, promotions on coffee-cup sleeves and special screenings for thousands of the company's baristas.

Starbucks will get a "presentation" credit alongside producers Lionsgate Entertainment and 2929 Entertainment, the producing company of billionaire Mark Cuban and partner Todd Wagner. Starbucks will receive its cut of the profit after Lionsgate and 2929 recoup their costs.

"It's all about creating success for the theatrical release, which then will lead to success in all of the ancillary markets," Lionsgate Chief Executive Jon Feltheimer said. "They are putting their brand on the line."