

Starbucks, Teavana to Sell Oprah Chai Tea

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Howard Schultz, left, chairman and CEO of Starbucks Coffee Company, sits and drinks tea with Oprah Winfrey, right, to announce their partnership to offer Teavana Oprah Chai tea, Wednesday, March 19, 2014, at Starbucks' annual shareholders meeting in Seattle. (AP Photo/Ted S. Warren)

NEW YORK (AP) — [Starbucks](#) [1] turned its shareholders meeting into an episode of the Oprah Winfrey show on Wednesday.

The [celebrity talk show host](#) [2] appeared on stage to announce a drink called the Oprah Chai that will be sold at Starbucks cafes starting April 29. The drink will also be available at the small chain of [Teavana](#) [3] tea shops [Starbucks recently bought](#) [4].

The splashy move comes as Starbucks Corp. looks to tap into tea as a new sales driver. Starbucks cafes are still enjoying strong sales growth, but the company is also facing intensifying competition as fast-food chains and others crowd the coffee market.

Before welcoming his surprise guest on stage at the annual meeting, Starbucks CEO Howard Schultz noted that he wanted to "ignite and transform" the tea category. Schultz has said repeatedly in recent months that he wants to make tea as popular as he helped make coffee with Starbucks.

Teavana had about 300 locations when Starbucks acquired it. The stores are located mostly in shopping malls and sell packaged and loose leaf teas, rather than prepared drinks or food. But Starbucks has said it plans to open more free-standing locations. It recently opened a Teavana tea shop in New York City that looks more like a cafe and serves a variety of small dishes.

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The idea for the collaboration came after Winfrey shared her love of tea with Schultz at a wedding they attended last summer, the two said in an interview after the shareholders meeting. He sent chai tea to her hotel room and asked if she wanted to create her own tea for the chain.

"The passion Oprah has for chai tea is not a casual preference," Schultz said.

"I've texted him about 100 times since we were at the wedding this summer," Winfrey said.

Starbucks said "a portion" of the proceeds from the sales of the Teavana Oprah Chai will go toward the Oprah Winfrey Leadership Academy Foundation to help youth educational opportunities. The company didn't specify how much will go to charity.

The drink's price hasn't yet been determined, but Schultz said it should be comparable to other drinks sold at Starbucks.

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