



Sell: Starbucks (SBUX)

NOVEMBER 2024

HOLDINGS UPDATE

[jenseninvestment.com](https://www.jenseninvestment.com)

The investment team elected to sell **Starbucks** from the **Jensen Quality Growth Strategy** due to a deterioration in business fundamentals.

Founded in 1971, Starbucks is a global restaurant company and roaster, marketer and retailer of specialty coffee. The company has benefited from competitive advantages such as global brand recognition and strong customer loyalty. However, recent financial performance has suffered from increased competition in its Chinese operations and negative consumer sentiment due to a series of price increases.

The company's stock price moved sharply higher in conjunction with a recent leadership transition announcement in which the embattled former CEO was replaced with a highly respected outsider, and we are hopeful that this change will improve the company's business performance in the long run. Nevertheless, we took advantage of the share price rebound as an opportunity to exit the position and add to more attractive portfolio opportunities. We will closely monitor Starbucks' evolution and may consider reestablishing a position based on improvement in the company's valuation, fundamentals and/or risk characteristics.

Strategy holdings are subject to change and should not be considered recommendations to buy or sell any security. For a listing of the Strategy's current holdings, please visit www.jenseninvestment.com/growth-composite-holdings.

The discussion of the specific security identified in this article is solely intended to illustrate the application of our investment approach. Our views expressed herein are subject to change and should not be construed as investment advice and are not designed or intended as a basis or determination for making any investment decision for any security. Past performance is no guarantee of future results.

JENSEN
INVESTMENT MANAGEMENT

5500 Meadows Road, Suite 200
Lake Oswego, OR 97035
800.221.4384
Contact us at:
[jenseninvestment.com/contact-us](https://www.jenseninvestment.com/contact-us)

This information is current as of the date of this material and is subject to change at any time, based on market and other conditions.

Jensen Investment Management, Inc., is an investment adviser registered under the Investment Advisers Act of 1940. Registration with the SEC does not imply any level of skill or training. Although taken from reliable sources, Jensen cannot guarantee the accuracy of the information received from third parties.

© 2024 Jensen Investment Management.