

Square payment system to arrive in Starbucks next month

October 7 2012, by Amy Martinez

Beginning in early November, Starbucks customers will be able to pay for their cup of coffee at 7,000 U.S. corporate-run stores using mobile-payment technology developed by San Francisco startup Square.

Starbucks CEO Howard Schultz joined Square founding CEO Jack Dorsey at a large gathering of store managers Thursday in Houston to say the rollout of their new partnership remains on track.

Starbucks set the tech world abuzz in August when it announced it was investing \$25 million in Square and adopting its mobile-[payment technology](#) with plans for a fall [launch](#). As part of the deal, Seattle-based Starbucks said it would use Square to process all of its credit and debit transactions.

Starbucks introduced its own app in January 2011 to enable customers to pay at the register by displaying a bar code on their mobile devices. The company says it has processed more than 70 million mobile transactions since then.

Cliff Burrows, Starbucks president of Americas, said Square's Wallet app gives tech-[savvy customers](#) another convenient payment tool. The app works on both Apple and [Android](#) devices and can help Starbucks attract new customers, he said.

"It extends the relationship we have and is so relevant to customers who like to use digital payment," Burrows said in a phone interview from

Houston. "It will be seamless for our customers, and it will be seamless for our baristas."

Square, founded in 2009 by Twitter inventor Dorsey, also makes a credit-card reader that attaches to smartphones and is popular with small merchants. It launched an online directory Wednesday with more than 200,000 businesses that accept Square Wallet, and Starbucks stores soon will be added, pointing mobile customers to the nearest location.

Starbucks' partnership with [Square](#) eventually could lead to new ways of offering personalized service in stores, but Burrows declined to say what that might look like.

Starbucks also announced Thursday that customers will be able to use their smartphones to tip employees at U.S. stores starting next summer.

The announcements kicked off a three-day global leadership conference in Houston, with nearly 10,000 Starbucks store managers and regional leaders taking part.

In other news, Starbucks gave an update on the expansion of its new juice-store concept, noting it will open an Evolution Fresh in San Francisco this month, followed by Seattle's University Village in mid-November.

[Starbucks](#) opened its first Evolution Fresh store in March in Bellevue, Wash.

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