

See the explanation below from Snopes. While we don't guarantee the information, we've found them to be very reliable. It will be up to each individual what they decide to do about drinking Caribou Coffee.

## Caribou Coffee

Claim: An Islamic bank is the majority owner of the Caribou Coffee chain.

Status: True.

Example: [Collected on the Internet, 2002]

As you will see from the links below, Caribou Coffee is owned 87.8% by the First Islamic Investment Bank which, among other things has the following philosophy: "Above all, ensuring that all activities conform to Islamic Shari'ah" The chairman of their Shari'ah supervisory board is:

Dr. Yusuf Abdullah Al-Qaradawi  
Chairman, Seerah & Sunnah Center, Qatar University;  
Professor, Faculty of Shari'ah, Qatar University.

As you will see from the links below he is also on the supervisory board of "Union for Good," which is a charitable organization to support Palestinians. Nothing wrong with a charity to help Palestinians, but here is a quote from the Union for Good web site:

The Al-Aqsa Intifada is the latest of a long line of affliction faced by the people of Palestine. Its ancestry dates back to the massacre of innocent men, women and children in villages such as Deir Yaseen and the illegal occupation of Palestine in 1948."

You get the picture. Starbucks here I come !!!  
<http://www.firstislamic.com/sharia.htm>  
<http://www.firstislamic.com/caribou.html>  
<http://www.interpal.org/web/supervisory.htm>  
<http://www.interpal.org/web/cbackground.htm>

Origins: In 1992, newlyweds John and Kim Puckett, both recent MBA recipients, developed a vision for a gourmet coffee company while "hoofing around Alaska's Denali Park." Pursuing that vision, they raised the capital to open the first Caribou Coffee shops in Minneapolis, Minnesota, in 1993. (If you're wondering why anyone would challenge the now-giant Starbucks in this line of business, note that at the start of 1992 the Starbucks chain had a mere 116 outlets nationwide.)

Unfortunately, the new venture was plagued by problems nearly from the start, and by 1996 Caribou board members were expressing concern about the company's operating problems. In 1997, Jay Willoughby, an operations expert from Pepsico, was brought into the fold; although the chain opened nearly 50 stores that year, its growth was halted at about 90 outlets in 1998 while the company sought to address its operating issues. In 1999 the Pucketts were replaced by McDonald's veteran Don Dempsey as chairman and chief executive, but by the end of 2000 the company ran out of cash and could not raise any more operating capital from its investors (who had already kicked in more than \$40 million through several rounds of financing). So, in December 2000, Caribou Coffee Company, Inc. announced that it was selling a 70% stake (later to become an 87.8%) to Atlanta-based Crescent Capital, a deep-pockets investor backed by First Islamic Investment Bank of Bahrain for \$80 million; founders John and Kim Puckett left the board, but CEO Don Dempsey stayed on to run the company for the new owners.

Should any of this be a cause of concern to coffee lovers, especially since Caribou Coffee is second only to Seattle-based Starbucks (albeit a distant second, with a couple of hundred stores to Starbucks' 4,700) as the USA's largest chain of non-franchised specialty coffeehouses?

The impression many people are taking from the message quoted above is: "Oh, no; Caribou is owned by Islamic militants, the same people who are trying to kill us!" That isn't what the message claims, however. The protest is that one of the members of the First Islamic Investment Bank's supervisory board is also on the supervisory board of the Union for Good, a coalition of charities (such as the London-based Interpal) providing various means of relief to Palestinians. The message notes that there is "nothing wrong with a charity to help Palestinians" but then suggests Caribou Coffee should be shunned because of two sentences from the introductory paragraph on the Union for Good's English-language web site:

The continuing aggression from the occupying forces against unarmed Palestinians coupled with the blockade, the destruction of the resources of state, not to mention random attacks on innocent children, the elderly and women as part of a collective punishment campaign has resulted in the deaths of hundreds of civilians and the wounding of thousands more. The Al-Aqsa Intifada is the latest of a long line of affliction faced by the people of Palestine. Its ancestry dates back to the massacre of innocent men, women and children in villages such as Deir Yaseen and the illegal occupation of Palestine in 1948.

Moreover, the blockade has a crippling effect on the labour force resulting in the loss of the livelihood of hundreds of thousands of Palestinian workers. This can only be termed a human catastrophe. Not only that, an economic disaster, a state of famine, the paralysis of all national institutions and public services, the destruction of the education system and a deterioration of the health situation are the natural outcomes.

In the light of what is mentioned above a group of international charities have collaborated in launching a human relief campaign to expand the circle of support to avert the threat and danger posed by the occupying forces. The aim is also to raise public awareness of the real tragedy of the current situation and to endeavour to ease the effects of the unjust and discriminatory sanction imposed on the Palestinian people in the Gaza Strip and the West Bank.

This is done in solidarity with our Palestinian brothers and sisters in support of their steadfastness in what is called the I'tilafu al-Khayr Union for Good 101 Days Campaign: in solidarity with the people of Palestine to ease the effects of the blockade imposed by the occupying forces and in support of their steadfastness.

All the participating charitable organisations have agreed to form the Coalition of Charities which will co-operate and co-ordinate to support and fund relief, rehabilitation and development projects implemented by charities in Palestine to ease the effects of the sanction.

Certainly the statements that Al-Aqsa Intifada "is the latest of a long line of affliction faced by the people of Palestine," that Palestinians were "massacred" at Deir Yassin, and that Palestine has been "illegally occupied" since 1948 would be hotly contested by many pro-Israel groups, but it's hardly surprising to find a pro-Palestinian focus on the web site of a Middle Eastern-based Palestinian relief organization. Perhaps some of us believe that all charitable groups should be apolitical (and those that aren't should be avoided), but the reality is that many charitable organizations are decidedly partisan. (We've also discussed on other pages that what a corporate board member does as a private citizen and what he does in his official capacity as an officer of corporation are two very different things, so the political stance of a First Islamic Investment Bank board member is not necessarily reflective of the bank's corporate policies. Given the nature of the Islamic Shari'ah, however, business, politics, and religion are inextricably intertwined.)

So, the bottom line is that those who are concerned that a member of the advisory board of the bank which owns the majority of Caribou Coffee is also a board member of a pro-Palestinian relief coalition may wish to satisfy their gourmet coffee habits somewhere other than at Caribou stores.

Last updated: 10 June 2002

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