

McDonald's, Coca Cola, Starbucks Halt Russian Sales, Russia Set To Be Healthiest Nation On Earth

## **Description**

RUSSIA: Major global corporations including McDonald's, Pepsi, Coca-Cola and Starbucks have recently announced they will be ending their operations in Russia to protest the Ukraine war.

The unprecedented move by the consumer giants has left many people wondering if Russians are really being punished — or if the closures of McDonalds, Starbucks, etc, will actually make Russia the healthiest nation on Earth.

McDonald's said it was temporarily closing its 850 restaurants in Russia, while Starbucks said its 100 coffee shops would shut.

The moves by McDonald's, Coca-Cola and Starbucks come after mounting pressure on companies to act over the war in Ukraine. All three firms said they would continue to pay their staff.

In 1990 I was in the queue when McDonald's opened its 1st restaurant in Moscow: when iron curtains were crumbling & Russia was embracing the West. Today McDonald's announced it is temporarily closing its 850 restaurants in Russia. Hugely symbolic.

— Steve Rosenberg (@BBCSteveR) March 8, 2022

Per <u>BBC</u>: McDonald's chief executive Chris Kempczinski said it was "*impossible to predict*" when it would reopen in Russia.

Dozens of well-known firms including Netflix and Levi's have already suspended sales or stopped providing services in Russia amid severe sanctions imposed by Western allies.

Coca-Cola on Tuesday said it was suspending operations in Russia, which accounted for roughly 2% of the firm's operating revenue and income. It also has a roughly 20% ownership stake in a bottling and distribution business in Russia.

"Our hearts are with the people who are enduring unconscionable effects from these tragic events in Ukraine," the company said.



Russian sales account for 9% of McDonalds global revenue

Pepsi, which has a much larger presence in Russia than rival Coca-Cola, said it was halting the production and sale of Pepsi and other global brands in Russia and suspending capital investments and advertising, citing "horrific events" in Ukraine.

But the company, which started operating in Russia during the Cold War and now employs 20,000 people there, said it would continue to offer other products.

"As a food and beverage company, now more than ever we must stay true to the humanitarian aspect of our business," boss Ramon Laguarta said. "That means we have a responsibility to continue to offer

our other products in Russia, including daily essentials such as milk and other dairy offerings, baby formula and baby food."

Starbucks' plans to stop business in Russia include stopping shipments of its products.

The coffee chain's licensee in the country Kuwait-based Alshaya Group will continue to pay its roughly 2,000 staff members.

by Baxter Dmitry

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