

Food, beverage firms wake up to water risks

By Sandra Postel, National Geographic

Earlier this month, Starbucks announced that it would stop sourcing and producing its bottled water brand, Ethos Water, in California and shift production from the Golden State to Pennsylvania.

In explaining its decision, the beverage maker cited “the serious drought conditions and necessary water conservation efforts.”

With California in its fourth year of a historic drought, Starbucks has been called out for tapping springs in severely drought-stricken Placer County, which last month declared a water-shortage emergency.

The company faced not only the risk that its water supply might shrink, but that its reputation could be badly tarnished if it did not act.

Starbucks is by no means alone. Drought and water stress are affecting the decisions and bottom lines of a growing number of companies.

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