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Pay-What-You-Want Has Patrons Perplexed

By STEPHANIE STROM and MALCOLM GAY

CLAYTON, Mo. — The country's latest experiment in pay-what-you-want eating started last weekend when a cafe run by Panera Bread, one of the fastest-growing chain restaurants in the country, began refusing payments from customers in this affluent St. Louis suburb and politely asked them instead to "take what you need, leave your fair share" in wood-and-plexiglass lockboxes.

There was a line out the door at the peak of the lunch rush — a crew of government workers, area professionals and the merely curious who seemed enthusiastic, if a little bewildered, about the enterprise. Was this a high-class soup kitchen? A newfangled charity?

Neither, it turned out. It is one of about a dozen operations around the country providing free or low-cost food to those who need it and trying to sustain themselves off the money their paying customers decide to toss in the box.

Some will call it a hot trend, others a pipe dream, but the notion of letting diners choose what they pay for their meals has been gaining traction over the last decade as an outgrowth of the organic food movement and the advent of social entrepreneurs — those who believe that making a profit and doing good are not mutually exclusive.

The intention is that these restaurants will take in enough cash to cover their expenses. If money is left over, restaurants embracing the concept say they plan to use it to help needy people by feeding them or giving them jobs.

Such restaurants are not charities in the traditional sense, though many rely on support from nonprofit groups. Panera, for example, will offer financial and other support, like donated food, to its new concept store here.

Ron Shaich, the chairman of Panera and a co-founder of the chain, says that if "we see people are gaming the system, we're going to say, 'Why don't you come in and volunteer?'"

“It’s a test of human nature,” Mr. Shaich added. “The real question is whether the community can sustain it.”

At the restaurant Wednesday, some customers paid nothing and signed up to volunteer later, though everyone was hazy about what they would be doing.

Lynn Richardson, 30, who works for a music promoter, paid roughly 50 cents more than the \$5.48 “suggested funding level” for her potato soup and diet soda.

David Eisenbraun and Melanie Holland, two college students taking a break from yard work to buy lunch with her mother, dropped \$15 into the box for their meals — though the suggested price was \$24.95. They also wondered just how “charitable” the entire enterprise really was.

“I don’t have the foggiest idea of where the money’s going,” said Mr. Eisenbraun, who also wondered about the company’s motivation: “Are they in it for the good press?”

Such skepticism, coupled with a fair amount of freeloading, has all but killed the concept in other places. The phone at the Java Street Cafe in Kettering, Ohio, which last year embraced the pay-what-you-want strategy, has been disconnected, and it appears to have closed.

And Tierra Sana in Queens folded — though it offered customers a pay-what-you-want option only one day a week.

The Terra Bite Lounge, a cafe in Kirkland, Wash., operated as a pay-what-you-want restaurant for a year or so. But Ervin Peretz, its owner and a lead technical designer at Google, said the cafe now charges for its meals. He said he dropped the model in part because of issues particular to its location — it is in a neighborhood popular with teenagers.

Founded in 2003, One World Everybody Eats in Salt Lake City is one of the oldest pay-what-you-want restaurants, and like Mr. Peretz, its operators have found the concept a bit challenging. It is now owned by a nonprofit group and suggests customers pay a small amount, say, \$4 for a meat or fish entree.

“I used to let people put their money in a basket and make their own change, but then I went to a lockbox,” said Denise Cerreta, the cafe’s founder. “You learn how to cut down on the people who will take advantage of the concept.”

About 15 to 20 of the roughly 60 meals it serves each day are given away to needy customers, some of whom wash windows, sweep or break down boxes for an hour or so in return. “They leave here with a full stomach and feeling like they earned their meal, which is the idea,” said Giovanni Bouderbala, the head chef and director.

The One World Everybody Eats charity has helped restaurant owners in Denver, Spokane, Wash., Highland Park, N.J., and Arlington, Tex., incorporate the pay-what-you-want concept, and Ms. Cerreta advised Panera on its cafe here.

Daniel Honkomp, 21, and Andrew Eason, 20, both unemployed, came by the cafe to volunteer. “If I had anything to donate, I would, but what I can donate is my labor,” Mr. Eason said.

He added, “You don’t have to pay, but if you have a good heart and you make the money, you’re going to try to pay your fair share.”

Malcolm Gay reported from Clayton, Mo., and Stephanie Strom from New York.