



Panera Launches "Pay What You Can Afford" Restaurant in St. Louis

Imagine a restaurant that's run as a nonprofit, and where people name their own menu price based on what they can afford. Sounds pretty far-fetched, right? Well, it's not such a foreign concept, after all.

Last week, the sandwich chain Panera Bread Co. relaunched a suburban St. Louis location as the "Saint Louis Bread Company Cares Cafe." And guess what: you can get a meal for free.



Patrons can find the same grub that's at regular Panera outlets—with the exception of day-old baked goods from other stores—and are given receipts with suggested menu prices. Employees then direct customers to donation boxes where they can pay any amount they choose. And those who can't pay are encouraged to volunteer their time. But the idea is that diners who are more financially stable will subsidize the meals of those who are struggling.

Lauren Kelley at Change.org points out that this isn't the first pay-what-you-can-afford restaurant in the States; a restaurant in Salt Lake City has been operating under that model since 2003. But Kelley underscores the potential impact of the Panera move:

What would set the Panera experiment apart, if it were to succeed, would be the project's scale. Panera is one of the country's fastest-growing chain restaurants, and the company is just as eager to expand its community café project. Eventually, Panera envisions operating a nonprofit restaurant in every community where it has a traditional restaurant. In other words, a lot of low-income individuals could potentially gain access to a new source of affordable food.

According to the St. Louis *Business Journal*, Panera has weathered the economic downturn quite nicely, and has the cash to experiment on the soup kitchen/sandwich shop hybrid: Profits for the first three months of the year are up more than \$17 million over the same period last year.