

***Huffington Post* Greatest Person Of The Day: Ron Shaich Lets Panera Bread Customers Pay What They Can**

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Ron Shaich, the founder and chairman of [Panera Bread](#), has sculpted his company into one of the most successful small restaurant chains in the country. He's also done something no other chain has done before.

By creating a unique, pay-what-you-can model at three “Panera Cares” cafes around the country — and more are coming soon — he has proven an idea that seems revolutionary for a large corporation, but is actually very simple: trust people; they'll often surprise you.

Panera's history goes back thirty years, when Ron opened a small bakery in Boston. That bakery soon merged with Au Bon Pain, which at the time operated three locations in the Boston area. Au Bon Pain, Inc. expanded rapidly and went public in the early 1990s. Around that time, they purchased the St. Louis Bread Company, a 19-store chain in Missouri, which baked breads on-site.

“A lot of investors really didn't like this idea back then,” Ron said. “But I saw it as a vehicle to, shall I say, to serve real food to real people. At the time, fast food had basically become self-service gas stations of the human body. We wanted to give people food they could respect.”

He trusted this idea so implicitly that he convinced executives at Au Bon Pain, Inc. to sell the Au Bon Pain restaurants to a private firm, and focus on the more personal operation behind the St. Louis Bread Company. In 1999, the company was renamed Panera Bread, and has since expanded to over 1500 restaurants nationwide.

“Ultimately, Panera has been the best-performing restaurant stock over the last decade,” Ron said. “And I think we’ve done that by operating within communities, by making communities a key part of our company.”

A few years ago, he was watching a news segment about the [Same Cafe](#) in Denver, Colorado.

“It was this community cafe without prices. You just paid whatever you could,” Ron said. “I remember turning to my wife that night and just saying, ‘We could do that.’”

Ron and his kids had volunteered at food banks before, and he knew he’d want his cafe to be brighter, more positive. At a time when close to 50 million Americans, [according to FeedingAmerica.org](#), are living in “food insecure households,” the idea of creating a welcoming place was most appealing to him.

“I thought, if we do this, we’re going to give it the full Panera menu. We’ve got to create a place with better energy, where people feel happy to be there.”

The first Panera Cares cafe opened just outside of St. Louis, Missouri. Ron ran the restaurant himself for its first month; he created a self-sustainable business model and registered the organization as a non-profit. Customers were greeted at the door and told they could leave anything they wanted in exchange for fresh soups and sandwiches. There was a donation box by the counter.

“It worked,” Ron said. “20 percent would leave more than the suggested donation, 60 percent would leave the suggested amount, and 20 percent would leave less.”

Ron says that restaurant, as well as the two other Panera Cares locations — in Detroit, Michigan and Portland, Oregon — have reported revenues in excess of their costs. The extra money goes into an employment program, which, Ron says, trains at-risk youth to become Panera employees.

“We developed a program to take some of these kids no one else would hire and give them job skills,” Ron said. “They’re working in our cafes now.”

Panera plans to open a new Panera Cares location every four months in the next year, and the company will serve at least half a million meals through the program. Ron says more locations will be established as long as his model continues to work.

“Imagine a world in which Walmart did all the distribution for food shelters,” Ron said. “Or where Gap ran thrift stores or Home Depot was involved more intimately in rebuilding communities. It all comes back to defining responsibility in corporations. We have to demand this of them.”