

Lakeview Gets Pay-What-You-Can Panera Store

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Panera has transformed its café in Lakeview into one of its “pay what you can” shops, with menus that list only suggested donations, not set prices.

The location at 616 W. Diversey Pkwy. is the fourth of the company’s Panera Cares Community Café stores, and the first in Chicago. It had been open for 15 years as a traditional Panera restaurant, but closed for a few days to make the switch, and re-opened Thursday morning.



Panera founder Ron Shaich said one in four U.S. children face regular food insecurity, which means they don’t know where their next meal is coming from.

Shaich says that’s why he’s opening the fourth Panera Cares shop, where there are no set prices for any of the items on the menu, only suggested donations.

“In giving the physical café to the community, we would provide all of the administrative resources. The community basically, through their donations, has to support the professional help in the café, and the rent,” Shaich said. “It was just a crazy idea, you know, a Panera Café with no set prices, other than doing the right thing.”

Shaich said the Lakeview area has 9,000 residents considered to be “food insecure.”

“Food insecurity is not knowing where your next meal is gonna come from, not knowing whether you have the financial resources to pay for your next meal,” he said.

CBS 2’s Marissa Bailey reports lunchtime at Panera is big business, but starting Thursday, the only money they received from customers was donations.

“Everybody thought we were crazy to open a restaurant and have money put into a donation bin,” Shaich said. But he said the goal isn’t to make a profit, just to stay self-sustaining, while allowing those who can’t afford to pay the normal Panera prices to still get food.

Based on what's happened at other Panera Cares locations, Shaich said he expects that some customers will pay more than the suggested donation if they can, less if necessary, and nothing if that's all they can afford.

Those who cannot pay anything can also trade work time for credit against the food they get, which is exactly the same food sold at normal Panera Bread restaurants.

Drew, one of the first customers at the Lakeview café on Thursday, admitted his visit had nothing to do with the new format.

"My WiFi is down, and I like the soup," Drew said.

Even so, he left an extra \$2 in the donation box, on top of the normal price of his soup.

"It's good for the community, and I think it's going to help a lot of people," he said.

Another customer, Sari, said she gave \$5 extra after getting food for herself and her two girls.

She said giving a few extra bucks is good for the soul.

"I love the idea of supporting people that need the help," she said.

Shaich said the first three Panera Cares Community Cafés in Missouri, Michigan and Oregon have been meeting their goals of being essentially self-supporting for two years now.

Shaich said 20 percent of all patrons leave more money than suggested in donation boxes, 60 percent meet the suggested price, and 20 percent leave significantly less.

"What this is is a test of humanity. Will people help each other out, or will they not? And the reality is – most Americans do," he said.

The donation system is underscored by the lack of cash registers in the store. The stores only have donation bins to hold the money from customers.