



# GRAND CENTRAL BAKERY 2020 IMPACT REPORT



# 2020 – WHAT A YEAR!

As I look back, I see a company that has proven itself strong and resilient through the most challenging time in our 32-year history. During a global pandemic, we managed to increase our investment in employee health and well-being and our future.

After widespread shutdowns in March to contain the COVID-19 virus, we shifted and quickly settled into a new way of operating that was safe, smart, and ensured our stability. We ended the year having somehow paid our bills, saved money to invest in our future, and supported all parts of our mission.

How did we do it? The employees at all levels of the company who carried us through the pandemic are exceptional – hard working, dedicated, innovative, deeply passionate and caring. We worked together, worked smart, and stayed true to our mission. And, most importantly, our customers offered us unwavering and enthusiastic support throughout the year.

## **A FEW HIGHLIGHTS:**

- Sales were down 21%, but we almost broke even. We made some smart changes in our product line, improved waste control, and streamlined operations – all of which will make us a better, more profitable company in the long run. Profit fuels our mission!
- We kept our employees safe and still offered customers the most delicious products possible, delivered with excellent and caring customer service.
- By year's end, were able to rehire many employees
- We gave back! Despite our drop in revenue we were able to continue our support of our non-profit partners with generous employee contributions that were matched dollar for dollar by Grand Central Bakery. We also found innovative ways to get nutritious food to the most vulnerable in our communities.
- We began a long-term investment in trainings and work to shape a culture of Diversity, Equity and Inclusion.



I'm so proud of this company and how we took care of one another during a deeply challenging year. Now, we look ahead to the future and how we can rebuild stronger with renewed purpose and a deeper impact.

Just ahead for the summer: B Corp recertification and resuming in-person service and dining in our bakery-café. As always, our priorities remain to be the best part of our customers' day and a catalyst for a more robust local food system. We strive to create and support more great jobs and give back to our community.

I have so much gratitude for the entire Grand Central Bakery community – our employees, our customers, our vendors and our non-profit partners.

Here's to many more years together!

Claire Randall  
Grand Central Bakery CEO

# OUR MISSION

To serve our customers delicious, authentic food made from high-quality local and sustainable ingredients while growing a healthy values-driven business.

This report speaks to five pillars of our strategic plan and mission:



**PEOPLE**  
Develop  
employees



**COMMUNITY**  
Invest in  
our community



**ENVIRONMENT**  
Reduce our  
footprint



**FOOD**  
Build a better  
food system



**SAFETY**  
Maintain healthy  
workplaces

# PEOPLE

As the company rapidly curtailed operations in response to the coronavirus pandemic, we went from 475 employees at the end of 2019 to 248 in early April 2020. We slowly welcomed back employees who had been laid off and grew to 347 employees at the end of 2020.

11.30%  
in 2019

INTERNAL  
PROMOTIONS

12.54%  
in 2020

\*rate of employees moving into positions at a higher pay level

## HIGHLIGHTS: EMPLOYEE COMPENSATION

- 100% of hourly employees received a raise in 2020. The minimum increase was 2%. Maintained robust insurance benefits for anyone working at least 25 hours per week, with no increase in employee out-of-pocket costs.
- Made operational and facilities changes to protect employees from Covid-19 exposure, e.g., eliminated roving café staff positions and set production caps to keep crew size at safe levels.
- Continued to provide employee sick pay and paid time off available as part of benefits package.

## IMPROVEMENT GOAL:

- Internal promotions – 15% by 2022



# COMMUNITY

In a down year for revenue, we still made substantial cash contributions to community non-profits, including \$11,000 to a national organization working to end police brutality. Employee contributions to charity were higher than the previous year, and staff logged 564 community service hours using paid time off.

2019 <b>\$36,182</b>	COMPANY DONATIONS TO NONPROFITS*	2020 <b>\$21,404</b>
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\*Annual employee match and grant program supports our local partners' work in the areas of workplace equality, immigrant rights, and land stewardship.

2019 <b>751</b>	PAID "COMMUNITY TIME" HOURS	2020 <b>564</b>
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2019 <b>21.7%*</b>	EMPLOYEES USING COMMUNITY TIME	2020 <b>9.6%*</b>
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## HIGHLIGHT: PARTNERSHIPS TO FEED THE HUNGRY

- \$10,972 donated to Campaign Zero, a national organization working to end police brutality.
- 2,857 Community Loaves donated to Seattle and Portland food banks (bread purchased by customers). These whole-grain sandwich loaves helped combat local food insecurity and allowed us to increase support for local flour millers and wheat growers.
- Partnered with Portland nonprofit Stone Soup to provide breakfasts for temporary homeless shelters, feeding nearly 500 daily.
- Regular bread donations to Feed The Mass, a kitchen producing free community meals for the hungry.

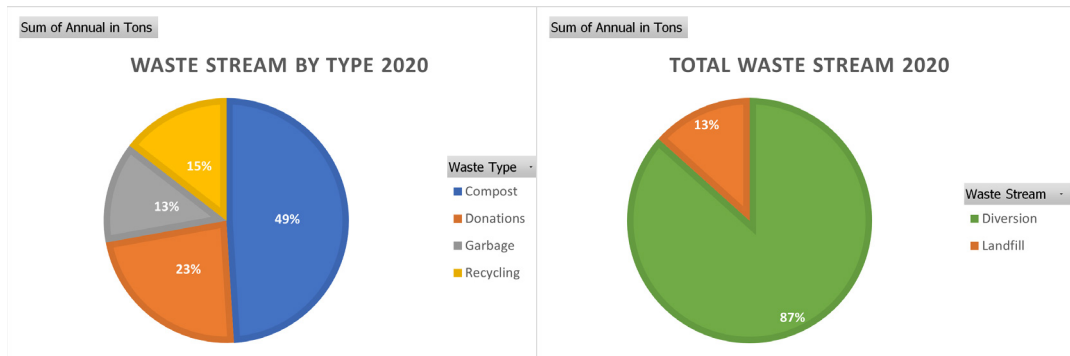
## IMPROVEMENT GOAL:

- % Employees using community time – 30% by 2022



# ENVIRONMENT

We improved the percentage of waste diverted from landfill by 3% over the previous year.



## HIGHLIGHT AND INSIGHTS:

- Disposable glove use was significantly higher in 2020. In 2021, we will audit glove use companywide to balance best practices and local health department requirements with environmental impact.
- Even with higher use of disposable gloves, we produced less garbage as a percentage of overall waste. With our retail locations closed to indoor dining most of the year, we collected less waste from café guests and had lower cumulative totals.

## IMPROVEMENT GOAL:

- Waste diverted from waste stream – 90% by 2022



# FOOD

Faced with a steep drop in revenue after COVID-19 shutdowns, we simplified the bakery menu and stopped making soups and many seasonal specials for greater efficiency. This allowed us to save money in labor and food costs, but we lost some ties to our farmers and our mission.

Late in the year, we slowly and deliberately brought back more seasonal items and specials, guided by which or how many farms we can source from.



\*Ratings recognize commitment to transparency, sustainability and overall impact on good food economies. Learn more at [goodfood100restaurants.org](http://goodfood100restaurants.org).

## HIGHLIGHTS:

- 100% of meat/seafood and flour purchases met Good Food 100 standards.
- Added locally produced flour, tuna, whole chickens, and pastured eggs to café product line, allowing customers to source sustainable ingredients and further supporting local suppliers.
- Increased current level of local flour purchases with strong sales of whole grain Community Loaf

## IMPROVEMENT GOAL:

- Purchases from local vendors – 85% by 2022

## GROWING TOGETHER: LIL' STARTS FARM



Growing mixed vegetable crops on a few acres east of Metro Portland, Lil' Starts Farm owners Luke and Lily Klimaszewski care deeply about soil health and clean, healthy produce. Says Lily: "Our working relationship with Robb (Hengerer, cuisine manager in Portland), and Grand Central as a whole, has been incredibly supportive and beneficial. We grow kale year-round for the commissary kitchen and also supply Robb with a mix of seasonal produce - cherry tomatoes, herbs, leeks, winter squash, potatoes, fennel, zucchini."

# SAFETY

## KEY ACTIONS FOR COVID-19 SAFETY

- Daily safety huddles across all departments to share concerns and information
- Created Virus Response Team to monitor operations and set policies that align with advice from local health departments
- Frequent digital and in person communication with employees and full transparency about reported COVID-19 cases
- Clear policies and follow-up protocol for managers and employees in the event of reported cases.
- Workspaces engineered to allow for maximum ventilation / air circulation and social distancing; employees working from home if possible
- Take-out only with online and walk-up ordering; physical barriers at point of sale stations where customers pay
- Staggered starts/breaks for work shifts in production bakeries.

## IMPROVEMENT GOALS:

- Achieve food safety accreditation at Fremont commissary/ central kitchen.
- Reach a higher level of accreditation at all production facilities by 2022.





# WHO WE ARE

- Founded in 1989
- Eleven bakery-cafes and two wholesale bakeries across Portland and Seattle
- 333 employees
- Independently owned and locally operated
- Founded by a woman; currently women-owned & women-led.
- Certified B Corporation since 2018, the first B Corp Certified bakery in the Pacific Northwest

## OTHER 2020 MILESTONES

- Began long-term investment in Diversity, Equity and Inclusion work. First step: manager trainings in cultural awareness with DRC Learning Solutions; commitment to ongoing work to become an anti-racist organization.
- Successfully reopened four cafes after closing them in late March due to COVID-19 business losses
- Continued delivering bread safely and efficiently to multiple supermarkets around the region despite multiple challenges



