

# Grand Central Bakery embraces new ownership structure driven by purpose, not profits

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A Pacific Northwest-based bakery chain will no longer be privately owned by family and longtime employees.

Instead, Grand Central Bakery announced that it will create a "perpetual purpose trust," a new type of corporate structure that confers shares in a company not to individual owners but to a mission. Under this structure, company officials said, the bakery will aim to work toward upholding principles, not profit.

Grand Central will complete the transition this summer, in which it'll become one of the few U.S. companies to be owned by a perpetual purpose trust, the bakery said in a news release. For employees, the trust ownership "means knowing that profits will stay in the business and that company leaders' commitment to fair compensation and robust benefits will remain a priority," the company said.

"We wanted to plan for the future and protect the company we all worked so hard to build," Claire Randall, Grand Central's CEO said in a statement Tuesday. "Day to day, this means things will stay the same for customers and employees and that we will continue to be independent and part of the community."

First known simply as The Bakery, Grand Central was founded in 1972 by

Gwyneth Bassetti in Seattle. The company has grown to about 370 employees. Today, the company has 11 cafes, wholesale bakeries in the Portland and Seattle areas, and sells its baked goods in dozens of retailers across the Pacific Northwest.

The company said a perpetual purpose trust also provides a “succession plan in a way that preserves company culture, values, and mission.” A seven-person independent board will oversee the trust and work with the CEO to “set direction, policies, and metrics to guide operations and decision making,” the bakery said.

Only five states — Delaware, New Hampshire, Maine, Oregon and Wyoming — have trust laws that allow for perpetual purpose trusts, according to the [Purpose Foundation](#), a nonprofit launched in 2017 with the goal of changing capitalism’s focus from maximizing profits and shareholder primacy to focusing on a larger purpose. To do that, the foundation created a new subset of trusts that exist not for the benefit of a person or family but to fulfill some purpose.

Two other Oregon businesses have embraced this new type of ownership. Eugene-based [Organically Grown Company](#), one of the largest independently run organic produce distributors in the nation, changed its ownership to a perpetual purpose trust in 2018. Local Ocean Seafoods, a seafood market and restaurant in Newport, has also announced plans to transition to a similar trust ownership.

***Kristine de Leon***