

From running a chicken chain to becoming a plant-based pioneer

Maddyness speaks to Salima Vellani, founder of Kbox, about how her best friend's cancer diagnosis and subsequent shift to plant-based eating set her on the trail towards a better food system.

Temps de lecture : minute

30 April 2021

Salima Vellani is the founder of Kbox - a foodtech brand helping hospitality venues make profit from their under-utilised kitchen space. We spoke to Vellani about founding Absurd Bird; pivoting alongside the rise of Deliveroo, UberEats and dark kitchens; and why she's only launching plant-based brands going forward.

Tell me about your experience in the food and restaurant industry, leading up to founding KBox.

If I step back just a little bit, this whole experience has been about connecting the dots. I started my career in corporate finance, moving into strategy consulting, into venture capital, and then back into investment advisory.

I was advising high-end lifestyle brands around the world on their global growth and capital raisings. Like in tech, they had crazy valuations. Then I became an investor into restaurants about 11 years ago.

The food space has really evolved over the last ten

years; everybody's jumping into it.

About five years ago, I started a brand - Absurd Bird - because I absolutely loved what Shake Shack and Five Guys were thinking about in terms of 'premiumising' very obvious fast food products. I thought chicken would be the next thing.

We had about three offers from private equity firms about six months into our first opening - which is very unusual. I say that not out of hubris, because it's not about us having the best chicken brand, but because it really indicates how private equity was throwing money at every single brand that had any legs.

We turned it down, and grew organically. But as a result of what I just mentioned, a lot of money was thrown into the space by private equity. This meant the casual dining industry became completely oversaturated.

About three years ago, I started looking much more closely at our books and our numbers. Our revenue is stabilised, but our margins were shrinking quite considerably, because we were suffering from high rent costs, high food costs and high labour costs.

UberEats - literally, the European head office - opened up down the road from our first restaurant. We were very successful on UberEats, and we sometimes had more bikes outside than we had bums on seats. It was quite ridiculous at some point.

What was really interesting at the time, was that because I'd been in the industry for so long in so many different capacities, I was invited to join a couple of boards of venture-backed businesses. They weren't called dark kitchen businesses back then - but that's what they were, essentially.

I flew out, met with these companies, met with founders, and I just didn't

get it. The model doesn't stack up right from a numbers point of view and, secondly, it's adding to the problem that the industry is facing. These dark kitchen businesses are effectively competing with restaurants by 'being a restaurant', and I was just so against this.

But it did show me that venture capitalists are throwing billions and billions of dollars into food delivery platforms. And they're also starting to invest behind new models like these, proliferating around the food delivery space.

So I came back and said to my team: we've got to focus on delivery because it's here to stay.

We didn't have any money; we were struggling. I actually asked my team to go out and figure out what we could do, giving them eight weeks to report back. They came back, and we saw this slow progression. Eventually, when they figured out what they were doing, we saw anywhere from 10 to 20 percent week on week increase in delivery sales.



In order to get better at delivery, you have to do things that you would think about as a restaurant or as an operator. It's a very different model. You have to get your food out: if you're two or five minutes late to get

your food out to your restaurant customer, you're not going to suffer any real revenue impact. If the same thing happens on delivery, however, you can lose that customer and experience significant revenue impact - because of the way the algorithms work on the platforms.

There were 15 or 20 other things like this that we began to understand. We took the ingredients that we had, and virtualised parts of our brand. We made menus, and launched brands.

Then, I brought in a Michelin-starred chef and I said to him, if we add rice and fish into our absurd bird ingredients, matrix, what happens? And suddenly he could do poke bowls; he could do Mexican food.

We deskilled the menu so that the cooks in our kitchens - rather than Michelin-starred chefs - can start cooking these dishes. We started building things for delivery, looking at things like packaging and messaging, and making sure the food that you construct doesn't become disgusting when it arrives to the customer.

I wanted to develop the ability to move a brand in and out of a kitchen, because people's habits and desires are changing so much. We need to evolve very quickly.

The interesting thing was: we started really turning these sites around, and bringing in revenue. We were training all our staff in our restaurants; and at around the same time, we were approached by a very large UK leisure operator.

I figured we could use their kitchens for delivery, which I'd never done before. They gave us five sites to try for four months. Long story short:

they stopped us and said, we don't need anymore proof. We're getting revenue we've never seen before. On premises, sales have gone up – because we've elevated the quality of our food internally. Our food costs have dropped, because we function so much more efficiently, and the kitchen staff are much happier.

I thought the opposite would happen – that the staff would get irritated because they have more work. But what actually happened was they felt much more involved; they were being upscaled and retrained, and they were much more critical to the business.

The leisure operator asked us to roll out across 100 sites within two months. We did it – and KBox was born. There are so many underutilised kitchens out there.

90% of kitchens in the hotel and pub industries, and 70% in the restaurant industry, are underutilised.

We don't need more kitchens; we just need to use the kitchens that are out there better.



You call them host kitchens. What's the exact difference between a host kitchen and a dark kitchen? Are you the only ones doing this?

A dark kitchen is a kitchen created just to serve as a delivery market. There's no front.

A host kitchen is a kitchen that's operating for its normal business. It could be a pub, university, restaurant, hotel, gym, or a cinema. We come in; they host our brands and our technology.

We can give them revenue through their kitchen, but they can continue doing what they're doing on a daily basis.

We were pioneers in the space, but since then there have been a lot of copycats. We're seeing people come up with virtual brands and give them to other kitchens. But we do more; it's literally a one-click solution, giving people brand plus technology. We're very focused on the technology, because we think this is about efficiencies and data.

What kind of response have you had from people working in kitchens and restaurants to these very novel concepts like virtual brands, for example? Are they excited or

sceptical?

Everybody that we work with becomes a massive believer. We give them room to breathe, and an extra revenue stream. We can help a great little Jamaican restaurant keep producing that great Jamaican food – and get more revenue.

You collaborated with ASDA on its vegan counter. Can you talk about the role plant-based food and sustainability is playing for you at the moment?

ASDA called us up one day and said they'd seen a massive growth in PoP-based shopping. They knew that our passion was very much plant-based food, so they said: we can't think of anyone better than you guys and we'd love to launch a vegan deli and butcher.

We got the call early December and they asked us to launch by mid-January. It was very much driven from the top; we're all very passionate about getting much more involved in plant based food – making it more affordable and accessible to ASDA's customer base. We wanted to show that it can be fun, interesting and exciting.

After we launched it, we had a lot of people from around the world reach out to us and ask if we would launch with them.

As for sustainability in general: we've got 20-30 brands. I've said, moving forward, I only want plant-based brands being created. For me, it's very important. It's a smart business decision, but it's also a question of what

we stand for.

We stand for transforming the health of kitchens, at the core. But we should stand for making sure that all the food that we bring out is better for people, better for their health, better for the planet.



It's a very interesting journey that you've had - from the chicken company, to being all about plant-based. Was sustainability always something you thought about, or has it emerged along the way?

To be quite frank: no, it wasn't. I'll tell you where my journey on this road started.

Around three or four years ago, I lost two cousins to cancer and my best friend - who's like a sister to me - was diagnosed with breast cancer. I

literally bought every book I could on cancer, and everything unanimously said that a plant-based diet can help prevent cancer.

My friend went cold turkey; she went plant-based for three months before getting her treatment. All of us around her did the same thing, including her husband and family.

I saw the impact. She's now in remission. Similarly, my ex-boyfriend was told he was going to have about three months to live. He had stage four cancer and he went completely plant-based and did a lot of yoga and meditation. And he's still living, ten years later.

I've seen it with people very close to me, and I've seen it with myself. Now, I'm 70 percent plant-based, and I feel better. I feel healthier. I feel more energetic. I feel good.

And then, of course, we've all watched the Netflix shows like *Seaspiracy*. And it just makes you think, well, why not? It's obvious what we have to do - and not just for our own health.

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Article by Florence Wildblood