

# Independent of mind and spirit

According to a recent report, in 2004, Britons spent £26 billion on eating out and it is estimated that as a nation we spend £36 billion a year on lunch. At the same time, the habit of 'desktop dining' is on the increase and the amount of time that we break from work at lunch continues to reduce, with the latest figures suggesting just 19 minutes.

A few years ago, John Vincent and Henry Dimbleby became increasingly aware that they were part of the army of people contributing to these statistics. Both working in and around the London and the South East, they became more and more frustrated with the food choices that were available to them. The options that were presented to them each lunchtime, left them, like many, dragging themselves home at night, feeling that they were doing themselves more harm than good and eating their most unhealthy meal of the day at lunchtime. As John recalls, 'as individuals we were literally suffering from the type of food that was available to us.'

These frustrations, which are I'm sure, familiar to many, came at a time when they were both happy in their roles as business consultants, but knew that they had ambitions to do more.

Like so many at this point in their careers, they knew what they didn't want, but struggled to pinpoint where they did want to go. So, each agreed to produce five new business ideas. The idea of re-inventing fast food for the 21st century appeared on both lists while others, such as a casino were not pursued. Their experiences as customers had identified a gap in the market and Leon was born.

## Being different...

They both felt that the large chains that we are all familiar with offered a product that appeared to offer a large amount of variety. But when offered this choice on a daily basis, it really felt like no choice at all. Added to this, it was rarely a truly healthy option.



Through their consultancy work, they were also both familiar with the operations of some of the larger food companies and had seen how food was discussed at board level. John told me a little of his experience '...many of the big food companies are very good at many different things, but food isn't one of them. They look at property or staff wages in great detail but food is seen as something that arrives on a big truck and has a price against it. It sounds trite and obvious, but we wanted to be different and were driven by a quality food product.'

Leon (named after Vincent's father) is just two years old. The other two partners in the business are Henry Dimbleby, a former chef and business consultant and Allegra McEvedy, former chef at New York's Tribeca Grill and London's River Cafe.

The three of them make an interesting management team, with each bringing their own strengths and experience. Henry runs the restaurant operations day to day and oversees Leon's 'big kitchen' out in Middlesex (where the more complex 20% of dishes that are not made on site are prepared). Allegra is responsible for developing the menu and sourcing the good food upon which Leon is building its reputation. The menu at Leon offers both 'good carbs' and 'good fats' only and the team actively look for 'superfoods' to include where they can. John describes his role as the one that mops up the rest - he lists human resources, finance, marketing and brand development amongst some of his tasks.

With a bank of glowing restaurant reviews endorsing the arrival of healthy fast food, the first site on Carnaby Street in the West End is already a popular destination.

MANY OF THE BIG FOOD COMPANIES ARE VERY GOOD AT MANY DIFFERENT THINGS, BUT FOOD ISN'T ONE OF THEM

## Spreading the word...

With a bank of glowing restaurant reviews endorsing the arrival of healthy fast food, the first site on Carnaby Street in the West End is already a popular destination. As a result of a recent round of fundraising, they have opened a second site in the city at Ludgate Circus. There are at least another three on the agenda for this year and the plan is to have reached 15 units in two years from now, with approximately 70% of these being London based.

The main contributor to a 2.8 million investment that will help to fund this growth is private equity firm, Active Capital. Active is headed up by Gavyn Davies, the former BBC Chairman. Davies, who famously resigned in the wake of the Hutton inquiry, also has a stake in Soho House and in Deliverance, the restaurant home delivery service.

Other investors in Leon include Ian Neill, Chief Executive of Wagamama and James Horler, Chief Executive of La Tasca. When I ask John about the impact that these two successful leaders have had on the business, he chuckles. 'It's like having a giant helpline and a couple of fathers for us.' Of course there's a fine line to be trodden in terms of the information that is shared, but the Leon team have an enormous benefit in being able to tap into the experience of both Ian and James.

On his opinion of the role of investors in the business, John is very clear indeed. He firmly believes that it is important that they are kept behind the scenes and that good investors will allow the team to be quietly independent and get on with running the business.

As he says 'the only people that will ever really understand what we do is us and we can all think of businesses that have lost their way when others have been allowed to

make alterations to the successful model. We are fairly independently minded and believe that any investor would expect us to be able to run the business without their day-to-day involvement.

## Overheard...

John chuckles as he tells me that he was recently quoted in the 'overheard' column of an industry publication on his plans for the growth of the business to 300 units.

I comment that Leon has a truly independent feel to it at the moment and one of the great challenges ahead for John and his partners, is to ensure that they don't become just another one of those brands rolling out across the city. After all, to be different from the big brands was an important part of the development of Leon. I'm sceptical about how possible this is and John knows this is a key part of the challenge ahead of him. 'We need to look at a way to get there, to employ local people who care about their environment and feel that they have control over the atmosphere they create in their community'. They may only have two sites to date, but the look and feel of each is very different. It remains to be seen whether they can achieve this on a much larger scale.

Despite the early successes there have been plenty of learning curves over the past couple of years. John is quick to put me straight when I refer to Leon as a concept. The plan from

the outset was that the team would not create a concept. The reason for this is that he believes that all concepts come with built in compromises and that the business was not going to be designed around things that were convenient, but because they worked and delivered real value to the customer.

For John the fact that Leon was not designed around planning consent laws has been one of the biggest challenges that the business has faced. In April 2005, changes to the Town and Country Planning Order of 1987 were made and the industry really felt the impact of this. The use classes for restaurants, pubs, take-aways, nightclubs and bars were altered. In the past the A3 class had covered all food and drink establishments, but it's now been restricted to restaurants and cafés. Pubs and bars now have their own category (A4) and take-aways fall into a new category (A5). The first two Leon sites are classified as A3, but most other food retail operations fall into the A1 (shops) class. A relatively small alteration to the style of operation could mean that Leon would become A1, but this would involve changes to the operation and a simplification of the menu.

However the menu has already been modified from the original. For example, there used to be two sizes of soup to choose from and different choices of bread. These were recognised as adding layers of complexity to the business but

WE KNEW RIGHT FROM THE START THAT WE WANTED A CULTURE THAT PUT THE FOOD AT THE HEART OF WHAT WE DO

After all, to be different from the big brands was an important part of the development of Leon. I'm sceptical about how possible this is and John knows this is a key part of the challenge ahead of him.

without adding any value to the customer and so have been removed.

## The heart of the matter...

The business obviously has a strong culture already and I wanted to find out where this has been driven from. 'The big food companies don't discuss food. We knew right from the start that we wanted a culture that put the food at the heart of what we do.' In a broader sense, it allowed them to be in control of their own destiny: to eat better, feel better and make those changes in lifestyle that we often talk about without actually achieving.

The team monitor the satisfaction of both customers and staff on a regular basis, and at the last count customer satisfaction was at 96% and staff at 92%.

There's no head office at Leon - the senior team are a support network to the units and work from the units. The team on the ground are rewarded fairly and incentivised to achieve the desired end goals of successful operation and customer satisfaction. In fact the team created their own code of conduct and operational standards, and as a result, really do seem to believe in what they are striving to achieve.

The question remains as to whether this will all still hold true at 300 units. If drive and determination has anything to do with it, I think that this team have a good chance.

