

People

Who you need to know

THE BEAN BUTCHERS

The Very Good Food Company lives up to its name with nutritious and delicious vegan alternatives

By Carolyn Cooper Photography by Tanya Goehring



MITCHELL SCOTT, CEO of The Very Good Food Company, remembers the first time he tasted what would become the company's signature plant-based burger made by his co-founder, chef James Davison. "It was 2016 and I was at a family barbecue. I tried these burgers and I was blown away. I'd grown up vegetarian and had had a lot of not-so-great veggie burgers, but he really nailed it in terms of taste and texture."

Davison originally created the bean-based burger for his young family while living on Denman Island north of Nanaimo, B.C., after being unable to find nutritious meat alternatives that weren't overly processed or filled with preservatives. He and his wife then began selling the burgers as well as vegan breakfast sausages at the Island's farmers market, with great success.

"My background is in business and marketing sales, and I'd always wanted to start a business but never had what I thought was a good product," says Scott. "And when I tasted this burger I thought, 'This is delicious!' So I just started talking to James and his wife and we decided to team up."

Success was swift for the fledgling company, and after building a customer base at the Victoria Public Market, Scott and Davison opened the West Coast's first vegan butcher shop. "We had about 1,000 people show up on our opening day, and we had to shut down a week after that for a week just to restock," says Scott. "That was February 2017, and since then we've just been struggling to keep up with demand, scale up the business and grow."

The company's The Very Good Butchers brand of meat alternatives currently retail in roughly 300 stores primarily in Western Canada, including Quality Foods and Safeway, and a distribution deal with UNFI means they'll soon be expanding across the country. To help meet demand, the company has opened a new 40,000-sq.-ft. Vancouver facility, allowing an initial 30% increase in production capacity.

Scott says what makes the brand unique in the increasingly crowded market for meatless options is the taste and texture of the products. "It's really about the quality of the ingredients, and the fact that we're not using any additives, preservatives or isolates," he explains. "You'll find a lot of vegan products on the market

have 25 ingredients, and eight of them are things you can't even pronounce. And then others are just using powders or dried extracts. James's sole ethos when he was making these products was to make them with real foods, so just beans, vegetables like onions, beets, celery, garlic, herbs and spices, and bit of high-protein wheat flour to bind it all together."

Depending on the product, the company uses different bean varieties and spice mixes to imitate the flavour of meat-based originals. "My personal favourite is our adzuki bean pepperoni, which we basically spice to mimic the seasoning of a meat-based pepperoni," says Scott.

The company has a seven-product core lineup for retail, including bestsellers the Very Good Taco Stuff'er, the Very Good Burger, and the Stuffed Beast, which Scott likens to a "big stuffed turkey." There are an additional eight products available online and through its shop, which also features a fast-casual restaurant offering vegan varieties of comfort food like deli sandwiches, poutine, and macaroni and cheese. "Our tagline is 'We butcher beans,' so we're trying to bring a little bit of fun to it, and show that plant-based food ingredients can be approachable and familiar," says Scott.

As well as scaling up their Ribz and Very Good Steak for a wider retail launch, Davison and his R&D team have been busy working on what Scott calls "the next generation of products," including a line of gluten-free items. "Gluten-free products have been the biggest demand for our customers, so we're very excited to share this innovation."

In February, The Very Good Food Company completed its acquisition of Vancouver's vegan cheesemaker The Cultured Nut, marking another milestone in the company's evolution. "We loved the ingredients, we loved the team behind it, and we think they have a very complementary product," explains Scott. "So the plan is to help them scale up their operation like we've just scaled ours, and really help grow the brand." It's part of a larger goal to become "an umbrella company for plant-based brands of solid companies, with high-quality products and ethics. We're interested in complementary products, so maybe there's something in plant-based sauces or snacks. There are some pretty interesting categories we're looking at right now." **CG**

30 seconds with ...

MITCHELL SCOTT & JAMES DAVISON

What do you like most about your job?

SCOTT: That every day is different, and I get to learn so much. It's been a huge learning experience and I've really been enjoying it.

DAVISON: Feeling like I'm making a difference makes it easy to love my job, and I'm surrounded with like-minded people who make it a pleasure to come to work.

What's the best career advice you've received?

SCOTT: The importance of people and building a team, because as you start scaling up, you can't do everything by yourself and you really need to build a great team around you to help support the growth of the company.

DAVISON: I was told by an entrepreneur on Denman Island that I shouldn't work for him. He said go find something you love and make a living from it. Six months after that we started The Very Good Butchers. I turned my passion for cooking and a new-found love of plant-based food into a business, and I'll always remember that advice.

What do you enjoy most about working in the food industry?

SCOTT: The food! When I was growing up vegetarian I felt like I was missing out a bit. Now there are so many awesome products out there I don't feel like I'm giving up anything.

DAVISON: I've always loved creating new dishes and recipes and I've been lucky to transfer that passion into product development. Creating new products that I'm really excited about and seeing them being enjoyed by so many people is very cool to see.

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THE TRIO AND THE CHOCOLATE FACTORY

With their healthier, functional version of a chocolate bar, the founders of Mid-Day Squares are taking on the snack world

By Danny Kucharsky
Photography
by Chantale Lecours



T ALL STARTED when Lezlie Karls decided to make a healthier version of a chocolate bar to quell the afternoon munchies of her Oh Henry-loving roommate-turned-spouse, Nick Saltarelli.

“At that point, we thought nothing about it,” explains Karls. Little did they know that this would turn out to be an early version of Fudge Yah, the first product of their Montreal-based snack company Mid-Day Squares. Now, five years later, the company is forecasting \$10 million in sales this year with ambitions to become a snacking staple.

Prior to the launch of Mid-Day Squares, Karls, who had been running a luxury women’s ready-to-wear clothing line called Hektor, and Saltarelli, who had a software company, had decided to team up and work on a new company. They opted for the food business and initially started a hot cereal line, but it never quite caught on. But after Saltarelli came across data showing the plant-based and real chocolate markets were growing exponentially, “he had this ‘aha’ moment in the shower,” Karls recalls, and realized the chocolate bar she had been making for him fit perfectly.

Still, the product didn’t yet have marketable attributes for grocery, Karls says. The goal was to “change the way people eat chocolate” and make Mid-Day Squares “functional,” with protein and fibre benefits, good fats and to satiate hunger between meals. So Karls reached out to the food science department at Montreal’s McGill University, where they received guidance on reducing the sugar, increasing protein and adding fibre to their product using ingredients that include unsweetened chocolate, pumpkin seeds, hemp protein concentrate, sachinchi protein, maca and dates.

Having a good product wasn’t enough, though, explains Saltarelli. They also needed to make some noise. Problem was, Saltarelli and Karls are “super introverted” and needed help creating hype around the product. Enter Jake Karls, Lezlie’s brother, who was running a clothing brand called Chase & Hunter, which was hugely successful at generating social media buzz, but was losing money.

Jake Karls joined the team and immediately decided, “Let’s show the real ‘good, bad and ugly’ of what it is to start a business. We ended up filming everything.” They started broadcasting on

Instagram in August 2018, and sales soon started coming in.

To get the bar into people’s bellies, Mid-Day offered Fudge Yah for 50 cents in a money-losing sampling program. Along with the bars, the founders included “wacky” Polaroid pictures of each other with personalized captions. That “automatically set us apart from every other brand out there,” Jake Karls says.

Since the founders initially couldn’t afford shipping, they hand-delivered the product. “We got to go into people’s homes and have tea and get to know who our actual customers were,” Jake Karls says. Their shocked customers would post about it online. Those customers started asking stores to carry the product, and the rest, as they say, is history. Mid-Day is now sold in 1,200 stores across Canada, including Sobeys and Metro, and that number is expected to grow to 1,800 by late summer when Loblaw begins carrying them. The bars are also in 600 U.S. outlets, and the brand aims to enter mass grocery down south by next year. Online currently represents 40% of sales.

The sales potential is much higher, says Jake Karls. Canadian grocery stores “are not used to refrigerated snacking” and are placing Mid-Day in the dairy section, where impulse buyers don’t often venture. Instead, Mid-Day is trying to convince grocers to follow the U.S. example and stock its product in the produce department alongside cut-up fruit and pressed juices.

There are now three flavours—Peanut Butter and Almond Crunch! followed Fudge Yah—and a fourth is coming this fall. And while Mid-Day was initially made in Karls’ and Saltarelli’s condo kitchen, they quickly outgrew the space. After visiting co-packers, who tried to get them to vastly alter their recipes, they decided to build their own plant. Eighteen months and \$1 million in R&D later, Mid-Day now has its own 11,000-sq.-ft. plant that can produce 90,000 bars a day.

A loan from Investissements Québec funded the plant and two series of financing have raised US\$6.5 million. CEO Lezlie Karls, COO Saltarelli and rainmaker Jake Karls own 63% of the 42-employee company. “Our goal is to become a household staple in the snacking space,” Jake Karls says. “The end goal here is not to sell this company, but to build [it to] the magnitude of a Hershey’s in the better-for-you chocolate snacking space.” **CG**

30 seconds with ...

LEZLIE KARLS, NICK SALTARELLI & JAKE KARLS

What makes Mid-Day unique?

LEZLIE KARLS: It has to do with [telling our] story of entrepreneurship [on social media]. The story means anything that happens is fair game. We show crying, breakdowns. We show successes, we show weight loss journeys, we show everything.

What’s some of the best advice you’ve received?

NICK SALTARELLI: Even though it’s counterintuitive, because no one’s going to want to work with you, start with one SKU. We almost started with three SKUs. We got this advice and it was dead on. One SKU forced us to go above and beyond to get attention.

What are some of the things you like doing outside of work?

LEZLIE KARLS: I recently started trying to cook on the open fire. I would like to eventually really master the art of cooking on open flame with burning wood.

JAKE KARLS: I go through like a book a week—history, memoirs and entrepreneurship. I play roller hockey at 6 p.m. every day with friends to clear my mind.

What do you like the most about your job?

SALTARELLI: I was obsessed with chocolate and Willy Wonka growing up, and the Nesquik commercials where the bunny would touch things and they would turn to chocolate. For me, the fact we have a manufacturing plant and you can go to one of the pipes and open the thing and literally chocolate comes out, that’s mind blowing that my life has come full circle.

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PLANT POWER

Ahmad
Yehya and
his wife Afaf
Miri turned
a homemade
vegan cheese-
cake recipe
into a thriving
plant-based
business

By Andrea Yu

Photography by
Curtis Comeau

nabati.

IN 2013, AHMAD YEHYA and his wife, Afaf Miri, began adopting a vegan lifestyle. They went on the hunt for healthy, plant-based snacks at local supermarkets in Edmonton, but were disappointed with what they found. “A lot of it had too much refined sugar,” Yehya recalls. Ingredient lists were long, with unpronounceable items. Gluten was another common ingredient in the few snack offerings they came across, and the couple was avoiding gluten due to health issues. So they retreated to their kitchen and experimented with vegan recipes using simple ingredients. At the time, it was a fun project for the couple while they continued their day jobs: Yehya as an engineer at a biomedical company and Miri as a business administrator.

“Plant-based foods are really not new to us in our culture,” says Yehya, who hails from Egypt (Miri is from Algeria). There, nuts and fruit, especially dates, are commonly used in desserts. They focused on developing a cheesecake first, since Yehya and Miri love desserts. “The breakthrough was really about process rather than ingredients,” explains Yehya. “How do you take fruits and nuts, like cashews and dates, and make something that is really creamy and rich?” After months of experimenting, Miri developed a winning cheesecake recipe with less than 10 ingredients.

In early 2014, they began selling their cheesecake in farmers markets and received rave reviews from customers. A few months after that, Miri quit her job to commit to the new business, and she began approaching cafés to stock and sell their cheesecakes. Orders grew from there and the couple moved the operation into a production kitchen. They named the growing business Nabati Foods—‘nabati’ meaning plant-based in Arabic.

The first few years were focused on increasing foodservice orders and getting their slices of cake onto more café and restaurant menus in Edmonton and Calgary. By 2016, Yehya had quit his engineering job to go all-in, becoming president (and later CEO) of the company.

In 2018 came the next big win—developing a retail version of the cheesecakes and getting them stocked in Safeway and Sobeys stores in Alberta. Shortly after that, they began selling in grocery stores out of province, via Save-On-Foods locations in British Columbia and Saskatchewan (in addition to Save-On-Foods in Alberta). Today, Nabati

products are also found in Sobeys in Quebec, Whole Foods Market in British Columbia and Ontario, Metro in Ontario, and more than 100 stores (mostly independent health food retailers) across the United States. Yehya recalls the first time he saw Nabati products on grocery store shelves. “It felt awesome,” he says.

After their cheesecake success, the couple moved quickly to expand product offerings, developing plant-based cheeses in 2019. “The focus was making it a cheese alternative that mimics dairy cheese in every aspect: the taste, texture, the retail pack,” recalls Yehya. After four months of testing, Nabati launched its mozzarella and cheddar cheese-style shreds. Next up was plant-based meat alternatives such as burgers (including f’sh burgers and chick’n burgers), chick’n nuggets and strips, and “grounds” (a plant-based version of ground beef).

Yehya was just gearing up to start selling Nabati products in far-flung locations like Hong Kong, along with targeting food-service buyers in the United States, when COVID hit. But that didn’t slow the company’s progress. Instead, it pivoted from foodservice to an e-commerce website where customers could purchase products directly. The company also started working on its next big product launch—plant-based liquid eggs. It was a particularly difficult challenge for Yehya, who hired a special research and development food scientist just to tackle it. “[Eggs] were the most difficult, because we wanted something to go from liquid to solid on heat,” he explains. “It’s very hard to find the right ingredients and combinations that would react together.” They finally cracked the code with the use of a bean called lupin, which is traditionally pickled and eaten as a snack in Mediterranean cuisines. Combined with pea protein, Nabati finally had the right base for its liquid Plant Eggz, which launched on its e-commerce website in late August. Shortly after, in September 2021, Plant Eggz debuted on Sobeys shelves in Quebec and at Whole Foods across British Columbia and Ontario.

For the past three years, Yehya has been pulling 18-hour days, including most weekends, to grow the business. But for him, it’s all worth it. “We’re creating products that help people transition away from animal-based protein to a more sustainable lifestyle,” he says. “It’s important that we leave something for future generations and fix what we have right now.” **CG**

30 seconds with ...

AHMAD YEHYA

What is the best career advice you’ve ever received?

When I started my career in the medical industry, my first boss told me not to focus on your pay or others around you. Focus on doing the best job you can and the quality of your work. Be proud of what you achieve and that will take you a long way. I still take that advice to heart here at Nabati Foods. Everything is focused on delivering great work and making sure we do things right and pay attention to all the details.

Do you have a favourite product from your lineup?

I have a favourite out of each category. I like the tiramisu cheesecake. That’s a must, because I love tiramisu and there’s nothing really in the market like that. For our cheese, it’s the mozzarella. It was designed for pizza. For the plant-based meats, it’s our Chick’n.

What do you like to do when you’re not working?

I love to enjoy the serenity and quiet of nature. I’ll go with my wife and my daughter, Liana—she’s two and a half. She loves the mountains. Our favourite location is Jasper, Alta.

What other cuisines do you like to eat?

I like Japanese cuisine, that’s for sure. That should give you a hint for what’s next for us ...