

Karen Zelnick:

Traditional offices are facing a renaissance of new technologies and co-working spaces. With the future of work changing so rapidly, we sat down with an industry expert, someone who broke through a crowded market and found success by tweaking the recipe to an otherwise stale solution. Join us in today's conversation with Arian Lewis, founder and CEO of Kiln and Investor Curt Roberts, as we bring you both sides of a Perfect Pitch. Perfect Pitch is a podcast from Kickstart that reveals the minds of both investors and entrepreneurs throughout a startup's journey. I'm your host, Karen Zelnick. I'm really excited to introduce everybody. This is so fun to do this live.

Arian Lewis:

It is.

Karen Zelnick:

I'm really excited to introduce everybody to today's guest. Arian, you earned your MBA from Oxford University with a focus on strategy and innovation. After co-founding two companies, you served as Director of Strategic Partnerships and Open Innovation at Barclays a universal bank based in London. I have been told that as a teenager, you spent three years building a spaceship simulator?

Arian Lewis:

I did indeed. Yes.

Karen Zelnick:

Which is probably one of the most interesting facts we've shared about [inaudible 00:01:04].

Arian Lewis:

Yeah. I would like tuck myself away late at night and watch Star Trek, and basically I wanted to live out my dream. I built the bridge of the Starship Enterprise in my garage.

Karen Zelnick:

That's amazing.

Arian Lewis:

Then, I charged my friends' money to come and play.

Curt Roberts:

You made money off of this.

Karen Zelnick:

That's even better.

Arian Lewis:

Yeah, I know. It was a business for sure. Yeah.

Karen Zelnick:

That's even better. Do you have any photos of it?

Arian Lewis:

I do. I do have a few photos. Yes.

Karen Zelnick:

We are going to have to put those in the show notes because that's impressive. That's amazing. Then, anything else we should know about you?

Arian Lewis:

We're coming to you live today from Kiln's podcast studio. I'd like to think of myself as a creative, although I know real creatives and I know that I'm not in that category, but I'd like to aspire to be a creative. How does that sound?

Karen Zelnick:

I mean, I feel like building a spaceship simulator requires a lot of creativity.

Arian Lewis:

Yeah.

Karen Zelnick:

I'll put you in that case.

Arian Lewis:

It was a serious fire hazard. My mom couldn't get the house insurance renewed, so eventually we had to demolish it.

Curt Roberts:

Is that because you've had weapons?

Arian Lewis:

No. I did all the wiring myself. I like soldered all these lights.

Curt Roberts:

You violated all kinds of code.

Arian Lewis:

It was a total fire hazard just waiting to just blow up.

Karen Zelnick:

Oh my gosh. I cannot wait to see the photos. That's so great. Curt, always great to have you back on the show. We have a link to your bio in our show notes. I do like to cover interesting facts about Curt every

time on the show. You're our travel enthusiast on the team. Tell us about a recent adventure you've been on.

Curt Roberts:

Okay. Back in June, I took my first multi-day bike tour, which was in Tuscany. We ended up, I think climbing over 22,000 feet over six days, which for really serious cyclists, is not that much. For me, it was an extraordinary amount. I survived it, but it was a delightful experience.

Arian Lewis:

I bet the food was good.

Curt Roberts:

The food was one of the reasons to do it.

Arian Lewis:

Yes.

Curt Roberts:

Absolutely.

Arian Lewis:

Yeah. I'm picturing you on a bike with my charcuterie board mounted to the front.

Curt Roberts:

No, no, nothing like that.

Karen Zelnick:

It was spaghetti.

Arian Lewis:

Yeah.

Curt Roberts:

No.

Arian Lewis:

A little spaghetti.

Curt Roberts:

No. That would've been really awful.

Karen Zelnick:

Arian, let's get started and let's tell our listeners a little bit about Kiln.

Arian Lewis:

Kiln is a boutique lifestyle brand. We are focused on elevating the quality of life while at work. We currently have locations in Utah, Idaho, Colorado, and California as of this week.

Karen Zelnick:

Amazing. I feel it deserves a round of applause.

Arian Lewis:

Yeah, we're really excited about that. Today, we had a call with our team and we were talking about surfing and skiing and all the great things that you can do across our Kiln network. It's really quite a fun business. Right now, we're expanding across primarily the western part of the United States, and we provide office to companies of 200 and under.

I only say that because we don't have offices for 200, but we have a lot of companies that use Kiln as a home base, even if they're primarily a remote business, they use Kiln to gather and to connect and to build. In Utah, we have over 2,000 members, over 350 companies call Kiln home.

Karen Zelnick:

Impressive. The offices are beautiful. I feel like we should also post a video in our show notes of a walkthrough of some of the offices.

Arian Lewis:

Yes.

Karen Zelnick:

Curt, you were introduced to Kiln at a time where shared workspace companies were crowding a very mature space. What made Kiln stand out?

Curt Roberts:

We first met Arian and the founding team of Kiln several years ago as the company was just getting started. We really didn't have an opportunity to invest early, but we had a sense of what Kiln was about. Arian presented a vision and a confidence about what this company would be that stood out to us as a likely world class entrepreneur. Arian really wanted close partnerships with the venture funds in the area and invested a lot of time and effort in building those relationships with us.

It wasn't really until COVID that Arian and his team offered us the opportunity to take a look. I think, if I remember our conversations Arian, you really didn't have much of a sense that this would be a high probability investment for us. It was kind of like, "Hey, if you want to take a look at this, great. We'll show [inaudible 00:05:29]."

Arian Lewis:

Yeah, we don't sort of fit into your typical pitch.

Curt Roberts:

Yeah, that's right. If you look at Kiln as a real estate company, we definitely wouldn't be an investor in real estate companies, but the business model of Kiln is not that. It's more about the real estate

investors capitalizing the sites. Then, Kiln is a management company over the top that really manages the experience and makes sure that each of these sites is in the right place with the right experience, delivering the right services to the tenants.

We expected, I think, given what was happening in COVID, that even though shared workspace felt like a relatively saturated business, we really believed that these new behaviors of remote work would probably have some durability and that we would see companies over time really not choosing to lease in the traditional old way, having all of their employees come into a central office every day and signing these long expensive leases, with little flexibility about how much space they took.

It's all a long way of saying it felt to us like the right time to make a bet based upon how Kiln has performed, not only during COVID, which was really tricky because nobody was supposed to be in person anywhere, given how the companies performed as COVID restrictions have relaxed and the company is growing and my role as an observer on the board, I see what the plans look like for the continued growth of the company. I think we made a really, really good bet here.

Karen Zelnick:

Good. Arian is smiling. He was like, "Yeah, you did. You made a very good bet."

Arian Lewis:

You did. You made a good bet, but it was more than just bet. I actually think it's a good strategic relationship and one that there's value being added on both sides. We've really been grateful to actually have Curt and Kickstart be a part of evolving our strategy and informing the decisions that we make at the top of the company.

Karen Zelnick:

Could you talk a little bit more about how that strategy has evolved since Kickstart's investment?

Arian Lewis:

I think the big change is that we no longer see Kiln just as an office solution. We see it as a lifestyle brand that is going to actually serve a variety of needs for remote first companies, companies that use hybrid work, and companies that are still looking at the way that they looked at office pre-pandemic.

There's a big spectrum now of the way that people are looking at the use of office, whereas prior to the pandemic, it was pretty standard and it's evolving. The key thing is that flex office comprises less than 1% of office space in the markets that we're working within. It's expected to go to 30% by 2030.

Karen Zelnick:

Wow.

Arian Lewis:

There's a huge amount of opportunity. It's really about executing and understanding what customer that you want to serve.

Karen Zelnick:

The shared workspace is a crowded industry. What fueled your confidence that Kiln would be the new and improved version of what was already there?

Arian Lewis:

It may have felt crowded because there was a lot of momentum around WeWork at the time, but the truth of the matter is that it is a very young industry. If you look at hotels back in the 1960s, pre the Marriotts of the world coming in and building these incredible brands and networks, that's kind of where flex office is at today. I had done and built flex office in London and New York and Tel Aviv and Cape Town, South Africa and Mumbai and Vilnius, Lithuania and Manchester England.

Karen Zelnick:

My gosh, speaking of travel enthusiast. It's [inaudible 00:09:09].

Curt Roberts:

Yeah.

Arian Lewis:

I love to travel as well. I had a really wonderful time building Rise. Rise is a durable brand. It's actually still operating successfully. It just expanded. In fact, there was a new location that launched in Pune, India just this last month. I learned a lot about the product and the way that the product works in different cultures and environments. I began to see the opportunity that was here in Utah.

I actually went to Adam Neumann, the founder of WeWork. I was living in Connecticut working in New York at the time. I met up with Adam and I said, "Adam, I'm going to create a co-working brand in Utah." He's like, "Utah?" He's like, "What is Utah?" Utah is a pretty cool place. There's some stuff happening. He's like, "You got to start a brand like a co-working brand in urban market." I said, "No. I actually want to do suburban co-working in tier two and tier three markets." He's like, "Okay, well, whatever you do, you got to go big. You got to go with 40,000 square feet or larger. You can't make small locations work."

There's some truth to what he's said there actually, but the key thing was I actually talked to Adam and I found that I had a slightly different opinion of what we should do, obviously. I wanted to come to Utah because this is a home court advantage. I'm from Utah. I hadn't been living here for 17 years, but felt like I understood the market and I could see how the things that we did in these major markets like London and New York, if we were to bring that to Utah, that I felt it would really resonate with a segment of the market here and it has.

Karen Zelnick:

Let's talk about the timing. Why was the timing right to start Kiln?

Arian Lewis:

Well, I mean I could give you a couple different answers. I'll give you the honest answer, which is we had tried to spin Rise out of Barclays and turn it into its own company. I had founded the Rise from within Barclays, but it was its own brand.

Karen Zelnick:

Will you tell us, sorry to interrupt you, tell us a little bit about Rise.

Arian Lewis:

I was brought to Barclays from a company called Tech Capital. I was a co-founder of Tech Capital. We took it public on the London AIM market, which is a small submarket of the London Stock Exchange. I had focused in that company on open innovation or the practice of building multiple products with multiple parties, not necessarily building a product through a vertical integration process like within a company.

Barclays was trying to figure out how they could build new products and services with FinTech companies, FinTech startups. I was brought in to figure that out. The way that we decided to solve part of that was that instead of bringing startups into a boardroom and reviewing their deck and deciding, we should go with this one or that one, we said, "No, we actually need to work around these companies and get better exposure in a more casual setting." I convinced them to start a co-working space. I had studied co-working as an MBA student and thought this could be interesting.

We launched the co-working space in Whitechapel, London, which was really rough part of London. We took an old department store that had been abandoned and we turned it into a wonderful co-working space for FinTech companies. We hosted the very first meetups for Ethereum with Vitalik. We had some of the earliest blockchain companies come out of that location, Everledger, Chainalysis, a number of others.

It was very successful. Then, we launched it across the world. The original brand was actually called Escalator, the Escalator. It's a bad name. It's a bad, bad name. Everybody was like, "Is it an incubator? Is it an accelerator?"

Curt Roberts:

No. It's an escalator.

Arian Lewis:

No. It's an escalator.

Karen Zelnick:

It's an escalator.

Arian Lewis:

Yeah. We thought we could come up with-

Curt Roberts:

It moves very slowly, but it actually does go up.

Arian Lewis:

Does go up. Yeah. That was the idea.

Curt Roberts:

Unless you get on the wrong one in case, you're going down.

Arian Lewis:

Yes.

Karen Zelnick:

Then-

Arian Lewis:

Then, you have a problem.

Karen Zelnick:

Then, you're running out, going down.

Arian Lewis:

Yes. The point is it was bad brand, but Rise was the same idea. We launched this thing across the world. It was very innovative for Barclays at the time. We built a 200 million pound venture fund that sat alongside it and invested in the companies. We built an accelerator with Techstars. It's the largest accelerator, global accelerator in the world because we had four locations, London, New York, Tel Aviv, and Cape Town, where we were operating this accelerator.

Then, we built our own accelerators in Mumbai, Vilnius, and Manchester. We had over 90 new products a year being created for and with Barclays. We signed on average about 70 contracts between Barclays and these startups on an annual basis. It really was, and still is, an important engine of innovation for Barclays, which is the fourth largest financial services company in the world, a trillion dollars under management.

I worked very closely with the chief design and digital officer, which is a guy named Derek White, who's now here in Utah. Then, Galileo, I worked closely with the group COO and eventually with the group chairman and CEO. It was an important part of their strategy, but they loved it so much they wouldn't spin it out and so I left.

Curt Roberts:

Was the primary concern that they would lose their preferred position in relationships with these FinTechs if it went independent?

Arian Lewis:

Exactly, but what was happening was Goldman Sachs and Bank of America and Bank Leumi and Mitsubishi Bank in Japan were all contacting us and saying, "We want access to these same startups. Could we 'pay a membership'?" These would not be small memberships. These would be like 5 to 20 million a year memberships.

We thought we could build a global network of FinTech focused co-working locations with contracts with the world's largest financial institutions. We absolutely could have, if there had been a willingness to let go and what it would've done is would've brought even more deal flow to Barclays.

Curt Roberts:

Interesting.

Arian Lewis:

Big companies have a hard time changing [inaudible 00:14:59].

Curt Roberts:

Yes, they do. In fact, for Barclays, honestly, to make that commitment is pretty unusual, I would say for a large financial institution.

Arian Lewis:

Yeah. Well, we started with \$700,000 a budget, and then we got 15 million and then we got 23 million. Then, we raise...

Curt Roberts:

It sounds like [inaudible 00:15:17].

Arian Lewis:

... money actually inside of the company. We went around on a road show inside the company. There were 36 different companies within Barclays.

Curt Roberts:

Yeah. It's interesting you described the experience that way because I had the same experience building Nike Plus at Nike. I was lucky when we started to get \$2 million, convinced the CFO while I was in my car driving home one night to purchase some patents that would allow us to develop the first version of the device. Otherwise, I didn't have anything. We basically had to build a working model of it and ultimately pitch that working model to Apple in order to get any interest on the part of the bigger Nike machine to support it. Yeah, innovation in a big company is a very, very challenging thing.

Arian Lewis:

It allowed me to do something, which is to test out my thinking around the model of co-working.

Curt Roberts:

You learned a ton.

Arian Lewis:

Yeah, learned a lot, learned a lot and had the experience of learning from a world class organization at the same time.

Curt Roberts:

Yeah.

Karen Zelnick:

What were those learnings? What did you take from that that you now implemented at Kiln?

Arian Lewis:

I learned how to identify and understand new markets because I was going again from India to Israel to London to New York, and I was having to evaluate the market and its readiness for the product. That was important. Learned how to build the product. The co-founder of Kiln, Leigh Radford was the creative director for that brand as well. He designed all the locations. Very importantly, relationships

that have now become a really important part of Kiln. I learned how the spaces should function and what worked well and what didn't.

Karen Zelnick:

I really want to dive a couple layers deep on that. Identifying new markets.

Arian Lewis:

Yeah.

Karen Zelnick:

How would you coach a new entrepreneur on how to do that?

Arian Lewis:

Spend time in the market and talk to people. The best kind of data, I think, actually comes from interactions, but you have to have a lot of them. Talking with people, that will give you the best insight. You can pull data, but the funny thing about data is it usually tells you what you want it to, but people don't.

Karen Zelnick:

That's really interesting. Then, for relationships, how would you coach an entrepreneur?

Arian Lewis:

Every relationship that you build is connected in some way, somehow to every other relationship that you build. I left a company once. It was a wonderful eight years I had with this company, Pulte Homes. My dad called me and he said, "Whatever you do, make sure you leave on the very strongest note possible. Leave a company the way you would want to start in a company."

I really thought about that and those relationships from those days have also played into my future. I guess, the key thing is don't burn bridges. Build bridges and do your best to maintain them. Somehow, some way, they all come together in sort of a remarkable way.

Karen Zelnick:

Curt, I'd love your reaction to that, both those things, entering new markets and relationships.

Curt Roberts:

I'll comment on relationships first. I think that insight is exactly right. I'm not sure I've been as effective at that as Arian has, but if I go back over my career personally and this relatively discontinuous jumps that I made from one industry to something completely different, and I've now done that four times. In all four of those cases, the opportunity to do so, presented itself because of relationships I had fostered with people that then initiated conversations with me about opportunities to get involved possibly by changing employment.

People talk about networking as being something that you really need to do. I would say networking for networking's sake is not horribly useful. What made those relationships powerful for me was that the people that then presented me with those opportunities had actually seen my work. They didn't just

know who I was. The fact that they had the chance to see my work as long as my work was good, that presented the opportunity for those things to happen. You don't get that in networking events.

I think part of what Arian is describing is that for those relationships to be powerful, these people have to know you at a pretty deep level. That depth, I think, includes some assessment of your competency and your professionalism and your ability to deliver great work. If that happens, folks will always be there to help you along the way.

Arian Lewis:

Yeah, the thing that we sometimes don't emphasize, especially with younger entrepreneurs is that what investors actually are looking for is patterns. Patterns of success, patterns of resilience, patterns of persistence, patterns of innovation and success. It isn't just, do you have a good business idea, do you have a model? It's really like if we look back through the story of this founder, do we see points of success and strength and resilience along the way?

This is why I think it can be a little challenging if you start a company straight out of college. I think some people, it's going to work for, but I think sometimes if you can say, "Hey, I'm going to take a decade and I'm going to build up a professional acumen and I'm going to show a pattern of commitment and success and hard work," that can really set you up for success as an entrepreneur. It's not just about having the desire to start a company. I have that desire when I built the simulator.

Karen Zelnick:

[inaudible 00:21:14].

Arian Lewis:

I had a snow removal company at 14 years old that I ran for three years, but you know what's funny, is the first people that invested in Kiln, they knew that I was shoveling snow when I was 16 years old at 4:00 in the morning for three hours...

Karen Zelnick:

That's amazing.

Arian Lewis:

... every time it's snowed. They knew that I would shovel whatever I had to shovel here at Kiln to get it off the ground. I think that those histories are really important. They're important part of our own story. If you're a teenager and you want to be an entrepreneur, work hard. Show that you can work hard. Show that you can fail and get back up again. If you're a college student, consider going to work for one of the best firms in the world and being an entrepreneur to a degree inside of that firm and building your professional acumen before you decide that you want to go out and build a business model.

Curt Roberts:

I think Arian's right about that, not just because I've observed it myself, but because the data supports it, very, very clearly. If you look at investment returns across all of venture capital and you correlate those returns to the age of the founding CEO, the highest performing age cohort is founders in their late 40s. We tend to have this profile of a classic entrepreneur as being someone who's quite young.

Karen Zelnick:

[inaudible 00:22:34], yeah.

Curt Roberts:

Yeah.

Arian Lewis:

Well, look at, we have these iconic Bill Gates and people had dropped out of college that kind of started a company and now to become Facebook.

Curt Roberts:

Zuckerberg, yes.

Arian Lewis:

Yeah. That's just not normal. If you really look at the story of those companies, there was usually somebody around that founder early in the journey as well that was bringing some strength and experience that was an important part of the story.

Curt Roberts:

Yeah, that's right. I don't want to make comments that would discourage young entrepreneurs from pursuing their business. That said, I think we definitely do see a general pattern that would suggest that for those youngest entrepreneurs, as long as they know what they don't know and surround themselves with people who help them avoid blind spots that otherwise are avoidable if you experience them on somebody else's dime...

Arian Lewis:

That's right.

Curt Roberts:

... then they're going to be successful. The ones that are challenging, I think, are young entrepreneurs that really do believe that they know everything they need to know, don't listen to advice. Oftentimes, they're going to make some very, very serious and big mistakes. Those mistakes come at cost.

Arian Lewis:

Which can be your critical learning. You can learn from your mistakes.

Curt Roberts:

Yes.

Arian Lewis:

The one thing I will say is that if I were to give myself advice, I would've gone back to myself and said, "There's a few critical things. The first decade of your career needs to be not about earning." I was very focused on earning money. It should not be about earning. It should be about learning. You should try and figure out how you can learn everything possible in that first decade and then see what you can deploy in the next decade.

Karen Zelnick:

That is a very wise perspective, I think, and it really sets you up for success. Curt, do you have any reactions to that?

Curt Roberts:

Yeah, there are certainly opportunities that people can take out of either undergraduate or graduate school that give you both. I had that opportunity, and I had the good fortune coming out of graduate school to go into McKinsey, which was about as intensive a learning environment as you could hope for.

Arian Lewis:

For sure.

Curt Roberts:

I mean, the kind where my brain hurt at the end of every day, and it also paid pretty well. Those things sometimes do come together.

Karen Zelnick:

Did you go-

Arian Lewis:

You know what I see where I see in Utah in particular this being a problem? Direct sales.

Curt Roberts:

Yes, 100%.

Arian Lewis:

You can get locked into really good income and you've built a team underneath you and every summer you're breaking in cash, but you do get to a point in your career where because you haven't built a more broad-based business acumen, you're limited in what you can do in the next phase of your career.

Curt Roberts:

That's absolutely right.

Arian Lewis:

Then, the other thing is, I had a close friend, we both co-founded a company in our teen years. He decided rather than go to school and get professional experience, he was just going to become an entrepreneur. I think that because he wasn't learning from others around him, he was learning through his own experimentation, but I think that there are some learnings that have been harder for him to capture.

All I'm getting at is if you know you're an entrepreneur, if you deep down know that, don't feel like you have to go out and start a company right away. You can work for an entrepreneur, you can work in a startup or in a scale up or in a big corporate that's in an industry you're interested in. It's about learning and then deploying that learning rather than just, I want to start a business. I'm going to go start a company.

Karen Zelnick:

I think that's a really, really great insight. Curt, you said you had thoughts too on both relationships and entering new markets. I would love your insights on entering new markets.

Curt Roberts:

Yeah, I want to actually tell maybe a little bit of a story on that...

Karen Zelnick:

Okay. Yeah.

Curt Roberts:

... to reinforce what Arian is saying, it is all too common and I think for companies large and small to rely upon paid research, quantitative data about markets and market opportunities, that research doesn't tell you very much about what you should build or how you should build it. It might give you a big sense of what's possible, but that's about as far as it goes.

The story I'll tell is around an experience that I observed at Nike. I wasn't on a team that was doing this, but Nike had tried at least four times to enter the world of skateboarding with an authentic skate product that would serve the athlete of that space in the same way that they do in running or basketball or soccer, and had failed. Pretty consistently, if you ask skaters, Nike was seen as a pretender in this space. They wanted to take advantage of the sport as opposed to supporting it.

We ultimately ended up taking this very cagey, savvy Nike veteran who had been around a long time, and we separated him out from the rest of the beast, the big machinery that was just there to rake in large amounts of money in sales. We said, "Look, you've got some budget. Go figure this out." We failed over and over again. We're not ready to accept that we can't be legitimate in that sport. Here's what he did. He went to Orange County, Southern California and hung out at skate parks.

Arian Lewis:

Smart.

Curt Roberts:

He took a designer with him and they would watch these skaters and the designer would sit there and sketch. While the skaters were resting, they'd walk up and talk to them and say, "Hey, we're from Nike. Don't..."

Karen Zelnick:

Don't shut us. Yeah.

Curt Roberts:

... don't shut us. Yeah. We just want to see how you skate and what you do, and ask you questions about what's working for you now and what you wish was better." As a result of that, they would not just gather that information but live and in real time, they would sit there and sketch product and say, "Okay, we're..."

Arian Lewis:

Did they have something?

Curt Roberts:

... thinking something like this. What works-

Arian Lewis:

Did they actually show it to them?

Curt Roberts:

Yes.

Arian Lewis:

That's super cool.

Curt Roberts:

Then, once they had some sort of concepts ready, they invited some of these better skaters up to Nike's Sports Research Lab where they would actually put all these instrumentation on them, slow motion video...

Arian Lewis:

Super cool.

Curt Roberts:

... watch where the forces were and where problems were with the product, where you could see it was compromising, put a first generation of product out on the basis of those insights, relaunched, and really succeeded. I mean, a mainstream skate brand, but it took what people might discount as anecdotes.

Karen Zelnick:

Yeah.

Curt Roberts:

That's not data. That's just anecdotes. It took that level of insight to ultimately create the product that allowed Nike to successfully enter the sport after failing multiple times.

Arian Lewis:

Yeah. All the McKinsey consultants in the world could build-

Curt Roberts:

Could not have done-

Arian Lewis:

Could not have and I do love those stories because the truth is, we think that it's about being really sophisticated...

Curt Roberts:

Yeah.

Arian Lewis:

... and actually most good decisions in business are made on these grassroots basis and on intuition.

Curt Roberts:

Yes.

Arian Lewis:

Intuition is not magic. Intuition is experience, meeting opportunity and experience should be trusted and we can trust when you've synthesized the information in your head and you're somebody that has experience, and then you can trust your intuition, but we do have this thing that we oftentimes shine like, well, we can't make a business decision based on intuition, but I really love the experimentation there. A lot of companies spend a lot of money wasting time when they should just go talk to the customer.

Curt Roberts:

Yeah.

Arian Lewis:

Sketching out a shoe in front of the customer and getting instant feedback, that's totally brilliant.

Curt Roberts:

Yeah. It's what it took to succeed.

Arian Lewis:

I think that companies go through revolutions where they get very confident in their product, and then they find it harder and harder to actually make monumental...

Curt Roberts:

Yes. Yes.

Arian Lewis:

... improvements in their innovation versus incremental.

Karen Zelnick:

Arian, how are you making sure that you don't do that at Kiln, that your innovation doesn't stop?

Arian Lewis:

Well, that's a great question. It is the thing that I worry about the most that we will scale without improving the product sufficiently during that process. We just launched a really cool collaboration with Sundance. We built this cabin on wheels. It's a meeting room in the mountains.

Curt Roberts:

It's quite cool.

Arian Lewis:

It's pretty cool actually. What's really interesting is the response. I've got, I've been getting text messages and emails, "Hey, can I book this? Hey, I got a buddy that wants this." Here in Utah, everybody's ready for the hookup, but not the wrong kind of hookup, by the way for anyone that's listening.

Curt Roberts:

The [inaudible 00:31:19].

Arian Lewis:

Yeah. If they were sending this in LA, maybe it's a little different.

Curt Roberts:

Yes.

Arian Lewis:

In Utah...

Curt Roberts:

Utah is a different definition.

Arian Lewis:

... we have a favor culture, but at any rate, we built this beautiful thing that is totally mobile, that's completely off the grid, that has power and AC powered through sunlight, which is really cool, and it's in the most beautiful environment you can possibly imagine in this Aspen Grove up in Sundance, and is wonderful collaboration with this very forward thinking and thoughtful team at Sundance. It's a step forward for us because we know that we're not about office. We're about the future of work, and that should lead us in a variety of very interesting directions. For example, I don't think we should ever build a meeting room again. I think we should only build film studios where you can have a meeting.

Karen Zelnick:

Say more about that.

Arian Lewis:

I don't think people want to hold meetings anymore. I think they want to hold mini productions.

Curt Roberts:

It's sounding to me like Arian wants to elevate the world's consciousness. Is that [inaudible 00:32:18]?

Karen Zelnick:

Yeah. Yeah. I'm like, this is getting, we're getting deep [inaudible 00:32:21].

Arian Lewis:

Not quite the consciousness. I just think you want your meeting quality to be high. It's not just about a transactional exchange of information, it's about engagement. What I'm kind of getting at is the future of work is very dynamic, and if we just think about where work was 10 years ago and we fast forward another 10 years, work and lifestyle are going to continue to merge. They're going to bleed together and we're going to see that work can be done from a lot of places and people will pick work that enhances the quality of their life, not just their wallet.

Karen Zelnick:

Curt, do you agree?

Curt Roberts:

I do. I think that's right. I think it's, humans create meaning and work it occupies so much of our time that it's really impossible, I think for the balance of a person's life to create that sort of sufficient level of meaning and purpose without work supporting that in a very direct way. Again, it's easy to look at Kiln and its early incarnations as just being an elevated execution of co-working.

When people ask me about Kiln and why we invested in Kiln that are not familiar with the company, it's sort of the easiest shorthand way of describing it. It's like, "Well, so why would you invest in co-working?" "Well, you sort of have to go experience it to really understand why it's different."

One of the companies we invested in, for example, last year, two years ago, occupy space in the WeWork facility in Lehi, and it is absolutely fascinating to go to both facilities and notice the difference between the two. There's a part of me that wants to take a GoPro or just pull out my iPhone and take some video as you walk around the space. The space at WeWork is dead. I mean, it is not an exaggeration.

Karen Zelnick:

Do you mean dead in terms of occupancy or dead in terms of energy and [inaudible 00:34:23]?

Curt Roberts:

Occupancy is definitely low, but it is not designed in such a way that it facilitates collaboration and encounters...

Arian Lewis:

More energy.

Curt Roberts:

... or any energy. You walk into that space and you think, "Okay, I could rent space here, but it wouldn't really be any different from me working in a normal office." In fact, it would be worse in a lot of ways. Then, you go to a Kiln and it's a beehive of energy. It's a just completely different experience, and you really have to, I think, sit down with Arian and Leigh and understand all of the little details about how that gets created. It's almost a Disney-like execution where everything is thoughtfully done. None of this

is by chance. That was a big confidence builder for us that they were onto an insight that was going to be really different.

Karen Zelnick:

I think we need another episode where, because you talked about one of the things you learned was designing product. I think we need to sit down. Curt always talk through how.

Curt Roberts:

I think that would be really cool.

Karen Zelnick:

Yeah, I think it'd be amazing.

Curt Roberts:

Yeah.

Arian Lewis:

Well, we do have, Kiln has over 20 different bespoke products that we've designed, and they may seem simple like a desk, but there's actually a lot of care and thought put into them. A lot of people underestimate the importance of the environment that's around you. For example, a company that's going into an environment where the energy is low, I would argue is probably getting 5% less energy out of their team. We don't have good ways to measure that right now, but it's real.

I think that going cheap on trying to go into Uncle Joe's back office and get some IKEA desks, you're missing the most important thing, which is that you have a very limited amount of time and the only way you maximize that time is through your energy and your output. Any inputs to that energy are going to result in better outputs.

Karen Zelnick:

There is a lot of data around that too and even helping people with ADHD, like actually focus.

Arian Lewis:

Yes.

Karen Zelnick:

There's a lot of psychological things to your space in the [inaudible 00:36:33].

Arian Lewis:

I have ADHD.

Karen Zelnick:

So am I.

Arian Lewis:

Yeah, and a lot of founders are on the ADHD spectrum. I don't know what you'd call it...

Karen Zelnick:

It's-

Arian Lewis:

... but what I'll tell you is that most people at Kiln, they spend less than half their time at their desk. Do you know that?

Curt Roberts:

Yeah.

Arian Lewis:

It's really interesting. They move between these different environments. They might be sitting in front of the fireplace working and then they might go into a meeting room or they might be in a casual area of the space or in the kitchen. Curt and I today, we're in two different environments in the course of an hour...

Curt Roberts:

Right.

Arian Lewis:

... and each of them was kind of fun and interesting in its own way.

Curt Roberts:

Right. I finished a book recently called Joyful written by Ingrid Lee. She was a senior leader at IDEO, which is...

Arian Lewis:

Yes.

Curt Roberts:

... of course one of the best design firms in the world. Each of these chapters dealt with different dimensions of design and experience that actually change human behavior. There's a whole chapter on color. There's a chapter on shape.

Arian Lewis:

[inaudible 00:37:32].

Karen Zelnick:

I love the color.

Curt Roberts:

Yeah. There's a chapter on nature and how nature affects us. Those little insights, to Arian's point, if you get 5% more out of your entire workforce because of the environment they're working in, and I'm not talking about 5% more hours spent at work, it's to 5% more effectiveness. The compound effect of that over time gets huge. The thoughtfulness that goes into the space that people work in, I think is a big deal.

It's one of the reasons why personally, I am betting that this phenomenon of remote work, that pendulum is going to shift back a bit. It's not because we don't want people working from home, it's because the experience of working from home and how people can develop and grow and build relationships is compromised.

Arian Lewis:

There's a lot of information that we don't know yet, which is when we're together, there is actually an exchange of energy...

Karen Zelnick:

Yes.

Arian Lewis:

... that's happening that's [inaudible 00:38:36].

Curt Roberts:

It doesn't happen on Zoom.

Arian Lewis:

We're not seeing it, but it's real.

Curt Roberts:

That's right.

Arian Lewis:

The most complicated problems in the world are not going to get solved by individuals sitting in the solemnity of their own room.

Curt Roberts:

Yeah. There is no question in my mind that you are correct.

Arian Lewis:

If you want to do something great, you need to do it with other people and you need to combine your creativity with theirs.

Curt Roberts:

Yes. Our job, I think, is not just to demand that people return to work. It's to create an environment that they crave going to. I'm using the title.

Arian Lewis:

[inaudible 00:39:10] home.

Curt Roberts:

It's joyful. It's way better than home.

Arian Lewis:

It's got to be better than home.

Curt Roberts:

I want to go there.

Arian Lewis:

Yeah.

Curt Roberts:

Right? That's our job, I think is people who lead companies is to make it such that people simply can't imagine working in any other way.

Karen Zelnick:

I really could talk about this for hours, for hours.

Arian Lewis:

May I say one more thing?

Karen Zelnick:

Absolutely.

Arian Lewis:

All of us sort of intuitively know that our time is valuable, and I have, for many years, thought that the most valuable thing we have in this life is time, but I'm beginning to realize I might be wrong. I think the most valuable thing we have, the most precious thing is the expression of our own creativity and individuality in a way that can impact others.

If we spend a lot of time and don't get that done, then the time is irrelevant, but a little bit of amount of time, I think about Steve Jobs, I mean, if Steve Jobs had been on the Earth a hundred years longer, how would it been? I don't know, but for the amount of time he was, he had real impact.

Curt Roberts:

Changed the world.

Karen Zelnick:

Mm-hmm.

Arian Lewis:

He really did. You need to place yourself in an environment where you can really express the very best of your own individuality and creativity. That usually is drawn out of you through your interactions with others.

Karen Zelnick:

Yeah. I'm geeking out. This is so great, but we do need to wrap up, which is so unfortunate. I think we need to have you back, but we always ask someone at the end of the podcast, we ask them one question and that is, what is an effective practice that you've implemented in your work or personal life that has had a great impact on your success?

Arian Lewis:

When I was 14, I put a tape in my bedside alarm clock that had a 15-minute speech on attitude by Earl Nightingale. You can believe.

Curt Roberts:

I have no idea who Earl is.

Karen Zelnick:

I know. I was like, Earl? Yeah. Earl.

Arian Lewis:

Earl [inaudible 00:41:13] old kind of guru on attitude, and I listened to this thing over and over. Some days, you have to put on an attitude that isn't natural and you have to bring yourself out of a funk. Other days, it's just popping and you're feeling great. I think it's, you've got to be very conscious about the energy that you bring into every situation. I would say that is the thing that has maybe been unique to my success is that I am very aware of what kind of energy I want to deliberately bring into something. Sometimes I don't do it perfectly. I'm by no means like the expert, but I really genuinely care about bringing the right attitude to what I'm doing, but I started that at 14 years old.

Karen Zelnick:

Thanks. Curt, I'm sure you've noticed Arian's amazing attitude. That's probably why you invested in them.

Curt Roberts:

Yeah. Your career teaches you a lot as you go. I like just for fun sometimes to sort of create binaries, right? One of the binaries that I think is a general truism is that people generally fall into one of two categories. There are either energy givers or their energy takers. One of the things I have decided in my life is I want to surround myself only with energy givers. You can't always do that because you don't always have control of everyone that works and lives around you, but Arian, in some ways, what he's describing is a habit that turns him into a consistent energy giver. People crave that. They want to be around people like that.

Karen Zelnick:

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Yeah, definitely. I really love this conversation. I'm personally fascinated by so much of it. Thank you Arian and Curt for being here on the show today.

Arian Lewis:

Cheers.

Curt Roberts:

Thank you, Karen.

Karen Zelnick:

Of course, thank you for listening as we dive deep into what it takes to create a Perfect Pitch. If you want to learn more about our investor, Curt Roberts from Kickstart, or our founder Arian Lewis at Kiln, we'll have a link to the company and a longer bio in our show notes@kickstartfund.com.

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