



# RISE AND SHINE

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PHOTOGRAPHY BY EMILIE SANDY

HAVING HELPED SLEEPY CONSUMERS WAKE UP WITH A  
SPRING IN THEIR STEP, JAS BAGNIEWSKI'S EVE SLEEP  
IS ENJOYING A NEW DAWN FOLLOWING ITS RECENT IPO







**PICTURE THE KIND OF ENTREPRENEUR** attracted to the mattress industry and you're unlikely to come up with someone like Jas Bagniewski. But the co-founder and CEO of eve Sleep, the sleep startup taking the UK by storm, is used to defying people's expectations. "When we showed up at mattress manufacturers covered in tattoos, with long hair and dressed in hoodies, they genuinely thought we were mad," Bagniewski says. "They had no idea who we were, we had no brand and we said 'we're going to sell between 100 and a few thousand mattresses'." From the perspective of some of the largest mattress manufacturers in the world, it must have sounded pretty unlikely that this ragtag bunch of entrepreneurs would make good on their ambition to disrupt bedroom behemoths. Still, one company agreed to the deal – most likely, Bagniewski acknowledges, in an attempt to get rid of them. "When we came back a week later and said 'great news: we sold 6,000 mattresses', the guy almost fell off his chair," he says. "He said: 'Are you nuts? No one in the world can manufacture that many mattresses in a month.'"

Given his background, it's not surprising to hear that Bagniewski isn't one to simply go along with the crowd. Born in Warsaw to Polish parents, his family moved to the UK when he was just three years old. "They didn't really come over here seeking opportunities," he says. "They were effectively asylum seekers because my dad was an anti-communist dissident." As this was decades before Poland's entry into the EU, it was hard for Bagniewski's parents to find work, meaning his family was relatively poor. Fortunately, thanks to the Assisted Places Scheme – which provided under-privileged children places at fee-paying independent schools – the young entrepreneur-to-be was able to secure a place at Westminster School, although he admits his disregard for authority sometimes landed him in trouble. "I always seemed to be the guy who was suspended the most," he says. "I always wanted to do things my own way and never really liked being told what to do." ▶



**A**nd Bagniewski's aversion to walking well-trodden paths meant that even when he graduated from school, he was unsure what direction he wanted his career to go in. He ended up taking three gap years before eventually attending the University of Manchester to study for his undergrad and then UCL for his master's degree. "When I finished uni in 2006, everybody was either going into banking or marketing roles and none of it really appealed to me," he says. "Back then you never really had a sense that you could have a career outside the mainstream." In light of this, Bagniewski decided to take a position consulting in financial services and utilities at Accenture, believing it would at least give him a broad understanding of the world of business. "In reality, Accenture was not a good grounding for that at all: it was very process-driven, massive projects in which you'd only oversee a tiny little piece," he says. "So actually I found it very unfulfilling."

Fortunately, before too long Bagniewski was offered the chance to throw his lot in with some entrepreneurs known for their unconventional, and often controversial, approach to business. Thanks to an introduction from a mutual acquaintance, in 2008 Bagniewski found himself sat opposite the celebrated Samwer siblings, the founders of renowned Berlin-based incubator Rocket Internet. "It felt like I was on a hidden-camera show because within two hours they were talking about me heading up some company in Poland: I really had no idea who these guys were," he says. "But I just thought I would feel like a coward if I said no."

Without a doubt, working under the Samwers gave Bagniewski the crash course in business building he'd been seeking. As well as helping to build out Place Mniej, an auto insurance and financial services price-comparison site, and Zalando, Rocket Internet's flagship e-commerce company, in Poland and the UK respectively, Bagniewski was also tasked with overseeing the British side of CityDeal, a deals website in the mould of Groupon. And while he was instrumental







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in pitching the business when the latter came looking to acquire its German doppelganger, the taciturn Samwers weren't the kind of entrepreneurs to wax lyrical about a job well done. "The day we found out about the sale, Mark Samwer came in and said 'we're not celebrating: it's no big deal, just get back to work'," Bagniewski recalls. "That's the mentality at Rocket and, to be honest, I loved it. I like feeling there's always more to be done."

And there was still plenty for the team to sink its teeth into: the deal the Samwers had struck meant that they would continue to head up Groupon's operations outside the US, meaning that Bagniewski was placed in charge of national platforms for the UK operation. And this led the entrepreneur to a lightbulb moment. "The deals were always local businesses but we began thinking that it would be cool to start doing national level deals," he says. However, while initial deals for Zipcar and Interflora were very successful, when Bagniewski came to leave Groupon, he and his friends – and future eve co-founders – James Fryer and Joe Moore were still keen on investigating how they could create a killer UK-wide offer. "We knew that you needed high-margin products that you could slash the pricing on," he says. "And because with Groupon you could sell five units or you could sell 50,000, it's just dangerous to hold loads of stock so we wanted them to be locally sourced. For those reasons, we decided on mattresses."

Dubbed Zen Bedrooms, it's safe to say manufacturers weren't the only ones shocked by the success of this new venture. "Honestly at the time we were just thinking about it as a little thing on the side," says Bagniewski. "It ended up being the biggest Groupon deal of all time." The first 6,000 mattresses were purchased in a single day, generating £2m in turnover and, after their initial shock, mattress manufacturers began clamouring to help the entrepreneurs meet new orders, particularly as they started to replicate their success overseas. "We did the same thing in France and did 9,000 on the first day, while in Germany it was like 3,000: pretty much every market we went into, we were doing these huge volumes and everybody wanted to work with us," Bagniewski says. "It meant manufacturers took us seriously, gave us great prices and, most importantly, worked very closely with us on developing the product." ►

Despite this huge success however, Bagniewski and his cohorts started to realise they could achieve much more than just undercutting the competition on price: they began to see there was a lot more to consumers' relationships with their beds than their rivals realised. "We always had this sense that so much interesting stuff happens in bed," he says. "We started to receive stories from people saying things like 'our kids were conceived on your mattress' and pictures of dogs sleeping in the beds." With the help of Bagniewski's cousin Kuba Wieczorek, who left his position as head of sports marketing at Channel 4 to join as the company's co-founder and CMO, the entrepreneurs began to look at how they could create a new brand in the sector that moved away from clichés about feathers and clouds and actually encapsulated the life and energy consumers associated with a good night's sleep. "The real insight that we had was that every great day starts with the night before," he says. "The brand grew quite organically from that: the eve of something is always very exciting, while the yellow colour scheme denotes morning, positivity and energy."

However, launching eve would require a little liquid propellant in the form of VC investment: fortunately an old ally had already helped hook Bagniewski up with a fuel source. "When I left Rocket, Mark Samwer introduced me to pretty much every fund in London and said 'meet with these guys, back them: they're great'," he says. By the time the idea for eve had formed, its founders had already established a close relationship with DN Capital and Octopus Investments, quickly netting a £645,000 seed round. Before too long, the VCs followed this up with a £2.5m series A round in late 2015 and a £14m series B round at the beginning of 2016 – although Bagniewski explains this wouldn't have been possible without the support of Octopus director Luke Hakes and DN Capital investor Lawrence Barclay. "They were completely instrumental in the story of eve really: they backed us from day one, every time we needed help they were there and every time we needed to raise more money they put their weight behind it," he says.

But even with an injection of capital behind it, as a new brand eve had to build a whole new customer base for itself. Fortunately, news of its first funding round gave it a PR push that helped get the word out to the British public. "It started in the business press – 'mattress company raises money from venture capitalists' – and then that

## WE SHOWED UP AT MATTRESS MANUFACTURERS COVERED IN TATTOOS, WITH LONG HAIR AND DRESSED IN HOODIES

started to transition out a little bit more out into consumer press," Bagniewski says. And once consumers started purchasing eve's mattresses, the fact that it was a highly recognisable brand in a sector filled with white-label products and customers had 100 nights to return the product if they didn't like it meant that word-of-mouth began to take care of the rest – helped along by some judicious use of social media. "Most people don't even know what mattress they sleep on but with ours if you put a post on Facebook, so many people end up writing 'I got this mattress: it changed my life'," says Bagniewski. "It was just a completely new way of marketing the product."

When eve first launched, its four founders were handling every task themselves but this rapidly became untenable as demand for its mattresses soared. "We started with an aim of hiring people better than us," says Bagniewski. "And that was quite easy – because everyone was better than us – so we started aiming for best in category." Hiring through their own networks to begin with, the founders quickly began snapping up talent from places like Mr & Mrs Smith, Secret Escapes and Made.com. "We attracted people more with our enthusiasm, with our personal ability to connect with them and get them to buy into what we're doing," Bagniewski says. "As a result, eve now has this amazing energy and vibrancy." ►





# EVERY GREAT DAY STARTS WITH THE NIGHT BEFORE: THE BRAND GREW QUITE ORGANICALLY FROM THAT

Thanks to the tenacity of its talent, eve was able to scale its way up until it had a presence in 10 different countries and was pulling in just under £12m in revenue. However, as its profile has grown, so have the number of similar brands keen to emulate its success. “In some ways, you feel quite proud,” Bagniewski says. “It’s definitely a vindication of what we’ve achieved: there aren’t just companies copying what we’re doing but also copying the way that we do it.” But even though many rival mattress companies have sprung up that also offer 100-day trials and operate similar referral schemes, Bagniewski isn’t losing a lot of sleep about the pretenders to eve’s throne. “There’s a reason why we’re the biggest and have secured the most money, the highest profile investors and the best online reviews,” Bagniewski says. “And, in the end, we can’t really do anything else about those other guys so we just let them crack on, wish them luck and focus on our own game plan.”

After all, eve has had some big dreams to focus on: just two months ago the startup launched its IPO, an opportunity that first dawned on Bagniewski and his fellow entrepreneurs when DN Capital introduced them to Paul Pindar. When he sat down with the eve team in 2016, the investor and former chief exec of Capita explained he had recently guided the online estate agent Purplebricks through its highly successful listing on AIM and he mooted the idea of them doing the same. “We thought he was a little bit mad when he suggested that we IPO,” says Bagniewski. “But we kind of loved that because we always felt a little bit mad ourselves.”

While Bagniewski explains that Pindar’s guidance was a useful counterbalance to their “scrappy and reactive” enthusiasm, it’s clear that he still wasn’t impervious to getting swept up in the excitement of it all. “I think we egged each other on a little bit,” Bagniewski admits. Originally slated for 2019, the IPO was soon brought forward at the entrepreneurs’ behest, sparking a game of oneupmanship that saw the date brought forward a further two times to May 2017. And while some sections of the press may have scoffed at the idea of a startup of such tender years floating on AIM, without a doubt eve’s IPO has been a roaring success, raising £35m and giving the startup a valuation of £140m. “What was important about the IPO is the profile that it’s given us as a company,” says Bagniewski. “It completely separates us from the pack of mattress startups who are trying to imitate us. Now it’s very clear as a consumer: you can see eve is in a different league.”

And evidently this is a league eve intends to win: fresh from its IPO, the startup has some huge plans in the offing. “We’re already in most of the markets that we’ve forecasted we’d be in by the end of 2020,” says Bagniewski. “But actually scaling and investing in those markets is the next step.” On top of this, eve is looking to build its brand awareness out so that it increasingly becomes consumers’ first port of call for mattresses and it is experimenting with a concessions model to bring its brand into bricks and mortar stores. But perhaps the biggest step it’s taking is investing in its product portfolio, expanding into far more than just mattresses. “A year ago, we had one product – now we have eight,” he says. “Recently we’ve launched linen bed sheets, a baby mattress and we’re about to launch a bed frame. We also have a lot of really cool bedding stuff coming up.”

Without a doubt, the company seems like it’s on the eve of something great. And while it may seem like Bagniewski has a king-size challenge in front of him, he recalls the advice a former colleague at Rocket Internet gave him when he was attempting to build his first business and was feeling overwhelmed by the enormity of the task. “He said ‘have a laser focus: don’t think about how to build the biggest company in the world – just focus on whatever the next stage is,’” Bagniewski recalls. “If you just think about it as a million little steps, that’s much easier than thinking about one enormous leap.” ✕