

# Lex.

## Dark kitchens/Amazon: fare comment

Music once defined the generation gap. Turn down that racket! Now oldsters are wound up by the “can’t cook, won’t cook” vibe. Millennials are three times more likely to “order in” than their parents. A recipe for profligacy, obesity and laziness, critics grumble.

It is a palatable trend for investors, though. Yesterday Amazon led a \$575m funding round into London-based food delivery app Deliveroo. This reportedly valued the business at \$3bn-\$4bn, ahead of a possible initial public offering. Fears that Amazon will eat their lunch hit Deliveroo’s rivals. Shares in UK-listed Just Eat fell 9 per cent. Those of Germany’s Delivery Hero and Netherlands’ Takeaway.com were not far behind.

Amazon’s investment is a vote of confidence in Deliveroo’s record of innovation. It pioneered “dark kitchens”, where restaurants cook food solely for delivery. This could lower the cost of delivered meals by a quarter, estimates UBS. It might also make it harder for diehard home cooks to complain about the extravagance of ordering in. A shift to dark kitchens and declining delivery costs would reduce the amount a household can save by cooking instead of ordering in from an estimated £13 to £8 per hour. That is less than the minimum wage.

That will not change detractors’ minds. Knocking out meals on an industrial estate could weaken local restaurants and has led to some planning rows. Those are not the only potential roadblocks for the business. More regulations for gig economy workers could damage the business model. Many think self-employed couriers get a raw deal. The parallels with Uber are striking.

But if the costs of meal delivery continue to fall, the growth in its popularity looks unstoppable. Believers in domestic science are right to worry. A century ago, it was common for families to make their own clothes. Cooking might go the way of sewing over time.

---