Innovation finalists: Healthy options are top choice for new entrepreneurs

Tapping into our desire for healthy eating has helped these agrifood finalists come up with smart ideas

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This week in our profiles of the finalists in *The Irish Times* InterTradeIreland Innovation awards we look at three top innovators in the agrifood sector. It's an area that Ireland is hoping will spur economic growth in the years ahead and one where it is believed we have many advantages over our rivals.

Oceanfeed Salmon



Oceanfeed Salmon is a patented feed additive formulated from seaweed which improves the health of farmed salmon, can help repel sea lice and improves taste and texture profile of the fish but more importantly can raise omega 3 fatty acid levels by up to 30 per cent in the fish. This not only improves the health of the fish but ultimately produces a superior end product with health benefits for the consumer.

The new product is manufactured by Co Galway based Ocean Harvest Technology, which

develops and provides a range of natural solutions to enhance the health of the animals, the environment and the customer. The company has created a variety of patented seaweed-based formulas centred on the bioactive ingredients present in different seaweeds. These ingredients allow its feeds to replace many of the synthetic components currently found in many agricultural and aquacultural feed ingredients.

"I have been working in this area for the past 25 years and did my PhD in it," says Ocean Harvest founder Dr Stefan Kraan. "We know which bioactive molecules are present in which species of seaweed and we can combine them to do different things. We add these to fish feed to promote health benefits."

The farmed fish industry has experienced some dramatic changes over the past decade, according to Kraan, and these have had a serious impact on the levels of omega 3 oils in farmed salmon. This is due to the replacement of expensive non-sustainable fish oil with cheaper plant oils containing less desirable omega 6 oils.

Two omega 3 oils – EPA and DHA – are important for consumer hearth health with a number of reported benefits, however some farmed fatty fish such as salmon have virtually no beneficial omega 3 fatty acids left. Since recommended daily intake levels are not met by the general population, fish feed ingredients that increase EPA and DHA concentrations in farmed salmon are highly sought after.

Salmon are natural marine predators and in the wild would consume other fish and other marine life and this would naturally lead to high levels of omega 3 oils in the fish. However, farmed salmon are fed their nutrition and the amount of fish oil they have been getting has

diminished over the years owing to cost and other factors. The fish oil component of the feed has been replaced with cheaper vegetable oil and this not only has resulted in reduced omega 3 levels but in the poorer health status for the salmon.

Kraan explains that salmon are not equipped to digest and process vegetable oils and that this can compromise the fish's immune system making it less capable of resisting sea lice infestation.

"We discovered last year that a novel proprietary blend of micro algae could help speed up the process in the fish's liver which is involved in the production of omega 3," he adds.

This means that instead of having to expensively add fish oil to the diet to boost omega 3 levels, the feed additive stimulates the fish to produce the extra oil itself. This means that the fish do not have to be fed vegetable oils with their immune systems also receiving a boost as a result.

"This is a win win for everyone involved," says Kraan. "The consumer benefits through the health-giving properties of the fish and the processors and farmers benefit as they can get a better price for the fish."

The commercial potential of the new product is enormous. At present 1.4 million tonnes of salmon are produced globally of which 1.2 million tonnes of feed is needed. This excludes the farmed trout sector where the same results have been demonstrated for Oceanfeed. Market reaction has been positive with companies such as M&J Seafood in Britain and Leroy in Norway, the largest fresh salmon buyers in the UK and Norway, accepting that fish fed Oceanfeed are healthier and have better omega 3 profiles.

The ultimate goal for the company is to change current practices in salmon feed and farming using education and consumer power. "We want to educate and convince seafood buyers that a healthier farmed salmon is possible with better taste, improved health benefits to the consumer and ultimately to the environment," says Kraan.

BFree Foods

BFree Foods has been offering its range of award-winning gluten and wheat-free bakery products since its launch in 2011 and has now successfully developed the world's first allergenfree fajita kit which has seen the company make a significant breakthrough in the UK market.

According to BFree junior brand manager Freya Ivory the inspiration for the new product line came as a result of the firm's ongoing engagement with Tesco UK. "When we launched initially in 2011 we naturally kept knocking on Tesco UK's door as they are the biggest multiple in these islands," she says. "However, they just said they already had gluten-free breads and that we would have to come up with something innovative that would satisfy a missing consumer need."

That lightbulb moment came as a result of discussions with the Coeliac Society of Ireland. "They told us that while there were lots of individual gluten-free products on the market there weren't really any meal options that the whole family could enjoy while not alienating the allergy sufferer. The majority of families with coeliacs are forced to make one meal for the non-allergy suffering members of the family and another meal for the one or two allergy sufferers. That was what prompted us to look at the idea of a meal kit."

This also fitted neatly into BFree's own growth strategy. The company had identified that the main growth in the "free-from" food sector was being driven by non-allergy suffering consumers beginning to shop in this category for health and other reasons.

"We wanted to create a new product that was allergen free but also tasted great that would appeal to the healthy convenience eaters that were increasingly buying in the category," says Ivory. "The challenge was to create a new product that was first to the market, allergen free but also tasted great and would appeal to a wider audience. We saw that Mexican food was a hot new food trend and decided to develop the BFree Fajita Kit."

The new product is based on the highly successful allergen-free BFree multigrain wrap which is being sold in Europe, the US and Australia. "We had to work to prolong the shelf life on the wraps to allow them to go into a fajita kit which would need a six-month shelf life," Ivory adds.

"Once we had achieved this, we had to develop a great-tasting allergen-free healthy salsa and put them all together in a box as the fajita kit."

The new kit, which provides a meal for a family of six at just 127 calories per serving, was instantly successful with BFree's existing customers including all the multiples in Ireland and Asda in the UK. However, the big breakthrough came with Tesco.

"At one point Tesco UK had actually asked us to stop calling until we had something new to show them," she says.

"Once we had launched the new fajita kits in all the multiple chains in Ireland we approached

Tesco UK once more. They absolutely loved the kit. They saw the real innovation and the value that it would bring their consumers. Tesco Extra in the UK has a lot of healthy eating options and ran a Lifestyle Food Fair aisle from May to August last year and we were included in that. The kit is now available in more than 1,400 Tesco Express stores throughout the UK and sales from those stores alone have boosted our turnover by €3.7 million."

There have also been spin-off benefits for the firm's other products. As a result of developing the technology to prolong the shelf life of the wrap for the kit, the wrap itself has been launched in Europe to an excellent reception. It is already on sale in Co-op stores in Sweden and Switzerland and the company is in discussions with other major European retailers.

For the future the company will continue to innovate while exploring opportunities worldwide. "We launched into Australia, the US, Sweden and Switzerland in 2014 and we are speaking to retailers in other countries to gauge interest internationally," says Ivory. "We already have a few new product launches planned for 2015 and we are hoping that it will be another exciting year for us."

Dr Coy's Health Foods

A chocolate bar that's actually good for you while tasting nice might sound too good to be true but it has been developed by Irish company Dr Coy's Health Foods and is available in shops around the country. The Dr Coy's bars offer tasty chocolate with health and nutritional benefits: they have lower effects on blood glucose levels, are high in fibre and vitamin E, and are gluten and lactose free.

"When I moved back to Ireland a few years ago I saw a gap in the market for truly healthy snacks," says company founder Alison Stroh. "When I was living in Germany I became aware of oncologist Dr Johannes Coy's research in this area and this prompted me to start thinking about developing a children's chocolate bar for the market here.

"Excess body weight is the most significant nutritional issue of our times. Overweight and obesity are at crisis levels affecting one in four children and two in three adults in Ireland. The World Health Organisation has identified too much sugar as a key contributor. Higher glycaemic food means higher blood sugar which in turn means more insulin production which results in higher fat storage."

The company's products use ingredients which stemmed from Dr Coy's medical research. These include galactose and tocotrienol (vitamin E), which both offer significant health benefits. Tocotrienol has strong antioxidant and anti-inflammatory properties and has been shown to reduce bad cholesterol and strengthen the immune system. Galactose provides energy without increasing blood sugar and has been demonstrated to aid concentration.

Having researched the market in 2013 Stroh decided to develop an adult snack first and launched it last June. "We developed and patented an innovative chocolate range with certified health benefits which does not raise blood sugar levels.

"Our unique value proposition tackles the overweight and obesity crisis with hitherto unused ingredients in food. The Dr Coy's Nutritional Chocolate Bar is high in fibre, high in Vitamin E, gluten-free, lactose-free, tooth-friendly and, most importantly, does not raise blood sugar levels."

According to Stroh, the Dr Coy's range has significant advantages over direct competitors and other snacks which make health claims. "We are uniquely positioned vis à vis the competition in that the strong branding and messaging for our entire range is focused on positive eating," she says. "We appeal to customers who have a desire to eat healthily but do not necessarily have to for medical reasons − for example, 97 per cent of new gluten-free purchasers in the UK are not coeliac. Many healthy snacks on the market are priced between €1.80 and €4.50 in health food stores. We have priced our bars at €2 and have found customers very receptive to this price point."

The market response to the range has been very encouraging with Sir Richard Branson among its early fans. Sales performance has exceeded early projections and expectations. The products are on sale in more than 60 retail outlets including Applegreen service stations, Avoca, Lloyds Pharmacies and Brown Thomas.

"We are also starting to supply SuperValu," Stroh says. "SuperValu really get it and are great at supporting Irish start-up food companies."

The company has been approached by distributors in Germany, the UK and the US, but Ireland and the UK remain the key focus for the time being. "Ireland is the largest per capita consumer of chocolate in the world with women and households with children the biggest snackers," Stroh says. "The market value is expected to grow to €698 million by 2017. The UK snack market is worth £9.6 billion. We are initially targeting the market through health stores, gyms, cafes, delis and pharmacies, followed by the multiples. This route is attractive for us due to the demand for sugar-free healthy snacks and huge on-trend growth."

Stroh says the new range offers consumers for the first time a snack that is not only not bad for them but delivers certified health benefits on a number of levels. "Our ambition is to deliver nutritional education and information and the right products in order to play a part in tackling the obesity and overweight crisis.

"Our ultimate long-term plan is to be the brand for innovative, scientific research-based, healthy nutrition. To achieve this, our goal is not just to tap into the already health-conscious consumer but to convert consumers with poor nutritional habits particular those who consume regular chocolate bars containing sugar, ensuring our positive eating collection crosses the chasm and moves into mainstream. Our top plans for 2015 are to launch into the UK and launch our patented healthy cola drink which has already been prototyped."

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