

New deal will bring herring caviar omega 3 to Malaysia for first time

By RJ Whitehead, 24-Sep-2013

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Omega 3 from herring caviar will find a new market in Southeast Asia following a deal inked last week between Norway's Arctic Nutrition and Holista Colltech of Malaysia that will see the fatty acid added to its supplements.

Founded in 2011, Arctic claims its products are among the strongest on the market and have been proven to have highly positive effects on organ health, joint health and cognition.

Studies also indicate that omega 3 from herring caviar has a profound effect on skin conditions like psoriasis, although such a claim is not permitted on dietary supplement labelling.

However, as Southeast Asia's supplements market is dominated by botanicals, Hogne Hallaråker, Arctic's chief executive, must rely on Holista's local knowledge to spread awareness of herring caviar omega 3 to drive orders.

"It is not as mature a market as you have in the US and some places in Europe, but we are quite excited about how this will develop," Hallaråker said.

"We expect the omega 3 boom that we've seen particularly in the US will find its way to Asia—although maybe in a different format—but dietary supplements and health is just as important in Southeast Asia as in the US and Europe."

Promoting innovation

Holista is market leader in Malaysia with a fish oil called Pristin, but Rajen M, the company's founder and chief executive, believes the brand could benefit from greater innovative.

"Fish oil is going to grow, more so now," he told us. "Its because of the way it absorbs into the target organs, and how the body effectively uses it—phospholipids are the next step; the next generation.

"Adding marine omega 3 phospholipids to Pristin would be a smart thing to do. And I have been very interested in looking at herring caviar protein. The market for marine proteins is going through the roof worldwide, more so in Asia, and especially in China."

Demand in China for collagen and marine proteins is strong because of its place in traditional medicine, and research suggests that herring caviar protein holds a number of benefits over plain marine collagen, which should be good for the Malaysian market—in which almost one-quarter of the population is Chinese.

"Number one, herring caviar protein is not hydrolysed, so it's intact," explained Rajen. "Also, it's much more stable because of the phospholipids that are there. The oil is already invaluable, but you also have the protein in the fish eggs, which in Asia is bound to do very well."

Breaking through botanicals

However, as is often the case in emerging markets, introducing new products requires a sustained awareness campaign, especially as this in a region where there is already a strong knowledge of botanicals.

"The concept of omega 3 phospholipids is that it has a higher bioavailability towards the target organs. So what we try to do is demonstrate the uptake of our product to the organs and the brain and measure it as compared to other omega 3 forms," said Hallaråker.

For Rajen, the market strength of botanicals is not a barrier for the introduction of a new fish oil.

"I think the botanicals market is splintered. There are many types, and within them there are many different groups. Omega 3 is a segment by itself, and while you may not have a botanical running in your blood, you have omega 3 running through your system right now.

"In nutrition, we need essential fatty acids—that's part of our make-up—so we must take it from our food. But the sad fact is that most of our food today is either deficient in omega 3, or contaminated, so we can't take a lot of it. And the idea of omega 3 supplementation is growing worldwide. I think the next generation here is very

open to it."

With hopes that the Holiata deal will open the doors on Asia's potential, Hallaråker expects to see that market as a bulk player with shipments of 10 tonnes likely by 2014. Though this isn't a huge quantity in the fish oil category, he points to his product's niche and high-end position, with a price similar to krill oil.

"What it represents for us as a small company is a nice add-on to our existing portfolio. Also, greater awareness always brings greater competition between new products, so it will be good to set up our position early on within the fish oil market."

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