

FISHERIES DIVERSIFICATION PROGRAM

Productivity and Product Enhancement

Project Summary: FDP 17

2002

Sea Kelp Health Products Developed and Marketing Goals Pursued

This project involves the marketing and development of certain types of seaweed or kelp found near Ramea as new health food products.

This project assisted Newfoundland Aqua Products Inc. (NAPI) with the design and construction of a prototype food grade product shredder, the hiring of a full-time marketing person and improvements to the company website - www.nfkelp.com.

Background

Newfoundland Aqua Products Inc. produced and sold the first encapsulated marine plant nutritional supplements every manufactured in Newfoundland at Ramea in 1998. From the harvesting to the bottling and labeling, all aspects of the creation of these new kelp products were completed in this province. One main goal since those times has been to try and secure a number of contracts with distributors and manufacturers for their products under the Seavite™ name. The company also sought others who would be interested in buying bulk amounts of their products. The company has been told by a number of business contacts that the marine plant industry has great potential and is just at the start of its growth potential as people accept marine plants as part of a healthy lifestyle.



One of many kelp products available.

Methodology

This company has been inspected and is regulated by the Canadian Food Inspection Agency. Their harvesting sites and processing methods are Certified Organic. The species available in commercial quantities are *Laminaria digitata*, *Ascophyllum nodosum*, *fucus* species and *alaria esculenta*. The company employs up to 11 people who harvest the marine vegetables with knives and scissors. The company has been careful to develop a harvesting plan based on an approved crop rotation system with a strong priority on sustainability. Once harvested, the wild plants are sorted, processed and stored.

Canada



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and Labrador

Results

Newfoundland Aqua Products attended a number of trade shows as part of this project, including a Canadian Health Food Association Exhibition in Ontario and the Expo East Health Food Exhibition in Maryland. At St. John's the company attended an Advanced Technology Forum, Nutraceutical 2000, the Health and Wellness Trade Exhibition, the Healthy Living Trade Show and the Canadian Manufacturers and Exporters Manufactured Right Here Exhibition.

At Corner Brook the company marketed at the Manufacturers and Alliance Trade Exhibition, the Agri-Foods and Garden Show and a National Gerontological Conference while at Gander they exhibited at a Hospitality Newfoundland and Labrador conference and the first Rural Expo.

Additional development of their website, using a local web design company (Delweb), has meant an expansion of worldwide sales through the internet, especially in Canada and the United States. The company has also secured "seavite.com" and "thekelpshop.com" for further expansion.

Furthermore, the company found local newspaper and magazine ads, coupled with the 'Manufactured Right Here' television ads, expanded the local market, assisted by new posters and brochures.

The company carried out a number of development plans during this period, including some test marketing of potentially new products, with packaging and labeling. More details are found in their final report to FDP.

A new shredder was also designed by NAPI staff and built to their specifications, assisted by this program.

Conclusion

From the start of their FDP contract to their final report, Newfoundland Aqua Products Inc.

report they have seen a doubling in the number of outlets and sales for their products with almost 80 Newfoundland outlets alone.

While there are cultural barriers among many people (especially outside Asia) towards placing sea vegetables on their plate, the consumption of kelp has generally been increasing as a seasoning or herbal supplement, they report.

NAPI is confident main stream consumers will use more marine plants once they know the value of the products as part of a well-rounded and healthy lifestyle.



The company's website has meant worldwide sales.

**Department of Fisheries and Aquaculture
Government of Newfoundland and Labrador**
P.O. Box 8700, St. John's, NF, A1B 4J6
Call: 709 729-3732 / Fax: 709 729-6082
Web: <http://www.gov.nf.ca/fishaq/FDP>
(Or a DFA Regional Office near you)

The \$10 million Fisheries Diversification Program is part of the \$81.5 million Canada-Newfoundland Agreement Respecting the Economic Development Component of the Canadian Fisheries Adjustment and Restructuring Initiative.