

Vinnsla og markaðssetning íslenskra eldisafurða - Hvað getum við lært?

Sigurður (Siggi) Pétursson, founder of Novo Food

10. November 2022

Sjávarútvegsráðstefnan, Hörpu



- Novo Food short intro
- Aquaculture
- From source to fish on dish
- Customer
- Fresh seafood from Iceland
- France seafood market
- France salmon market
- HORECA
- Retail

- **Novo Food short intro**
- **Aquaculture**
- **From source to fish on dish**
- **Customer**
- **Fresh seafood from Iceland**
- **France seafood market**
- **France salmon market**
- **HORECA**
- **Retail**

All in the family

Novo ehf. in Iceland and owner of Novo Food sarl. in France and its subsidiaries was founded in 2006 by two Icelandic couples, each bringing their education and expertise to the table.



Gudmundur Stefansson
CEO
Ph.D. Food Science



Thora Vala Haraldsdottir
Head of France office
Engineer



Ingibjorg Valgeirsdottir
Head of Iceland office
B.Sc. Physiotherapy



Sigurdur Petursson
President of Board
M.Sc. in Fisheries

Gender equality in management

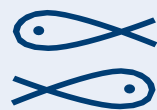
In Novo Food processing and distribution setup there are more male workers but gender equality in the management of the company.



Novo Food is the supplier of total solutions of fresh and frozen seafood with main source from Iceland for all market sectors in France, Europe's largest seafood market.

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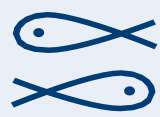


Sourcing

Sourcing setup with own employees in Iceland and France

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Sourcing

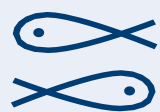
Sourcing setup with own employees in Iceland and France



Production

Boulogne Seafood is the value-added production facility located in Boulogne-sur-Mer where most fresh seafood products are distributed to wholesale, HORECA, and retail markets.

BOULOGNE
SEAFOOD



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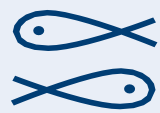


Wholesale & Distribution

Novo Food and Nordvik focused on wholesale, and industrial sales (B2B) with own distribution center (Nordvik)

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Novo Food and subsidiaries

90 employees and 41 million Euros in turnover

BOULOGNE
SEAFOOD



NOVO
FOOD

Aquaculture and wild harvest

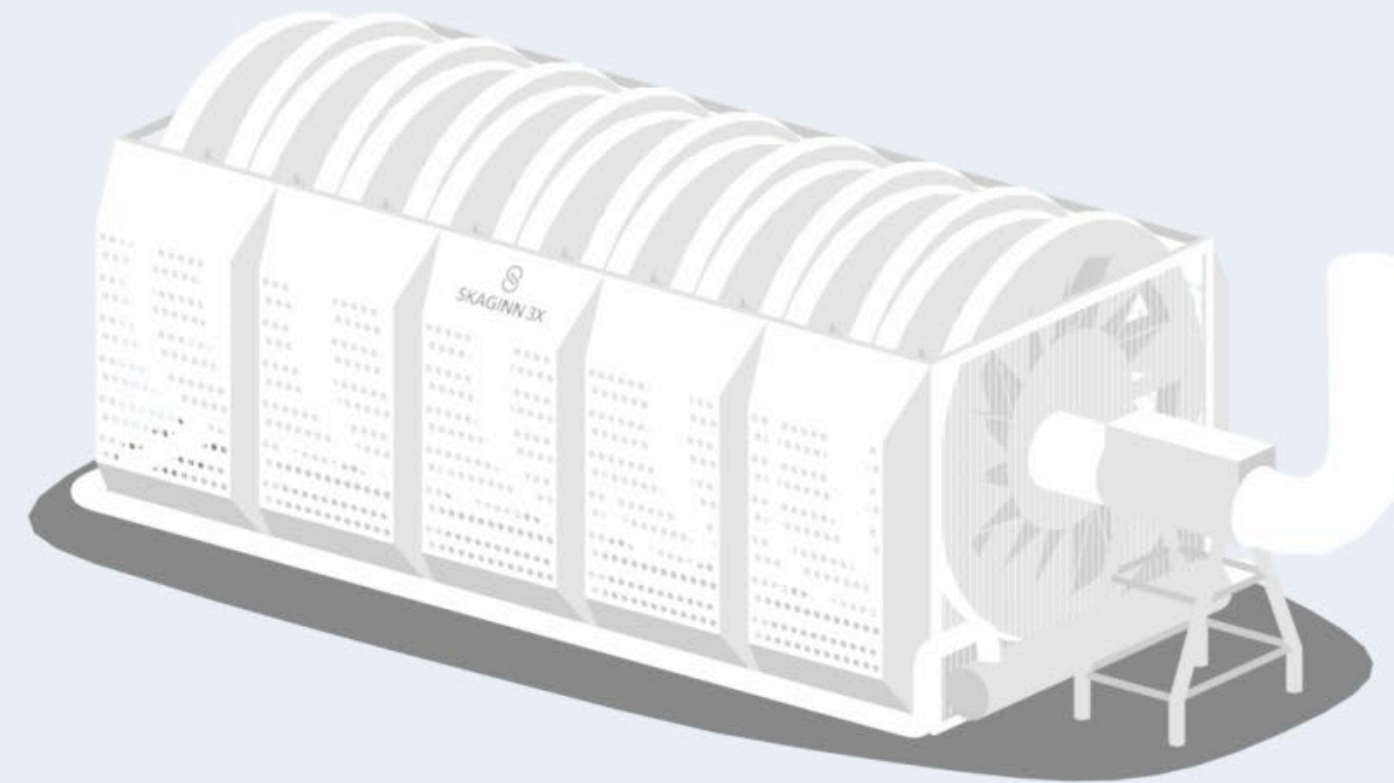
- Main fish species in 2021

Salmon market

- Sold all around the world
- The main markets have limited domestic salmon farming
- Lesson to be learned (“Hvað getum við lært?”):
- Investment in marketing and setup of value-added processing and distribution centers in each market area
- Marketing both by Norway Seafood Council (4.300 M ISK for 2022) and individual companies

Over 80% as fresh HOG

- Cooling – supercooling technique
- Improvement in packaging technic
- New possibilities in transportation (i.e. salmon from Iceland mainly shipped in containers to USA)



Over 80% packed as fresh HOG

- Cooling – supercooling technique
- Improvement in packaging technic
- In Iceland well over 95% packed as HOG in styrofoam

Filleting and portioning

- Marel with leading position in technique
- Increasing filleting of pre-regor quality at source
- For fresh products in consumer package mainly processed at market (see later in the presentation)



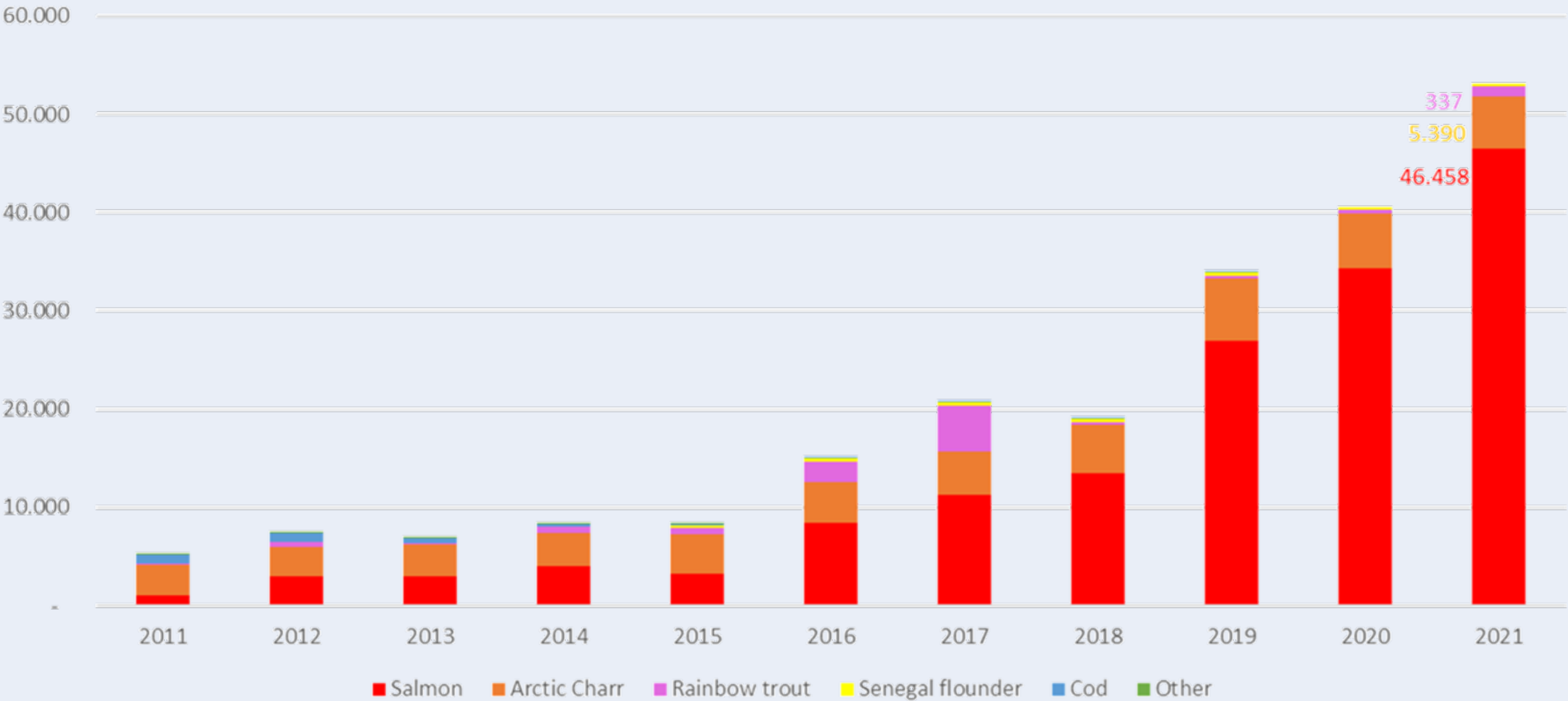
Frozen salmon

- Some trade of HOG frozen and fillets but mainly as portions
- Usually processed at source (around 50% proportion in Faroe Islands)

Aquaculture in Iceland

- Salmonids (salmon, arctic charr and trout) 99,4%

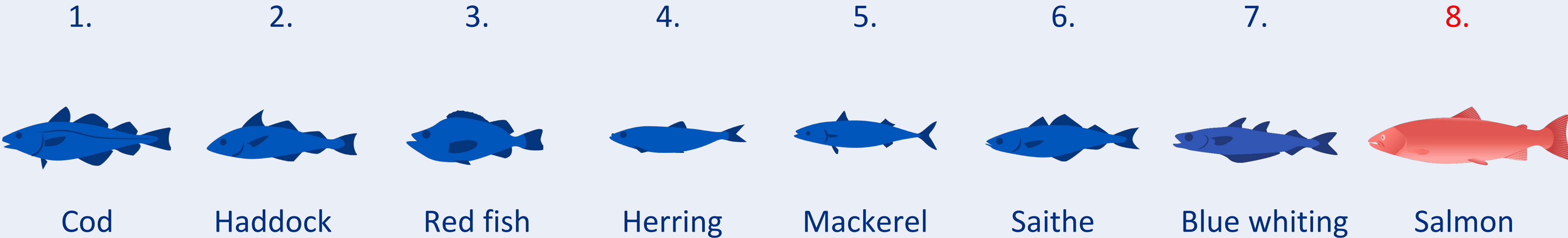
Aquaculture in Iceland (wet weight mt)*



Salmon	87%
Arctic Charr	10%
Rainbow trout	2%
Senegal flounder	0,6%

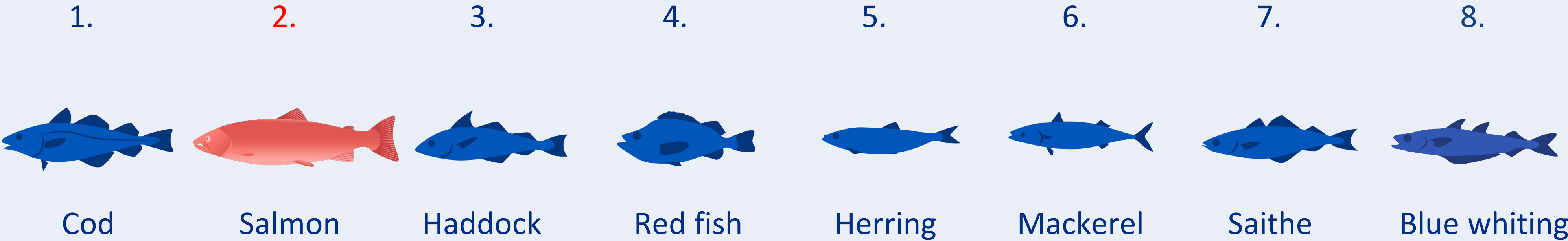
Seafood export value in Iceland

▪ 2016



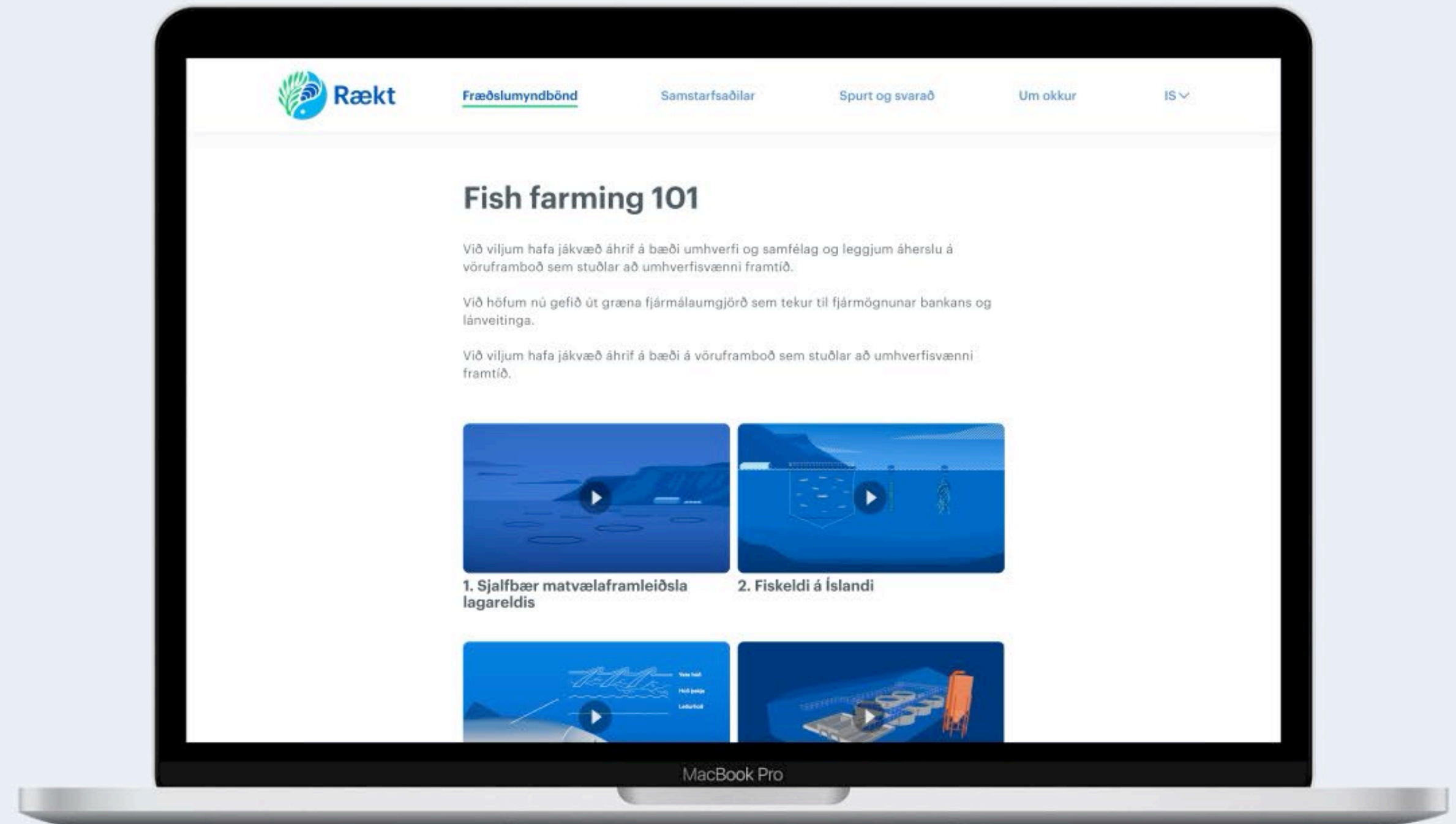
Seafood export value in Iceland

- 2020 salmon second most valuable
- 2021 export value increased by 36% (world record), 12% of total export value of seafood and 5% of Iceland total export revenues



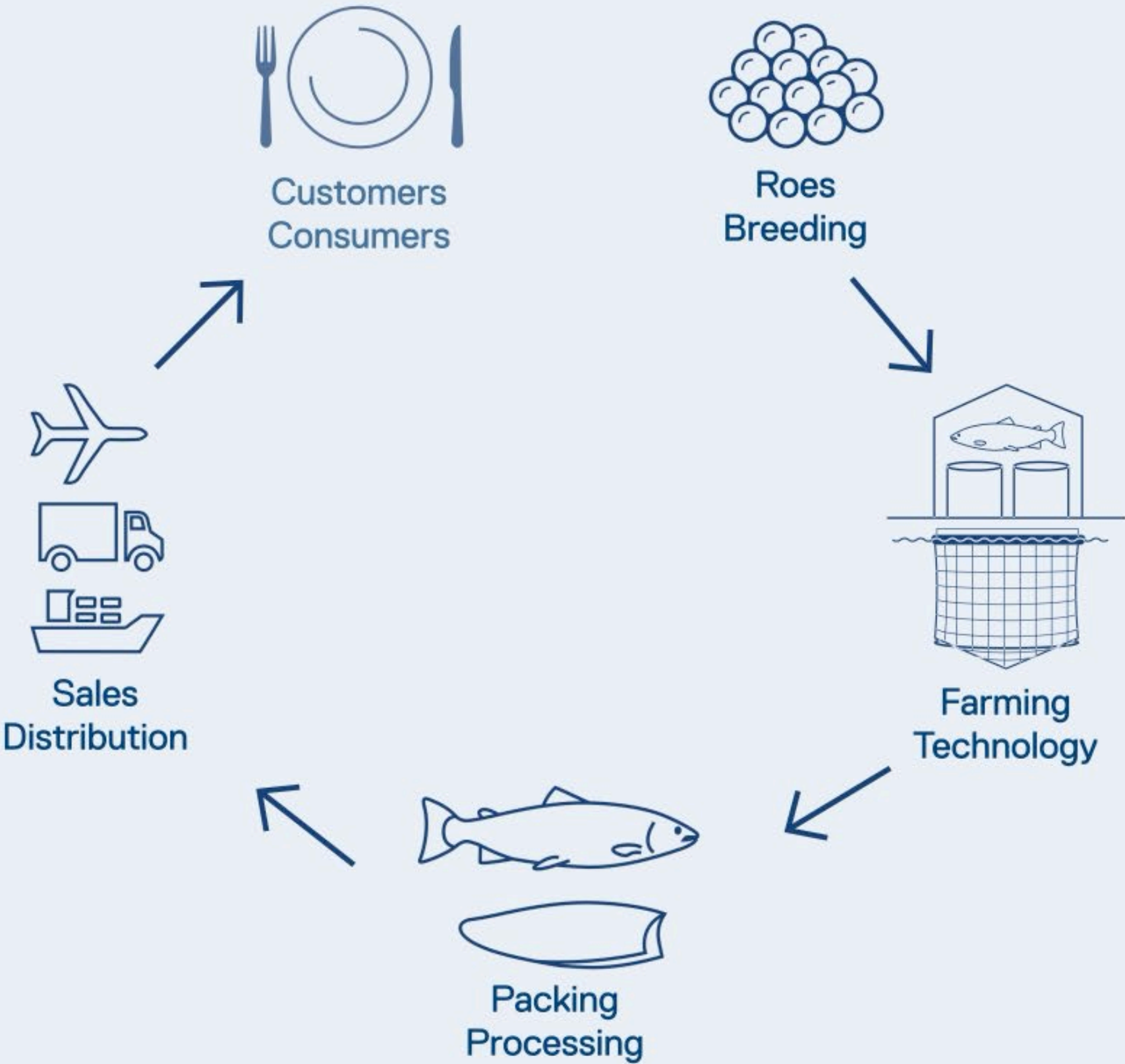
Supply chain – Fishfarming 101

- From roe to fish on dish
- E-training: “fishfarming 101”
- Based on conditions in Iceland
- See www.lax-inn.is and www.raekt.is



Fish farmer?

Working on each step of the fish farming



Customer is the King



Monsieur François Saumon

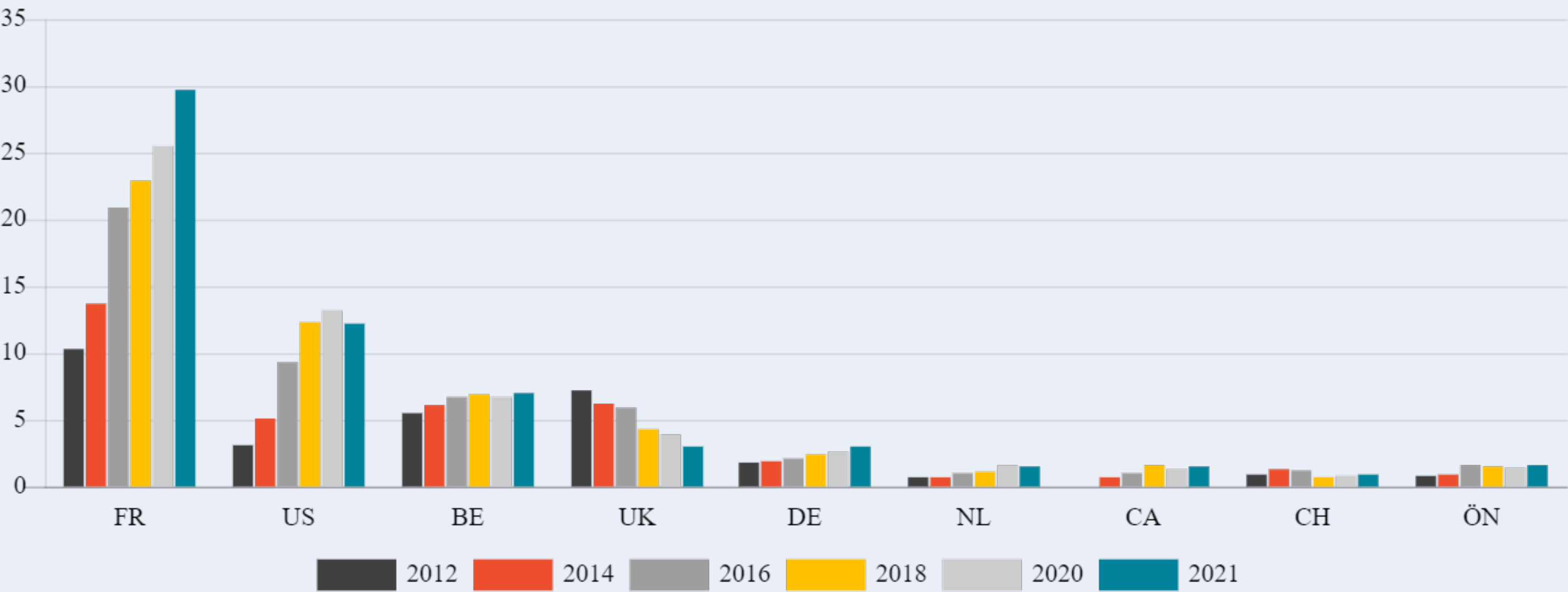
- One of 65 million habitants
- Health conscious
- Likes the variety of salmon possibilities
- Smoked on his baguette in the morning
- Sushi with friends during lunch
- Pan fried for the family in the evening
- Seafood consumption 33 kg/yr per capita in France
- Seafood consumption 16 kg/yr per capita in Iceland



France is Iceland largest import market for fresh seafood

Main export countries for fresh seafood (wild and farmed) in value 2012-2021

íin million ISK based on fixed currency exchange 2021



Source: Radarinn (based on Statistic Iceland), Eurostat

France is Europe's largest import market for seafood

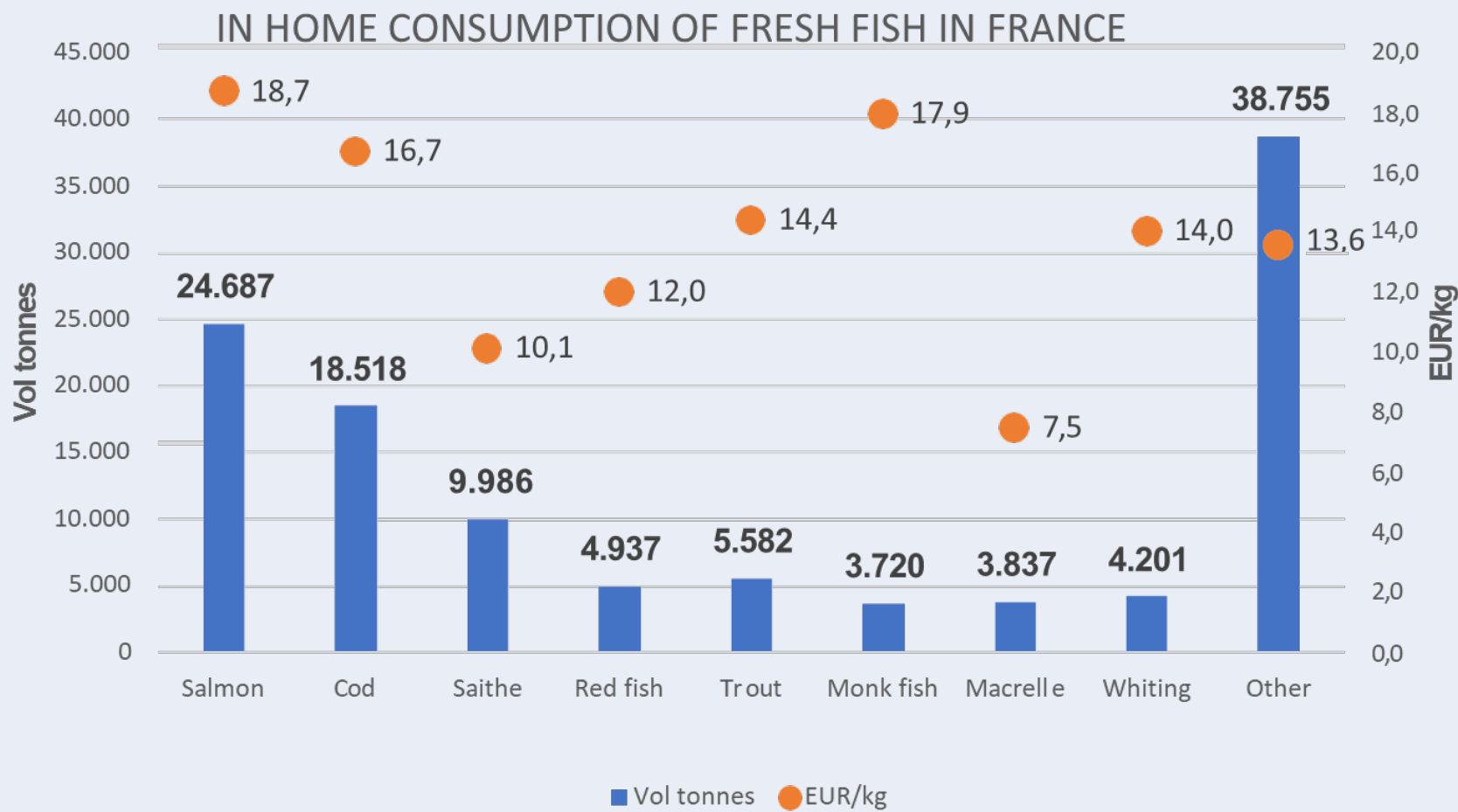
- Iceland main market for fresh seafood
- Biggest importer of seafood in Europe
- Most of fresh seafood distributed from Boulogne sur Mer
- Location of Novo Food also Mowi and other big aquaculture companies
- All which offer both aquaculture and wild harvested seafood products in wholesale and retail formats
- "Hvað getum við lært?" - "Lesson to be learned!"

MOWI[®]



France is Europe largest seafood market

- Main specie in France is salmon (followed by cod and saithe)
- The biggest consumption per capita for salmon in the world



Source: France AgriMer, Eurostat (2022)



France is dominated by retail sales of seafood

- About 30% restaurant and food service (HORECA)
- About 70% in retail (supermarkets)



Salmon in supermarkets

- 6 supermarkets chains with over 90% of the market share

Salmon in supermarkets

- 6 supermarkets chains with over 90% of the market share
- Novo Food with contract to all these customers

Market share, French Supermarkets 2019*



*Source: FranceAgriMer 2020

François

- Prefers pre-packed salmon than from fresh fish counter
- Selects his salmon based on several factors



Main decisions factors

- Packaging, best before date and price
- Presentation: color, texture, portions etc.
- Accessibility, packaging and easy to prepare (cook)
- Label and sustainable certification
- Health claims and nutrients
- Origin
- Environmental matters – carbon footprint

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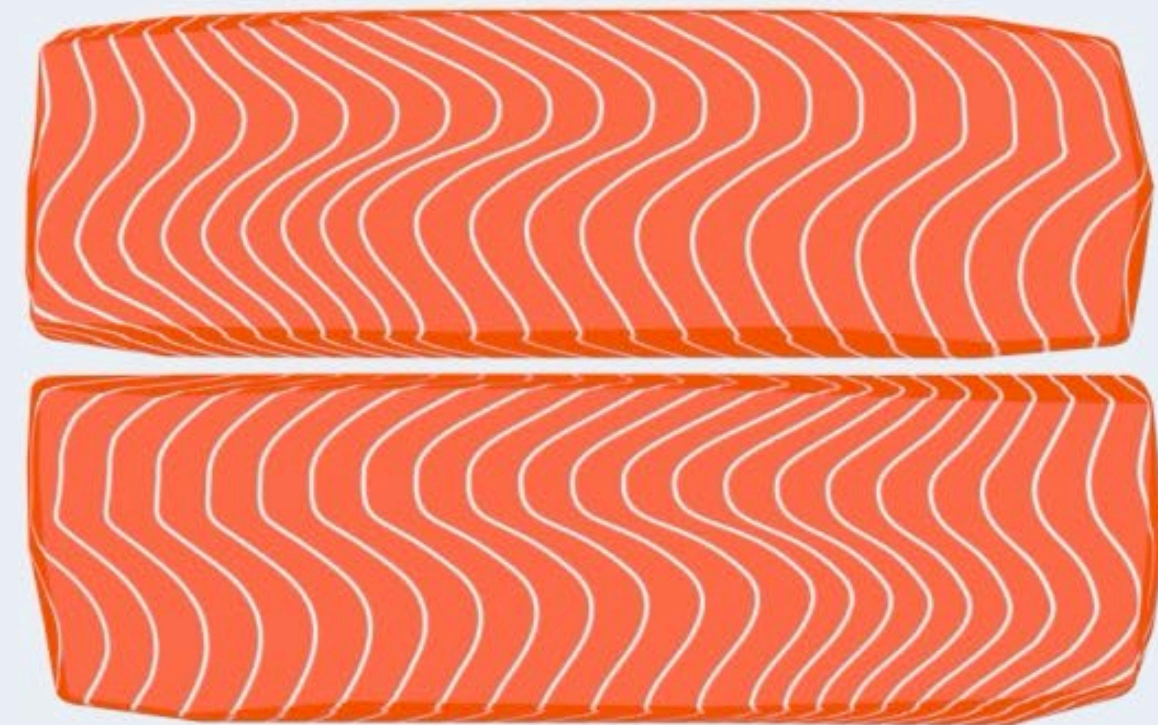
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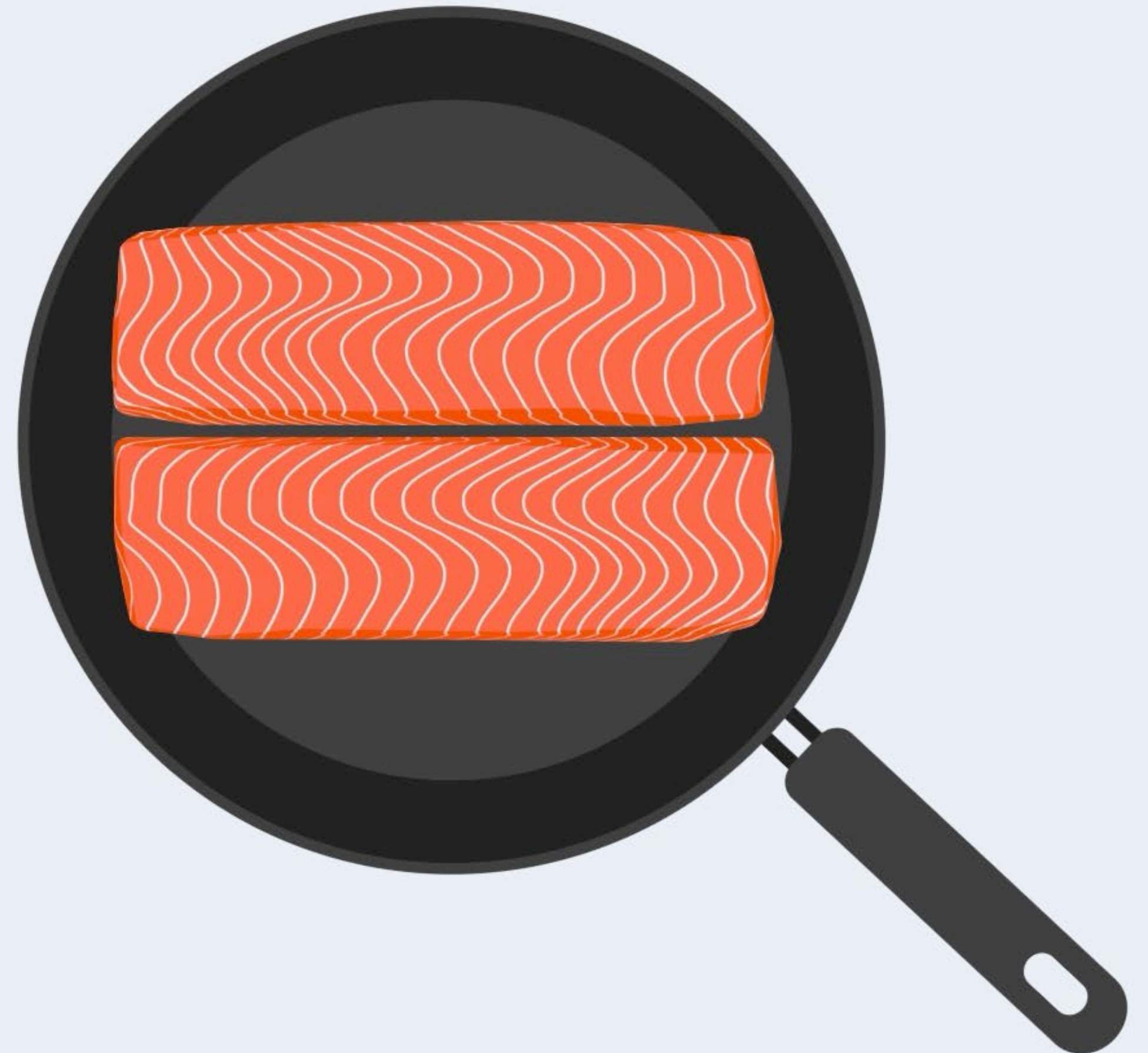
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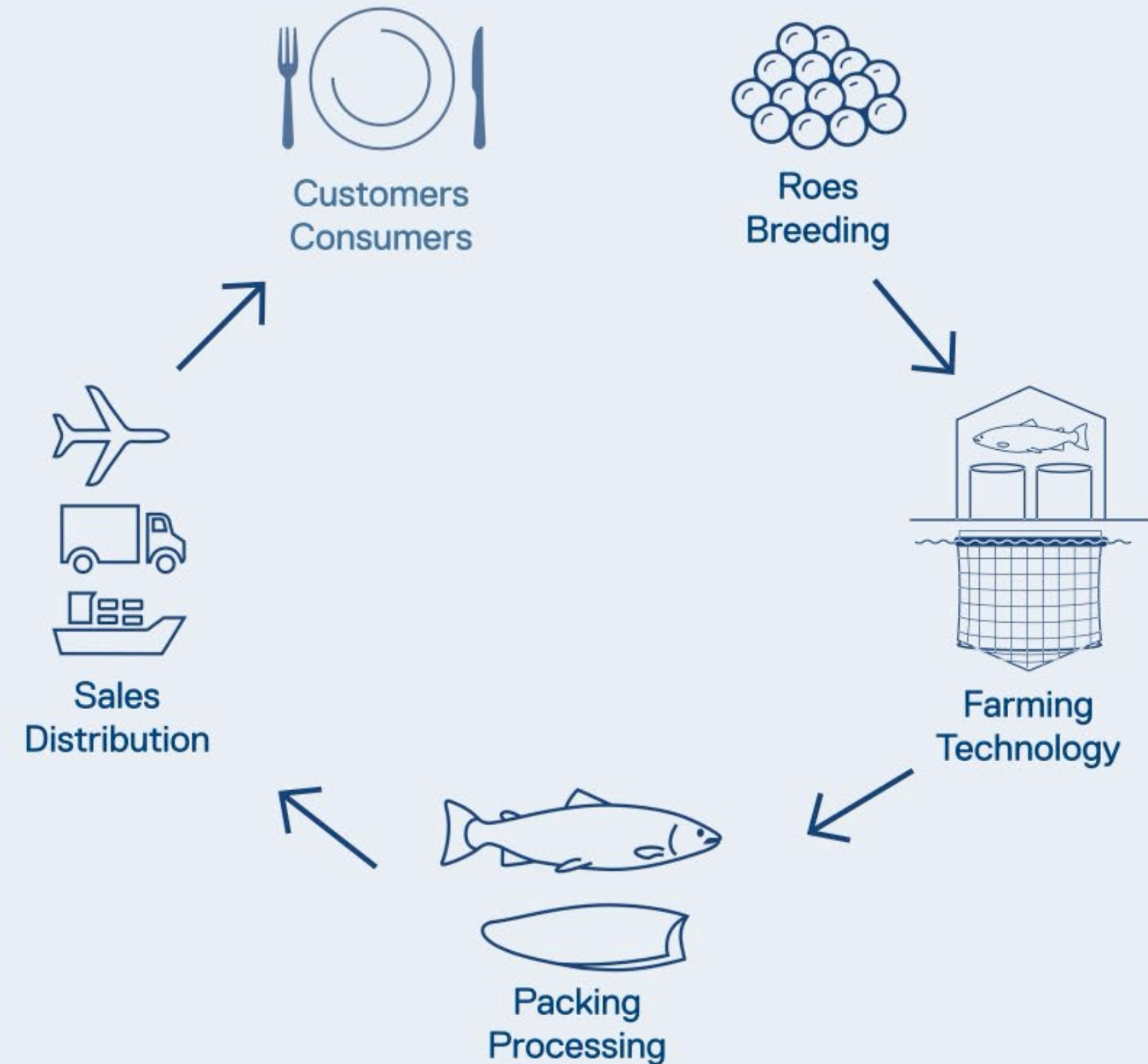


Seafood from Iceland – “Saga”

- Marketing is story telling
- We have good “saga”
- Reaching back to the Vikings
- Linked to the “pecheurs d'islande”

Lesson: marketing and value-adding processing

- Marketing is needed to “tell the saga” of Icelandic origin seafood
- Is the lesson to be learned (“hvað getum við lært”)



Novo Food strategy is to offer our customers total solutions of healthy, nutritious, and environmentally friendly seafood.

Through own sourcing, processing and distribution setup run by good experienced staff Novo Food and its subsidiaries have good possibilities for further development in Europe's biggest import market for seafood.