

With its own fleet of modern fishing vessels to secure sourcing, Faroe Seafood looks to extend its range of value added products after tough years of its expansion and consolidation.

FOLLOWING RAPID expansion and consolidation over the last few years with rationalization of its activities, Faroe Seafood, the Faroe Islands' largest producer and exporter of seafood products, is looking to broaden its product range to accommodate growing demand from the convenience foods market.

"We are working to sharpen our focus on value-added products with regard to the general retail market and convenience foods," said CEO and President Meinhard Jacobsen. "This means bringing in a whole array of additional new technology, including X-ray systems in processing, to increase product refinement and reduce running costs while also increasing the spread of expertise throughout the entire company."

Mr. Jacobsen said that while Faroe Seafood already offers a diverse range of products, both under its own banner and under a variety of trade names that include many well-known retailers throughout Europe, the company's product range will be augmented with additions to provide buyers with a greater diversity of specialist and standard prod-



FAROE FISHING GIANT TO EXPAND PRODUCT RANGE

ucts including greater choice of saithe portions.

"We are already the number one overall supplier in Europe of saithe portions," Mr. Jacobsen said. "One of our objectives is to become the number one supplier of fresh saithe portions as well." Faroe Seafood has ceased operations at its Miðvágur plant owing to losses, leaving production concentrated around its Tórshavn, Runavík, Toftir, Vestmanna, and Vágur facilities to process the saithe products that have been the cornerstone of the company's business for many years.

Saithe has remained a strong product through the last few difficult years which have seen fluctuating prices for higher-value species. Saithe is a high-

quality, relatively low-price fish that tends to hold a steady value that can be affected more by the availability of Alaska pollock and the price of fuel than other factors.

MORE THAN 35,000 MT: Faroe Seafood has expanded its portfolio of products from straightforward blocks to a variety of products that now include fresh fillets to the German market and fresh portions for French consumers.

"We have worked hard to build up a position as a trusted supplier," Mr. Jacobsen said. "This effort was reinforced by the acquisition of fishing vessels to give us a vertically-integrated operation."

"As a preferred supplier, we have taken extensive measures to avoid any

Processing saithe in Tórshavn; CEO Meinhard Jacobsen (bottom left); the Stelkur hauls in a good catch (bottom right).

tirely reliant on landings from vessels we had no control over," Mr. Jacobsen said. Now with nine vessels of its own, Faroe Seafood receives a more predictable and reliable stream of around 65 percent of the raw material it needs, with the remainder bought at auction as required.

"We have obligations toward our customers, and with our own guaranteed supplies, the reliability of delivery of the end product is greatly increased," Mr. Jacobsen said. He added that no more acquisitions are planned as the company is now concentrating firmly on a process of internal consolidation and development that will provide a more stable working environment for all concerned.

"On the fishing side, we have made several innovations by introducing technology such as electronic log books for our vessels and putting a serious emphasis on traceability throughout the whole chain from catch to the display shelves."

The modern vessels in Faroe Seafood's fleet—the majority of which are pair teams built since 2000—also present new opportunities for efficient and environmentally friendly operations, with a systematic approach to fuel consumption.

Faroe Seafood is the local giant of the Faroese fishing industry, employing more than 800 staff across its factories and vessels. The company exports more than 35,000 metric tons of produce each year, of which the bulk is the saithe products that form the basis of its operations, complemented by cod, haddock, and salmon products.

link with IUU [illegal, unregulated, unreported] fishing and to ensure that all of our raw material comes from sustainable sources. Alongside that, we have a strong track record, first-class internal procedures to monitor and maintain quality control, plus excellent traceability that goes all the way back to the codend arriving on a trawler's deck."

While the company earlier sourced its fish at auction and from independent operators, direct access to raw material eventually became an essential requirement, leading to the decision to invest in sourcing capacity by buying existing fishing operators.

"It wasn't a healthy situation for a company that buys 40 to 50 percent of the fish landed in the Faroes to be en-

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Integrated seafood processor and fishing company.

Own brands: Faroe, United Seafood.
8 processing plants;
6 fully owned trawlers, 3 partly owned.

Fresh fillets and portions from saithe.

Frozen fillets and portions, IQF portions and block products mainly from saithe, haddock.

Wet salted split fish and fillets from cod, ling and tusk.

Frozen salmon, IQF and vacuum packed portions for retail/catering.

Pair trawlers (464 GT):
Bakur FD 1201 and Stelkur FD 1202

Pair trawlers (610 GT):
Rókur FD 1205 and Lerkur FD 1206

Pair trawlers (665 GT):
Falkur FD 1204 and Heykur FD 1203

Pair trawlers (299 GT):
Jaspis FD 1060 and Ametyst FD 1070

