

# Omega-3s to have long life in European food industry

**30/06/2004 - Of all the functional food ingredients currently available, the future for omega-3 polyunsaturated fatty acids (PUFAs) looks the most promising, according to an analyst at market research firm Frost & Sullivan.**

Growing consumer demand for fortified foods has helped foster a European market worth \$195 million (€161m) for omega-3 PUFAs, accounting for 28 per cent of the global market volume.

Omega-3 fatty acids are lucrative for a number of reasons, outlined analyst Kathy Brownlie. One is the vast storehouse of well-documented research available - omega-3 PUFAs have been subjected to numerous medical and clinical trials by ingredient suppliers as well as independent organisations. This keeps them ahead of other competing ingredients like phytosterols for inclusion in a food or beverage product.

*"This also allows some of the minor players on the market to get involved without big investment in R&D,"* Brownlie told NutraIngredients.com.

Further, omega-3 and omega-6 PUFA sources such as marine oils, flax oil and algae oils have a long, safe history of therapeutic use and some components have even been patented for use in pharmaceuticals targeting specific health conditions or diseases.

However, the most significant advantage these PUFAs have over other functional food ingredients is that like vitamins and minerals, omega-3 and omega-6 fatty acids are considered essential to well-being, providing a multitude of benefits unmatched by any other food ingredient.

*"Increased media coverage and product availability have helped differentiate omega-3 and omega-6 PUFAs from saturated fats, promoting omega-3 PUFAs as 'good fats', which are an essential part of the diet,"* said Brownlie.

*"Most industry experts agree that more Omega-3 PUFAs need to be incorporated into our diets,"* she added.

Recent analysis by Frost & Sullivan shows that while the annual growth rate for the total European omega-3 PUFA market in 2003 was 11 per cent, it is likely to stabilise at a lower rate of 8 per cent in the coming years. Europe is a more mature market compared to the United States where some key market participants are experiencing growth rates of over 20 per cent.

On the other hand, an unclear legislation requirement in the European Union remains a challenge for the PUFA market. The absence of a specific recommended daily intake (RDI) is further restricting marketing efforts, weakening the impact of packaging and promotional messages.

*"Nonetheless, there has been increasing interest shown by foreign PUFA manufacturers to enter the European market,"* notes Brownlie. *"At least 50 per cent of the global PUFA manufacturers are currently active in the European market at one or more stages of the supply chain."*

One of the foreigners to watch is Ocean Nutrition Canada, which has recently expanded its production fourfold, while US-based Martek is aiming to boost its European presence with an algae-derived DHA.

There are also Asian players like China's Dosis, which supplies plant source omega-3 oils. Many of these companies use Europe-based distributors to access areas not already covered by the leading players, such as Croda or Norway's Pronova Biocare, the leading fish oil concentrate producers.

But Brownlie expects the market to see a spate of mergers and acquisitions as participants try to broaden product ranges, expand geographical coverage and grow market share.

*"Some of the US-based manufacturers are likely to form alliances with European distributors,"* she said, adding that there is still scope for new entrants to the market, particularly those developing new products.

R&D in the PUFA category is still focusing on developing more popular product blends. Process modifications and new ingredients have already helped overcome a lot of the undesirable side effects typically associated with the use of PUFA ingredients, such as strong fishy flavours and aromas.

But with increasing evidence to support the role of the omega-6 PUFAs, conjugated linoleic acid (CLA), gamma linolenic acid (GLA) and arachidonic acid (ARA or AA), the industry is likely to introduce more 'all-in-one' omega supplements, containing fish oil as well as borage, for example, said Brownlie.

Meanwhile scientific evidence is already growing to substantiate the role of omega-3 PUFAs not only for protecting heart health but also prevention of cancer and other diseases.

The ingredient is also seeing support from low-carb diets such as Atkins, which promotes omega-3 fatty acids as part of their eating plans.

These market developments seem to justify the ongoing expansion at all of the leading fish oil concentrate producers in recent months, as they try to meet rapidly surging demand.

More information on the 'European Omega-3 and Omega-6 PUFA market' can be obtained from [Frost & Sullivan](#).