

Aotearoa New Zealand's Seaweed Sector Framework

AgriSea Case Study

ESTABLISHED COMPANY



Company Profile



Markets

- » Farms
- » Orchards
- » Apiculture (Bees)
- » Human Health
- » Cosmetics



Products

- » Soil biostimulants (soil health)
- » Foliar sprays (plant health)
- » Feed supplements (animal health)
- » Bio Materials
- » Human Nutrition



Seaweed species

- » *Ecklonia radiata* (Brown kelp)
- » *Ulva* species
- » *Lessonia*



Supply chain

- » Beach harvest supply after storms by coastal communities in North Island
- » Aquaculture partnerships (emerging)
- » Most product is sold domestically with some exports (mainly to Europe)



Selling points

- » Sustainable primary sector solutions
- » Research based products
- » Bio Gro (organic) certification
- » Non-GMO certification



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AgriSea



Origin story

Over 25 years ago, founders Jill Bradley and Keith Atwood spent a summer visiting organic farms. One farm really stood out with no diseases and beautiful, healthy grass. The main difference was the use of seaweed inputs, and so began the couple's seaweed journey.

Both Keith and Jill worked full-time as teachers when they began researching and experimenting with seaweed bio-stimulants. After great results on their own rural property, they began giving products to friends and selling at local markets under the brand name Ocean Organics.

The shift from casual to commercial customers started with supply to the Parnell Rose Garden, but really took off with several kiwifruit orchards. This also prompted a name change and AgriSea was born. Self-funded research projects followed to validate the product's effectiveness.

In 2001, the time was right to commit to business expansion and the business relocated to an old factory in Paeroa. In 2019 they shifted to a larger site nearby. During this time the business also broadened its product range and began exporting. The dairy industry had become the company's main market, so they were hard hit when this market temporarily collapsed. Having a range of products and markets was key to the company navigating this difficult period.

AgriSea is driven by its purpose to help future generations. Decisions are made with a long-term focus. This is evident in the way that Jill and Keith have nurtured the next generation to run the business, the long-term relationships, and unwavering dedication to being good kaitiaki. AgriSea understand that in order to have a healthy future we must not have a gold rush mentality.



Growth aspirations

As a purpose driven company with strong values, AgriSea's future growth aspirations centre on having a positive impact on the environment and society. Opportunities are screened accordingly and those that don't meet these criteria are dropped. An example is the company's decision not to get seaweed from wild harvest based on environmental impact research that they funded.

AgriSea's existing bio-stimulant and feed supplement products will continue to underpin

future growth. These products align well with high value trends in the primary sector towards branded and organic products with high provenance. They also provide a sustainable alternative to synthetic fertilisers.

AgriSea has invested in product research and development for many years and initially worked with individual scientists for the responsiveness and lower cost they provide. More recently they have partnered with institutions such as Scion and

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received Government support from agencies such as Callaghan, High Value Nutrition, and Our Land and Water National Science Challenges.

Higher value seaweed products such as hydrogels for use in valuable crops and health care are already in development, along with nutritional formulations, future proteins and aquaculture.

AgriSea expects to continue its research and investment into cascade style processing to fully utilise seaweed, and access high value markets for seaweed.

AgriSea seeks to support meaningful income through seaweed for our remote coastal whānau and are open to exploring partnerships where shared values can create opportunities.



Barriers to growth

Negative market perceptions of seaweed have been a challenge for AgriSea and a driver for the company's research into product effectiveness. Market misconceptions have at times been fuelled by mainstream suppliers of synthetic or less sustainable products. Until recently, government scientists and research funders had been reluctant to support seaweed product research.

Seaweed supply is a constraint on AgriSea's ability to scale operations. Current beach cast supply is storm dependent, and the consistency can be a challenge. This type of collection has faced issues in the past with people competing to collect on the same coastline. Aquaculture supply options don't exist yet, and AgriSea won't use unsustainable wild harvest seaweed to scale their business. These supply constraints mean AgriSea is unable to meet many export market inquiries.

Seaweed sector co-operation in New Zealand has at times been limited by self-interest, perceptions of competition, or differences on issues such as sustainability and Māori participation. In 1998, AgriSea co-founder Jill Bradley helped to establish the Seaweed Association of New Zealand (SANZ) which worked hard to protect wild seaweed stocks and promote the value of seaweed to the coastal ecosystem.

For AgriSea, growth is dependent on developing the resources and communities in which it operates. AgriSea invests into education, community impact, product development, supply chains and environmental research in order to have sustained growth. Whilst this approach has been slow at times and they have had to adapt around regulations; for this whanau owned company, it has been the right approach.



Required sector responses

Consistent access to farmed seaweed would give AgriSea the confidence to invest in scale to meet existing product and future development demand. AgriSea recognise that they, and other potential buyers may need to provide clearer price and volume signals to aquaculture investors. AgriSea are cautious about a monoculture system in our oceans and instead advocate for the mimicking of healthy ecosystems in marine farming.

AgriSea is actively participating in the newly formed Aotearoa New Zealand Seaweed Association (ANZSA) and see this as an important sector response. AgriSea believe it is important to enshrine representative co-governance with Māori, and for Government to financially support the group until it can become self-funding.

The existing research system that requires commercial partners to fund salaries and institutional overheads is cost prohibitive for smaller businesses, and issues around IP capture remains a challenge. AgriSea believe this can be overcome with increased funding for seaweed research for collective opportunities that are good for the sector and return benefit to wider Aotearoa.

AgriSea believe that the development of a Seaweed Sector Framework is a good first step and one that can be built on and tested throughout the developing sector.

There are important risks to sector development that AgriSea believe need to be mitigated. These include corporate capture of hatcheries and seed stocks, and a lack of coastal community and Māori engagement.



About Sustainable Seas Challenge

Our vision is for Aotearoa New Zealand to have healthy marine ecosystems that provide value for all New Zealanders. We have 60+ research projects that bring together around 250 scientists, social scientists, economists, and experts in mātauranga Māori and policy from across Aotearoa New Zealand. We are one of 11 National Science Challenges, funded by Ministry of Business, Innovation & Employment.

For more information on this project, visit:

www.sustainableseaschallenge.co.nz/our-research/building-a-seaweed-economy

