



THE OMEGA-3 INDUSTRY: WHERE DO WE GROW FROM HERE?

Justin Burt, Omega Category Manager, Natures Crops International

A new year and a time when many consumers seek to improve their quality of living through resolutions to exercise more and eat healthier. Equally a time for industry to reflect on how to help their customers achieve their resolutions. Can the omega-3 industry play a bigger role in helping consumers achieve their health and wellness goals, not only during resolution season but throughout the year? It seems paradoxical that despite the essential nature of 'essential fatty acids' and the complete scientific, dietary and nutritional consensus around their health benefits, it is still estimated that over 70% of consumers are dietary deficient in omega-3, and yet 75% of consumers associating omega-3s with positive health outcomes. There is undoubtedly a big prize for brands who can solve this conundrum.

Thankfully, for many consumers, omega-3s have come a long way since cod liver oil, with fish oil in a softgel capsule being by far the dominant delivery format. It would appear that this market, in part, is evolving into delivering higher levels of EPA and DHA to meet condition specific needs, culminating in pharmaceutical interventions for disease management.

Undoubtedly the industry has innovated in this space; however, with our background diets having seemingly ever decreasing levels of omega-3s, maybe the \$7bn question is, how can our industry help improve broad spectrum omega nutrition? Why \$7bn? Because that's the potential whitespace to bridge the 70% deficiency gap.





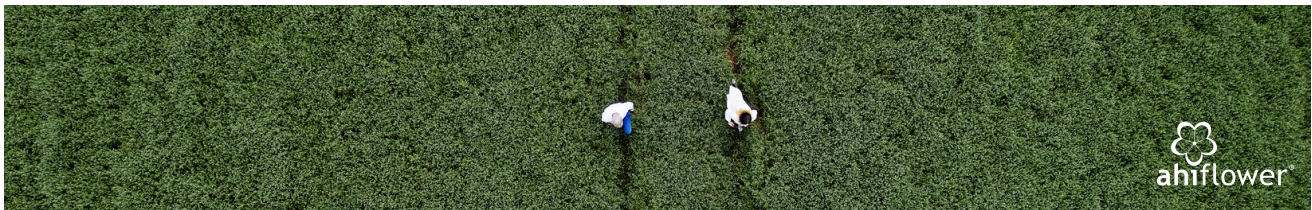
There seems to be an inevitability in the omega-3 market that its future growth and innovation has to center on non-fish ingredients, yet understandably, there is a hesitancy (and reluctance) to move away from a product that has such strong consumer familiarity in such a well-established market. But is this hesitancy limiting the growth and size of the market? Is there a compatibility and synergy between traditional fish oil and sustainable plant-based omega sources that can help the omega-3 industry exceed the relatively small market growth rate (1.3% in 2023, by volume, largely supplements), whilst tapping into the white space that exists in unlocking the broader omega-3 nutrition opportunity?



Research into, and our understanding of omega-3 metabolism has had an almost seismic shift in the past two years. The recognition that plant-based precursor omega-3s (ALA and more notably SDA) are efficiently metabolized to EPA and DHA, and in doing so, produce their own unique metabolites that deliver for example, anti-inflammatory and increased insulin sensitizing outcomes; is changing a 50yr narrative.

This narrative was that all humans are innately inefficient at metabolizing EPA and DHA from plant-based precursors, however, with the advent of commercially available SDA, things have changed greatly. We now know that it's not an 'either/or' situation, and that plant and marine omegas offer unique benefits. It shouldn't be that surprising, we evolved on omnivorous diets.





So how might our industry look in the future, and how can it transition to new omega-3 sources and grow significantly, whilst overcoming the hesitancy to move beyond the tried and tested? Fish oil will likely remain the backstay of the EPA/DHA supplement industry, with an increasing role for algal oils and possibly GMO's (canola and camelina) subject to gaining greater consumer acceptance. When it comes to consumers looking for broad spectrum, complete and balanced omega nutrition, Ahiflower® is gaining significant momentum, both as a supplement, but also as an ingredient in liquid blends, powders, emulsions and gummies. Formats that will be essential for capturing the current non-softgel buyers of omega-3s.

Nature's richest source of omega-3. That's a compelling claim to put on a label, and as a single source ingredient in omega 3-6-9 products, Ahiflower delivers more omega-3 than any combination of fish, flax and borage seed oils, which are the mainstays of virtually all 3-6-9 products. Further, it delivers GLA and is supported by some very powerful marketing claims such as cold pressed, 100% traceable, grown using regenerative agriculture and free of any potential pollutants. Where fortification with DHA is needed, it can formulate seamlessly with both algal and fish oil.

Scientific data, industry dynamics, and consumer preferences for sustainable and plant based products are all contributing to Ahiflower's emergence in this category and how it will play an increasing role in the future. With this in mind, maybe our resolutions should include bridging the gap between decreasing dietary intake of omega-3s and supplementation targeting omega deficient consumers and providing solutions that don't cost the earth.



Natures Crops International are the exclusive developers and manufacturers of Ahiflower oil. To learn more and to partner in our initiative to grow the omega-3 category and deliver meaningful impacts to people and the planet, please contact us: <https://www.ahiflower.com/contact-us>.

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