

Agribusiness

Innovation Hotspot Profile



Australian Omega Oils

Creating value through innovation and collaboration

Australian Omega Oils Pty Ltd is an excellent example of a local small and medium enterprise (SME) that is effectively using innovation and collaboration to ensure their business prospers.

Australian Omega Oils is a joint venture between local firm Mantzaris Fisheries Pty Ltd and Melbourne based Organic Technology Holdings Pty Ltd. It is one of very few domestic manufacturers of high quality Omega 3 oil. The company is making high quality calamari oil for use in the pharmaceutical industry produced from sustainable fisheries in Australia

and New Zealand.

Mantzaris Fisheries has a long history in Geelong. Originally established by Peter Mantzaris in the 1960s the company is now run by his son Stephen. The company illustrates how family run small and medium enterprises can compete on major national and international markets through adaptability, innovation and collaboration. The firm is the largest processor of squid in Australia and also a major processor of ling, orange roughly and scallops. Many of the Mantzaris products are sold in Coles stores around the country and the

company is an experienced exporter. It draws product from local sustainably managed fisheries, across Victoria, Tasmania and New Zealand.

Mantzaris employs around 20 full time equivalent staff at its North Geelong processing plant. Its long history is testament to the firm's ability to adapt to changes over the years. These changes have included significant market as well as regulatory developments.

Australian Omega Oils is the latest phase in the company's ongoing development. Some years ago the business recognised that there was significant and growing demand in Australia for Omega 3 oils. There is also very little domestic manufacturing with most high quality oil imported from countries like Norway and Iceland.

Mantzaris recognised that the Omega 3 oil market represented an opportunity to utilise organic waste produced from its squid processing operations. Oil produced from squid is very high quality – being around three times the Omega 3 content of Krill oil. The company then formed a collaboration with Organic



The state of the art compact organic oil processing facility at Mantzaris fisheries in North Geelong

Technology Holdings, which has developed a process to turn squid waste into high quality Omega 3 oil. Organic Technology Holdings based in Melbourne specialises in finding new ways to extract higher value products from organic waste.



Calamari processing at Mantzaris Fisheries

Organic Technology Holdings' proprietary enzymatic extraction process, which has been developed over 30 years, separates oil and protein. Under the process raw materials are treated at low temperatures (sub 55 degrees

Celsius) and quickly extracted. In the case of calamari oil the initial extraction takes less than 15 minutes.

The speed at which the oil and protein are separated and the low temperature used ensures the highest quality, fresh end products by not applying excessive heat, chemicals, time and pressure. This avoids oxidation and retains the integrity of the oils. All enzymes used are organic and food grade.

The joint venture between these two firms, Australian Omega Oils, has now established its processing plant at the Mantzaris factory in North Geelong. The plant produces oil that is currently sent to Queensland for distilling. However, the company is in the process of setting up its own distillery at the Mantzaris North Geelong site.

The oil extraction process also produces protein that can be used as

an organic fertiliser. It is a product with comparable levels of nitrogen to other marine fertilisers in the marketplace today. The company is currently exploring market options for this additional product.

In summary, Australian Omega Oils is an excellent example of how innovative SMEs in the agribusiness sector are creating income, growth and jobs in our region. It also illustrates the opportunities SMEs can produce by focusing on value generation – in this case high value oils produced from a waste flow stream. This type of value driven approach teamed with innovation and collaboration provides a sound basis for even relatively small firms to be internationally competitive.

This innovation hotspot is an initiative of the G21 Agribusiness Forum - to illustrate the success of innovative agribusinesses active across the region. See: www.g21agforum.com.au