

# PELAGOS SUCCESS FULLY LAUNCHED

MARIA OLSEN



CEO Jóhan Páll Joensen.

**Making a promising start for one of the world's most advanced processing facilities of its kind, Fuglafjørður's Pelagos in the first four months of full operations produced as much as 40,000 tonnes of frozen mackerel and herring.**

**T**HE BRAND NEW Pelagos freezing plant at long last became a reality in mid 2014, adding the proverbial icing on the cake for Fuglafjørður, which for many decades has been a leading port of call for pelagic fishing vessels from near and far. Since the 1966 establishment of the Havsbrún factory for industrial reduction of fish to meal and oil for animal feed, investors on and off considered the idea of building a processing facility for pelagic fish for food to complement the exist-

ing infrastructure. The idea surfaced again in light of the recent boom in the pelagic fisheries around the Faroe Islands, as coupled with political pressure on the fishing fleets to generally land their catches of mackerel, herring and blue whiting for food production rather than for industrial reduction.

While the meal and feed factory has proven vital to the local area and central to the creation of the foremost industrial cluster of the Faroe Islands, Fuglafjørður likewise

has a tradition for seafood production with focus shifting between whitefish and salmon processing—yet the volumes involved are much larger when it comes to pelagic fish processing.

The assessment was that even with two already existing similar facilities in the Faroe Islands—Kollafjørður's Faroe Pelagic and Tvøroyri's Varðin Pelagic—the demand for processing pelagic fish for food was high enough to make a third such facility necessary. As for its location, nobody could argue against Fuglafjørður where the pelagic industry is already well-established.

“The new mackerel fishery in Faroese waters presented a window of opportunity and all of a sudden things started to move fast,” said CEO Jóhan Páll Joensen of Pelagos.

By November 2013, a number of investors had been brought together, led by meal and feed giant Havsbrún in conjunction with major fishing companies Framherji and Palli hjá Mariannu (a.k.a. CIG). Less than three months later, construction was underway in earnest.

“The decision to found Pelagos was taken in late November and already by the summer, the facility was complete with the first load of catch landed in mid August. We spent the remainder of the year fine-tuning the plant and everything that goes with it and were able to process just over 40,000 tonnes of mackerel and herring in a period of four months.”

## ‘WE CAN DELIVER’

Budgetary estimates suggest that Pelagos needs to process some 45,000 tonnes per year to make a profit. Much of the catch comes from Framherji's Fagrabergr, a purse seiner/pelagic trawler equipped with refrigerated seawater tanks. Norðborg and Christian í Grótinum, the two pelagic factory trawlers owned by the CIG group, are occasional suppliers of fresh catch to Pelagic, alongside a number of other pelagic vessels from the Faroe Islands as well as other countries including, for example, Iceland, Scotland and Ireland.

The frozen produce from Pelagos is shipped to buyers in the food industry, located in Eastern Europe, Asia and Africa.

“This year we're going to produce mackerel and herring as well as blue whiting and silver smelt,” Mr. Joensen said.

“We've recently visited food producers in Eastern Europe and Eurasia, typically canneries and smokehouses, and have already established strong business relationships. Our clients appreciate that we are able to deliver on our promises at consistent quality and are highly competitive.”

With 70 employees working on two 35-strong shifts, Pelagos has the capacity to process volumes well beyond the 45,000-tonne mark, not least owing to its computerized, automated systems.

“Our employees are mostly controllers and inspectors who make sure the robotic machinery won't let any non-conforming items through the conveyor belt. Landing, grading, sorting, processing, freezing, packaging—the whole process is fully automatic. So these are highly sophisticated systems that were deemed to be the most advanced on the market at the time of installation.”

Part of the client outreach strategy is meeting people yearly at the world's largest seafood trade event in Brussels.

“We have booked our stand at the Seafood Expo Global for the second time already. Last year we hadn't received any fish at the point we were in Brussels but of course we knew we were going to. This time around we can be even more confident as we've got the plant up and running and so we are now very proud of our production and can tell people with confidence that we can deliver. Our clients get what they want and know what they get.”

Controlling mackerel at the conveyor belts.



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Pelagos is the Faroe Islands' newest pelagic fish processing plant — and likely the world's most advanced — built on the latest computer and robotics technology for automation and top quality production. Pelagos opened for business in the summer of 2014.

We deliver frozen products of the following species:

- Atlantic Mackerel
- Atlanto-Scandian Herring
- Blue Whiting
- Capelin

The owners and founders of Pelagos include some major participants in the Faroese seafood industry:

- Framherji — owner and operator of fishing vessels Fagrabergr, Akraberg, Stápin; major shareholder of cold storage facility Bergfrost; major shareholder of fishing company and seafood processor Faroe Origin; shareholder in sales company Ice Fresh Seafood;
- Havsbrún, the Faroe Islands' largest processing facility and one of the main fishmeal and salmon feed producers in the North Atlantic, owned by Bakkafrost, the Faroe Islands' leading salmon producer and exporter;
- Palli hjá Mariannu, owner and operator of pelagic factory vessels Norðborg and Christian í Grótinum; main shareholder in sales company North Pelagic;
- Enni, a local investment company in Fuglafjørður, founded by a number of service providers to the seafood industry alongside other businesses and individuals.