

HEALTH, HAPPINESS AND HEMP

By Mary Del Ciancio



Mike Fata, Co-founder, CEO
Manitoba Harvest Hemp Foods

Mike Fata is passionate about hemp seeds and their nutritional value. It's what prompted him to lobby the government to legalize the production of hemp in Canada in the 1990s. And it's what drove him, along with friends Martin Moravcik and Alex Chwaiwsky, to co-found Manitoba Harvest Hemp Foods in 1998 when Health Canada legalized hemp for commercial production.

Today, the Winnipeg-based company is the world's largest hemp food manufacturer to grow, make and sell its own line of hemp foods. Its products – Hemp Hearts (which can be sprinkled over cereal, salad, yogurt and many other foods), hemp protein powder, hemp oil, hemp protein smoothie and Hemp Heart Bites (a sweet and crunchy snack) – are sold through 7,000 retailers, including natural food stores and grocery stores in Canada and the U.S., with distribution in Mexico, Europe and Asia.

Manitoba Harvest Hemp Foods has experienced growth of 50 per cent per year – and some years 100 per cent – since its inception. But Fata, the company's CEO, admits he didn't see the full market potential in the beginning.

"The clarity on how big the market potential was didn't come for several years," he says. "It really started out with pure passion."

This passion came from Fata's own life changes. The entrepreneur previously weighed 300 pounds. He lost weight through exercise and by cutting fat out of his diet, but still felt unhealthy. Then he started reading about essential nutrients, good fats and bad fats. He learned about hemp seeds – that they are prized for their protein and essential fatty acids, and that they're also a good source of fibre, iron, zinc and magnesium. And when he first started eating hemp seed oil after the first batch was produced from trial

crops, he instantly felt better. Fata set out on a mission to spread the word, but there were many roadblocks along the way.

Misinformation was, and still is, the company's biggest obstacle. Since day one, Fata and his team have focused on educating consumers and retailers about hemp and its health benefits. Because hemp and marijuana are both in the cannabis family of plants, there was a stigma attached to it.

"Even though hemp by definition doesn't have any psychoactive drugs – people can't get high or fail a drug test after eating the products – that stigma of hemp's relationship with marijuana was very, very strong," says Fata.

It has taken time for hemp to be seen as a healthy food product. Today, consumers and retailers are much more educated on its nutritional value, thanks to the company's efforts.



NATURAL INDUSTRY PIONEERS

"Manitoba Harvest's culture, mission and innovation continue to raise the bar for all of us. It's an absolute pleasure working with Mike Fata and his entire team."

Paul Marsham, Owner, Marsham International Food Brokers Inc.,
Manitoba Harvest's broker for all channels in Eastern Canada

BUSINESS AND PERSONAL MOTTO:

“Dream bigger, because anything is possible.”

Manitoba Harvest Hemp Foods does thousands of demos every year, whether in-store or at the more than 80 trade shows and events the team attends to educate retailers and consumers. Fata estimates they will hand out about four million sample sizes of their products this year. Building off-shelf product displays in-store is another strategy to help build awareness. The company has aligned itself with naturopathic doctors, dieticians and nutritionists, so that they can educate their clients about healthy eating and provide them with samples.

Education, product samples and demos are key to the company's strategy. But the main focus, says Fata, is to manufacture the highest-quality hemp food products. Manitoba Harvest Hemp Foods can ensure quality because the company controls every step of the process, from seed to shelf. It controls what seeds get planted, and how products are manufactured, packaged and distributed.

The company works directly with more than 125 farmers throughout Manitoba, Saskatchewan and Alberta to grow the crop – more than 50,000 acres in 2014 alone – and owns the facility where it makes and packages its products.

And it recently completed a \$7.5-million expansion to the plant, tripling capacity and introducing more automation. Now the company is in “rapid innovation mode,” as it plans to launch a number of new products later this year.

Thanks to the company's efforts to educate consumers and retailers, expand its distribution and launch new products, it is poised for continued growth.

“Starting a new industry is challenging because there isn't a roadmap or a blueprint on how to be successful,” says Fata. “So we've had to really create that success.”

And that's exactly what Fata and his team have done. ■



Hemp Seeds

FAST FACTS

Year of incorporation

1998



Top-selling product

Hemp Hearts

Number of employees

125

Manufacturing facilities

One 35,000-sq.-ft. facility

The grocery channel represents approx.

50% of sales

Market share

90% in Canada

65% in the U.S.