

The amount of nutraceuticals on the market is increasing daily, buoyed by consumer demand for more bang for their food buck

BUILDING VALUE

By Treena Hein



Despite the challenges in developing new products containing nutraceuticals, food researchers such as Ram Chaudhari, senior executive vice-president at Fortitech, a global nutrient pre-mix supplier based in New York, believe companies will continue creating these functional foods because the demand is so strong. According to Chaudhari, “The challenges are going to be there, but there are going to be some great opportunities...all around the globe...Market needs are growing due to the increase of so-called baby boomers and other segment consumers.”

A nutraceutical is a substance isolated or purified from food that is generally sold in medicinal form, and that demonstrates a physiological benefit or provides protection against disease. An example is omega-3 fatty acid supplements from fish oil or flaxseed. If the added quantity of a given nutraceutical is sufficient to produce scientifically



proven health effects in the food product it is added to – taking absorption factors into account – then food can be considered a “functional food.” For instance, in Canada, one billion probiotic bacteria are required per 100-g serving of yogurt to meet the claim of having a nutritional benefit, according to Diane Jubinville, Consumer and Public Relations director at Yoplait.

Chaudhari says consumer acceptance of nutraceuticals is significantly greater than it was this time last year “due to the overall improvement in the promotion of health benefits derived from nutraceutical/functional food ingredients.” Julie Boursiquot, director of Public Relations at Longueuil, Que.-based Agropur (parent company of Yoplait), agrees. She says consumers “now look beyond the basic nutritional benefits of food for the disease prevention and health-enhancing compounds contained in many foods. This, combined with a more

widespread understanding of how diet affects disease, health-care costs and an aging population, has created a market for functional foods.”

Boursiquot points to omega-3 as an example of a health-enhancing compound which consumers appreciate being able to access in many functional foods. “Omega-3s are essential fatty acids that the human body is unable to produce on its own, and consequently must be incorporated into one’s daily

diet.” However, she says, “few foods contain omega-3, mainly fatty fish and certain oils, principally flaxseed oil. The problem is that Canadians eat very little fish, [and] this is why it’s so important to get omega-3 fatty acids in some other kind of foods.” Boursiquot notes that Yoplait’s Source Cardio yogurt contains flaxseed oil.

Increased awareness of the benefits of nutraceuticals has also meant that “the global functional food and nutra-

ceutical market is growing at a rate that is outpacing the traditional processed food market,” says Boursiquot, pointing to market statistics from Agriculture and Agri-food Canada. “Canada is emerging as a leading world supplier in this growing market,” she adds. Boursiquot also cites the report *Global Market Review of Functional Foods – Forecasts to 2010* as stating, “The Canadian nutraceutical and functional food industry has over 300 companies, from small start-up companies to multinational organizations, with an estimated market size of \$6.6 billion...Canadians are spending more than \$212.32 per capita on nutritional food products annually.”

At the same time, incorporating nutraceuticals into new products is becoming easier, thanks to ingredient suppliers who are doing a relatively good job supporting health claims and eliminating barriers in the creation of functional foods that meet consumer demands. “Botanical extracts, for example, are being developed to eliminate bitterness and other undesirable flavour components derived from the original material,” says Chaudhari. “Today’s nanotechnology knowledge is also helping to develop much more bioavailable forms of nutraceuticals which have a good taste profile when compared to the original ingredients.”

While nutraceutical suppliers are doing their best to make functional food creation painless for producers, there are challenges that are unlikely to go away any time soon. A major hurdle is Canada’s food labelling regulations. Jubinville, for example, points to Yoplait’s Yoptimal yogurt and the fact that “the word ‘antioxidant’ cannot be used on the label, but polyphenol can,” despite polyphenols being a type of antioxidant.

Robert Price, vice-president and director of Sales and Marketing at Mitsubishi International Food Ingredients Canada, also thinks the regulations in Canada need improvement, specifically because there is an absence of specific health claims for food products. “While Mitsubishi waits for regulations to catch up with consumer demand in Canada, we’re concentrat-

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ing on other healthy technologies in the area of sodium reduction, sugar free and diabetic foods and natural preservatives,” says Price. He notes that Mitsubishi has concentrated on Japan as a major market for nutraceuticals, and have the Japanese government’s seal of approval for safety and efficacy for many of their ingredient products.

In addition to regulatory challenges, Jubinville notes that it takes time for people to understand what’s being offered when nutraceuticals are added to well-known foods. “With new product development, people used to be able to actually see the differences between old and new products,” she explains. “Now, consumers have to rely on companies and scientific studies about ingredients that new products contain and about what is claimed because there is no visual difference.” She adds: “Yoplait does have a leg-up on having our functional food yogurts accepted by Canadians because people already see yogurt as a healthy product.”

Besides labelling regulations, health claim regulations and consumer awareness not being where many in the functional food industry would like them, achieving likable product qualities – in terms of appearance, texture and flavour – has been another problematic issue. “Our Source Cardio yogurt contains omega-3 fatty acids from flaxseed, and folic acid,” says Jubinville. “Ensuring the good

taste of this yogurt was a challenge.” However, she says the end result of all the work to integrate these nutraceuticals is “a light taste difference that a majority of consumers haven’t even perceived.”

Chaudhari agrees that functional food development is challenging and complex. “Depending upon the type of product forms (for example, powdered products, ready-to-drink products, confectionery), one has to select the appropriate forms of ingredients and the suitable dose to meet the label claims throughout the entire shelf-life of the product without negatively altering its taste, texture and mouthfeel,” he says. “Stability and overall quality should not be compromised for the intended use.”

In all, the factors that must be accounted for in developing new functional foods add up to a “very large cost” in terms of “product development, marketing and education of the public,” says Jubinville. However, she believes that even though that cost means that the price of Yoplait’s functional yogurt products is 10 to 15 per cent more than their regular yogurts, “it is still an accessible price for the health benefits included, and again, it’s really [not much] when we’re talking about prevention and accessibility to science.” ^{FC}

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