

High Times

As hemp's reputation as a healthy ingredient soars, Manitoba Harvest Hemp Foods & Oils is reaping the rewards

By Carol Neshevich

Manitoba's Mike Fata weighed more than 300 lbs when he was a teenager. In an effort to lose the excess weight he began a drastic, completely fat-free diet. But he found that even though he was dropping the pounds, his health was steadily deteriorating. After deciding to do some serious nutrition research, Fata learned that essential fatty acids were absolutely critical for good health. He also found that an excellent source of those healthy fats was hemp seed. With the help of hemp, says Fata, "I turned things around." He lost more than 100 lbs, and has maintained a healthy weight ever since.

Around the same time that Fata was learning about the nutritional benefits of hemp, he met Alex Chwaiewsky and Martin Moravcik, both of whom had been lobbying the Canadian government to legalize hemp seed agriculture in Canada. It was illegal because of the erroneous assumption that all hemp had essentially the same effects as marijuana, and as such should be considered an illegal drug. Their lobbying efforts – along with efforts of other hemp advocates across the country – ultimately worked. As the Health Canada website explains, "Research conducted between 1994 and 1998 showed [hemp] could be successfully grown in Canada as a separate entity from cannabis (marijuana). With the demand and encouraging research findings, Health Canada chose to give the agricultural and industrial sectors the opportunity to grow and exploit industrial hemp in a controlled fashion. Laws were amended to allow for the cultivation of industrial hemp." Industrial hemp is indeed part of the cannabis plant family, but it contains very low levels of the psychoactive ingredient THC (delta-9 tetrahydrocannabinol) — not nearly enough to have any sort of mood-altering effect, and similar to the trace opiates found in poppy seeds on a bagel.

When the cultivation of industrial hemp became legal in Canada in 1998, Fata, Chwaiewsky and Moravcik established Winnipeg-based Manitoba Harvest Hemp Foods & Oils. They began by pressing hemp seed oils and selling it to a few

"We make decisions that are good for the planet, and for our people."

health food stores in Manitoba. "It didn't take long for sales to take off. "Business has grown 50 per cent each year since our second year in business," says Fata.

With products like Hemp Seed Oil, Hemp Seed Nut (shelled hemp seed), Hemp Seed Nut Butter (similar to a peanut butter-type spread) and Hemp Protein Powder, Fata says the company expects sales to reach \$3.5 million this year. In March it launched organic "hempmilk" called Hemp Bliss, the first line of organic hempmilks in North America. The drink is available in three flavours – original, chocolate and vanilla – and is lactose free, cholesterol free, nut free and soy free. "Many people have allergies or sensitivity to dairy, nut, grain and soy-based beverages, so Hemp Bliss provides a healthy and nutritious alternative," says Fata. The company has described the beverages as having "a rich and creamy mouth-feel," a "nutty flavour" and "a smooth taste." The product is already receiving a great deal of buzz, and, says Fata, even in its first month on store shelves, the beverage seemed to be on its way to becoming the company's most popular product line.

But what, exactly, makes hemp so healthy? "Hemp contains more essential fats than flax," says Fata, adding that it's a rich source of both omega-3 and omega-6 fatty acids, and it's a very high source of protein. It's also the only raw whole food source of Gamma Linolenic Acid, a rare "super" omega-6 essential fatty acid that is gaining recognition as



being beneficial for numerous health functions, including the alleviation of conditions like arthritis and asthma.

Fata attributes the company's steadily increasing success to several factors, including the growing popularity of hemp products in general, as well as the quality of the products they have to offer. He's seen families growing up on their products – families with babies who started eating the products when they were tiny, and now those “hemp babies” have grown to become much older kids who still love Manitoba Harvest's products.

From the beginning, a key strategy of Manitoba Harvest has been to educate consumers about the health benefits of hemp, which would in turn help boost sales. Fata also says the company's grassroots marketing style helps, especially in a sector like health food. “We do about 40 events a year,” he says, explaining that the company goes to very targeted consumer events – such as shows on health food, yoga or extreme sports – where they think their target customer might be.

Fata believes any stigma related to hemp is becoming a thing of the past. “Over the years, there's been so much media attention about its benefits. It's becoming more of a household name now, like flax or soy.” And, he points out, Manitoba Harvest products are made with a variety of hemp seed that has undetectable amounts of THC. “These hemp seeds are further cleaned and processed to ensure that all Manitoba Harvest products have 0.00 per cent THC,” explains the company's website.

The company's products are currently sold at more than 3,000 natural food retailers across North America, as well as major retailers such as Loblaw and Sobeys. While it also sells

bulk hemp ingredients to other manufacturers, 75 per cent of its business comes from the Manitoba Harvest retail brand. Total sales are split fairly evenly between Canada and the U.S. (according to Fata it's about a 47/47 ratio), with about five per cent of sales coming from Europe and Asia. Business in the U.S. is so strong partly because the U.S. government (through its Drug Enforcement Administration) allows industrial hemp to be imported but not grown on American soil. This January the company started up its online store again, after previously having closed it due to difficulties shipping products over the U.S. border. With those problems reconciled – they've opened up a small U.S. warehouse, which makes distribution to American customers easier – Fata says the newly revamped online store “has been going really well.” The company currently has 20 employees, and contracts out the hemp farming to more than 25 farmers who are also shareholders in the company. This year Manitoba Harvest will process more than 1,500,000 lbs of hemp seed.

When asked about Manitoba Harvest's business philosophy, Fata sums it up in two words: “social responsibility.” This comes through in everything from its environmentally friendly packaging, to its focus on sustainable farming, and its human resource policies. “We make decisions that are good for the planet, and for our people,” says Fata. On the human resource side, the company works hard to ensure employees maintain a good quality of life, through initiatives like flex time, and that they're compensated fairly in terms of salaries and stock options. As Fata puts it, “Of course we want profit, but it's very important to us to be a very socially responsible company.” FC



Manitoba Harvest founders (left to right) Martin Moravcik, Alex Chwaiewsky and Mike Fata.