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INTERVIEW: Hofmann Nutrition Looks Towards the Future With New CEO

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30 October 2018 - The departure of a CEO and transition to new management is always a momentous time, but especially so for a family-led business shaped in no small part in the image of that leader. For Switzerland's Hofmann Nutrition, the firm behind the Hokovit brand of natural micronutrition products, this has been a time to reflect back on the path the business has taken over the last 56 years and to begin to strategize about what might come next. As Alexander Hofmann takes over the reins of the company from his father Jürg, the new CEO sat down with Feedinfo News Service to talk about the company's strengths and opportunities going forward.

In a world of mega-sized international agri-business and chemical giants surrounded by young, disruptive start-ups, Alexander Hofmann maintains that there is still room for—and advantage in—being a long-established, family-owned business. For example, he says that a company built on the family's name is an important signal of quality. "Family owned and owner-managed businesses are always backed up by their [owner's] personalities, often for a lifetime. You can rely on us."

Meanwhile, Hofmann Nutrition's size leaves it big enough for a deep portfolio, but small enough for personalized, flexibility service. "[We are] able to adapt faster to changing market needs and work in a much more customer-specific manner," he observes. "There is no single micronutrient that can do it all. We realized that early on, and today we manufacture products that consist of more than 50 active ingredients, which are coordinated with each other. They also complement and reinforce their respective effects. In our portfolio we have today more than 40 highly effective micronutrient products, specifically tailored to animal species and age categories. But this is not all: for bulk buyers we also make custom products, developed specifically for them and tailored to their requirements."

Present in around 20 countries, Mr. Hofmann explains how the feed ingredients firm's growth over the last five to six years has "significantly increased" thanks to its work in developing its existing markets and distributors—a push which will continue at the company's booth at Eurotier this year. "We are working with distributors who produce feed themselves, distribute specialty feed or animal health products, or who have an appropriate network in the animal feed and/or processing industries. New, suitable partners are always welcome, from anywhere in the world." In his view, the North African market is a particularly exciting new opportunity opening up.

Interestingly for a company in landlocked Switzerland, Hofmann's portfolio includes a vibrant aquaculture component, which Mr. Hofmann says has grown 35% over the last six years. "We are also increasingly specializing in the development and production of specialty feed such as organic feed, koi feed, feed for species such as sturgeon or perch or purely vegetal fish feed, e.g. for tilapia. The latest focus in this area is sustainably produced protein raw materials as a substitute for fishmeal in aquaculture. Our first successful trials with insect meal were already carried out in 2013 with BIO SUISSE."



Alexander Hofmann
CEO
Hofmann Nutrition

Another unique focus setting Hofmann Nutrition apart is the company's Qualivo program of feeding cattle, calves, and hogs to ensure meat of the highest quality and flavour. Qualivo is both a production and marketing system for which Hofmann grants licenses and even works closely with the renderers. Mr. Hofmann says that Qualivo beef, pork, and veal is currently being produced and enjoyed in Switzerland, Germany, the Czech Republic, and Slovakia, but says the system is "very simple [and] can work and be used anywhere in the world." It is particularly interesting for animal producers, he claims, because Hofmann guarantees a buyer for the animal and because the feeding system delivers regular, predictable growth. And from a consumer standpoint, the program is part of an important movement in how we approach food today. "Demand for locally produced, genuine premium meat is increasing. This can be seen across the major distributors and in gastronomy." According to him, blind taste-tests conducted by Swiss retailers and media outlets have proven that the system delivers a better-tasting final product across both high-quality cuts such as filet and entrecôte, but also lower-value cuts such as chuck or necks. Perhaps, he says, the Qualivo concept may even be rolled out to poultry and fish one day in the future.

Of course, he observes, the company's strengths in cattle will continue to remain a priority going forward as well. For Hofmann, this means not only nutritional products such as micronutrient supplements and compound feed, but also entire production methods, including the Hokovit Super Heifer Rearing method to maximize the potential of breeding calves and heifers for dairy farming, and also Hokovit Genetics "for customers who want to succeed in terms of both feeding and breeding," in Mr. Hofmann's own words.

For the new CEO, the company's involvement at all levels of the nutrition industry, from the production of supplements, through the production of feed, and all the way to the certification of meat quality, is an important part of working to develop the solutions of tomorrow. "We are very close to the market, with sales people for compound feed bringing back examples of issues...[we're] not just sitting in labs trying to figure out what the problem is," he tells Feedinfo. From genetics, to the needs of the farms, to the concerns of the meat retailers, the company is able to take the widest look at animal nutrition possible. "Not a lot of companies have this variety of inputs for micronutrition products," he asserts.

To see this approach in action, he points to the company's "healthy calf" product. As in much of the world, Swiss producers are feeling the pressure to reduce the use of medication such as antibiotics, which makes navigating particularly sensitive periods like the arrival of a new calf on-farm difficult. Hofmann Nutrition set its experience in natural nutrition to the development of a solution which allowed them to install calves without medical prophylaxis at their trial farm a kilometre away from headquarters, only treating animals on a one-on-one basis as needed. This product is now being distributed in several different countries. Their concern with the problems of various points in the meat production system is also visible in the importance they place on having solutions that are easy to deploy; as Mr. Hofmann explains, large integrators employ large workforces who might not all have technical nutrition expertise. The more practical and less fussy the solution is, the more likely it will generate successful results for the end user and all intermediates such as distributors and feed mills.

Ultimately, Hofmann Nutrition continues to seek its fortune in offering distinctive nutrition concepts for farm animals, aquaculture, and pets, rather than mainstream, commoditized additives. Pursuing this opportunity further will be one of the main goals of Alexander Hofmann's tenure as CEO. As he concludes, "time does not stand still, and we are constantly developing new products for more efficient and more sustainable animal nutrition, adapted to the needs of our customers and the various markets around the globe."