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Exports by Irish SMEs in the food sector could grow by €80 million per annum with increased investment in technology licensing

- Enterprise Ireland hosts Seminar for 60 leading SMEs on how best to exploit the opportunities offered by Technology Acquisition-

Irish companies in the food and beverages sector could increase exports by €80 million per annum with an investment of €10 million per annum in technology licensing. The total value of exports from the Irish food sector in 2006 was over €8 billion, and companies in the sector currently spend in the region of around €5 million on technology licensing. Enterprise Ireland aims to double the spend on licensing in the food sector to reach €10 million per annum by 2010.

A recent study conducted on behalf of Enterprise Ireland's TechSearch service shows that while 93% of companies in the food sector are aware of the potential of licensing for their business, only 33% of companies surveyed were actually using licensing to acquire products and technologies. The study also reveals that the lack of in-house intellectual property (IP) capability among SME's, to manage the sourcing and licensing—in process, was regarded as a major limiting factor which prevented companies from becoming involved in licensing.

Enterprise Ireland will host a Masterclass on Licensing in the Food Industry on Friday 2nd March. Aimed primarily at chief executives and senior managers in food and beverage companies, and those responsible for product development and marketing in larger companies, the Masterclass will demonstrate how a range of leading companies are successfully using licensing for new products and technologies. Speakers from industry will include Paula Nelson, Head of IP at Nestlé SA in Switzerland, Joe Collum, Marketing Director, Consumer Foods at Glanbia as well as two Irish SMEs who are successfully using licensing, All in All Ingredients and Shalvey Poultry.

The dairy industry and consumer foods sub-sectors currently account for the majority of all technology and trademark licenses held in the food sector but Enterprise Ireland is urging more SMEs to explore the potential of licensing.

'For Irish SMEs to increase their share of the lucrative European food market, our food exporters must take every opportunity to move up the value chain. This will mean not just increasing investment in R&D but also learning how to fully exploit all sources of technologies and products through licensing and partnerships. The direction has been set by global consumer and pharmaceutical companies, many of whom have successfully harnessed worldwide networks to locate and acquire technologies and products to complement in-house R&D expertise and increase innovation,' said Jim Cuddy, Enterprise Ireland's manager of the Innovation and Technology Transfer department.

A number of other Irish food companies are already active in the technology licensing space including:

- Tayto Hunky Dorys, who successfully sourced a low-fat product from Cape Cod Chips, a manufacturer of American-style, hand cooked potato crisps with a reduced fat content
- Kerry Ingredients PLC who procured an exclusive licence to manufacture their highly successful CHEESTRINGS product, for Ireland and the UK market, from a leading Canadian-based food company.
- Nature's Best, a manufacturer of fresh produce chilled convenience foods, who successfully sourced a technology to extend the shelf of its products from French company Scalime SA.

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Note for Editors:

The TechSearch website www.techsearch.ie was re-launched in September 2006 and is targeted at the primary sectors of food and beverages, ICT, biopharma, medical devices, engineering, construction, energy and environment. The site includes an IP audit that will help businesses assess their readiness to participate in licensing agreements, a DIY search facility that allows Irish businesses to search for innovative technologies worldwide, as well as downloadable legal and tax guides and a patent search facility.

Sectors that have traditionally embraced technology acquisition include the biomedical, food processing, electronics and automotive engineering industries, however, Enterprise Ireland is keen to point out that companies of all sizes and from all sectors can benefit from licensing.