

# Appendix 1



## LYME BAY MUSSEL FARM

### OUTLINE BUSINESS DEVELOPMENT PLAN

#### Background

Offshore Shellfish Ltd (OSL) has been established to develop the first fully offshore, large scale, suspended rope grown mussel farm in Europe. It is a family company, managed by John and Nicki Holmyard, who have been in the industry since the late 1980s.

A feasibility study into the potential for offshore mussel culture was carried out by OSL in 2007, which identified Lyme Bay as possessing the required biological, physical and socio-economic characteristics to support such a development. Brixham was chosen as the shore base for OSL due to its existing infrastructure and the evidence shown for future potential described in the Tor Bay Harbour development plans.

A Crown Estate lease and MMO license were obtained for two areas of 600 hectares each and one area of 340 hectares, with permission granted to deploy a total of 790 headlines once a 3-year pilot study had provided proof that mussel farming in the area could be undertaken sustainably on a commercial basis in the offshore environment.

The pilot study proved to be particularly successful in terms of growth rates and product quality, and gave the company confidence to attract significant inward investment to develop the farm to its full extent. The first phase began build-out in 2016 and approximately 150 headlines are currently in place carrying varying ages of stock. These will result in a harvest in 2017 of around 1,000 tonnes, and the equipment will be reused to provide a similar crop annually thereafter. Additional headlines will be added over the next few years, which will steadily increase production capacity to around 10,000 tonnes per year.

This ground-breaking development is in response to the growing long term demand at global, European and UK level for high quality marine protein produced in an environmentally sustainable way. Over the next five years, the staged development will see the company increase the total annual production of farmed mussels in the UK by 40%, and generate a first sale value of £10-£15 million.

As the offshore farm develops towards full production it will have the capacity to harvest and despatch 50-100 tonnes of high quality mussels per day in bulk. This will enable it to access the main Northern European processors in Holland, who handle up to 100,000 tonnes per year for onward sale to France and Belgium.

However, there is also a domestic market in the UK where per capita consumption of mussels is currently one of the lowest in Europe but is steadily growing, giving considerable scope for expansion. In the UK, we currently consume an average of about 140g per person

# Appendix 1

per year, whereas the average Belgian consumes about 5kg per year. If the British were to develop a Belgian style appetite for mussels, then we would need to grow 350,000 tonnes just for the domestic market!

## **Onshore Facility Requirement**

In order to supply the market, OSL has an urgent need for an onshore wet storage facility. This will facilitate storage of a buffer stock that will enable OSL to give better continuity of supply of live mussels to its customers during periods of poor weather. The facility will also allow the company to rest and re-water the mussels after the stress of harvesting; this will reduce losses and improve quality and shelf life, making long distance live transport more practical.

In addition to facilitating better quality product for the bulk markets, the wet storage units will feed directly into adjacent primary and secondary processing, packing and chilling facilities. These will enable the company to service major UK and European outlets such as multiple retail and food service sectors with finished, packaged value added, branded product directly instead of only bulk product via other processors.

The facility will also provide the opportunity to develop new and innovative product lines, which will help to open up new markets and encourage new consumers in the UK and abroad. Development of time stable products which can be transported long distances, will enable Offshore Shellfish Ltd mussels from Brixham to be available to a global market.

The overall requirement is for a quayside building with a ground floor area of around 2,000m<sup>2</sup> with further space needed on upper floors for offices, laboratory, development kitchen, staff facilities and storage space for packaging. It is feasible that a viewing area/product sampling area could be built in to enable visitors to tour the facility and educational groups to be accommodated.

## **Landing Jetty**

Predicted landings during 2017 can be reasonably accommodated within the current infrastructure of Brixham Harbour, but from 2018 onwards predicted volumes mean that it will be necessary to have a dedicated landing berth. It would be most practical for the jetty to be adjacent to the wet storage and processing facility.

## **Economic benefits**

OSL's proposed development will bring significant employment and other economic benefits to the Torbay region, and an economic benefit to the national economy through exports or the reduction of imports.

OSL currently employs 8 people and is recruiting 4 more in 2017. These are full time salaried positions with training and long-term career possibilities in a growing and sustainable industry

We have a new 24m harvesting vessel arriving this summer, and at full production, we expect to have additional vessels, around 20 seagoing crew, 3 maintenance yard staff, 5 admin, sales and management personnel, and 50 or more staff in the wet store and processing plant, depending on throughput and product types. These positions will include

## Appendix 1

process line workers, forklift drivers, scientific and analytical staff, quality controllers, product developers, maintenance engineers and a range of other roles.

Support industries such as transport, engineering, chandlery and fuel supply will also benefit from the proposed development and Brixham harbour itself will benefit from the major increase in landing fees.

We believe that the established reputation of Brixham for high quality seafood will be further enhanced by also gaining a reputation as the UK centre of high quality mussel production. We intend to make full use of the image and reputation of Brixham and the South West in branding and promotion of our mussels. We further believe that we will be able to integrate with other marine business who are looking for facilities within the Brixham harbour development project, and that we can become a critical part of the Brixham seafood hub that drives much of the economy in the region.

We have seen the evidence of this in several other parts of the world where major mussel farming development has become an important part of the economy and the local way of life. Havelock, a small town on the Marlborough Sounds in New Zealand for example, has been transformed in recent years by growth of the mussel industry. This has come about by investment in land reclamation for processing plants, harbour facilities and local infrastructure. Much of the country's mussel production is now processed there, with the vast majority going for export. Tourism there has integrated well with the mussel industry, with farm and factory tours, mussel festivals, a famous mussel restaurant, a mussel wine, and a general pride in what they are doing.

*One of two mussel processing plants in Havelock, New Zealand*



## Appendix 1

*The town is proud of its mussel industry*



*Which provides considerable and varied employment opportunities*



OSL believes that with the creation of the proposed infrastructure and processing unit, we can create a similarly positive impact for Torbay.

*John and Nicki Holmyard  
May 2017*