

Understanding Entrepreneurs

Natural ethos nets success for Slovenian fish farmers

Premium, healthily farmed fish that comes with a freshness guarantee is finding a market in Slovenia and beyond, writes *Kester Eddy*

Irena Fonda leans over the side of her boat and throws a handful of food pellets into the waters of the northern Adriatic. After a pause, the water is suddenly alive with fish, thrashing just below the surface.

"They are not right today; they are normally waiting for the boat. It's probably because of the storm," Ms Fonda shouts above the wind.

The boat is just inside the Slovenian waters of the Bay of Piran, in the northern Adriatic: ahead is an array of circular fish cages, up to 12m in diameter, holding around 1m sea bass that Ms Fonda and her brother raise from the age of seven months to five years. A few metres behind us is the maritime border with Croatia.

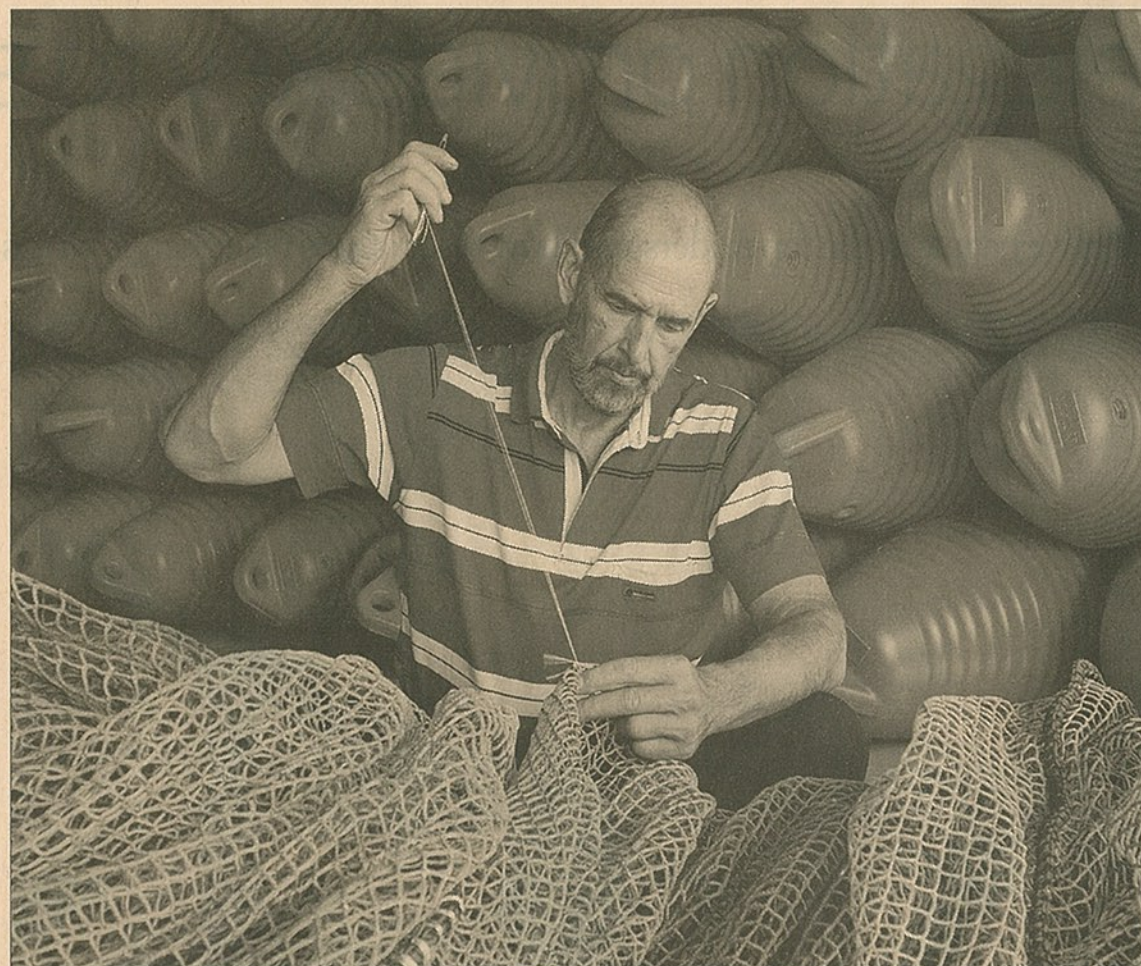
There are scores of aquaculture – fish farm – operations in the Mediterranean, but none quite like the Fonda Piran Sea Bass farm, which is small, currently yielding a mere 50 tonnes of fish annually. The industry benchmark for profitability is five times that, and farms in Greece and Turkey are typically 500-1,000 tonnes or more.

The Fondas, Irena and brother Lean, are biologists, who – with their now deceased father – in 2001 took the profits from their underwater engineering business and turned their scientific minds to producing a better-quality, healthier sea bass than those of the large commercial farms.

To prove the point, Ms Fonda points to the depths. "You see, the nets are overgrown with algae. Most farms use antifouling agents, but these are bad for nature and I'm sure it's bad for the fish," she says.

But eschewing chemical methods means using divers to clean the nets manually, a time-consuming, expensive process. Nonetheless, the Fondas apply this ethos to every aspect of the operation, from identifying the highest-quality fingerlings – juvenile fish – bought from hatcheries in France and Italy, to sourcing the very best fish-food producers.

They also harvest the fish in super-cooled brine – effectively putting them to sleep – to cause the least stress. The result is sea bass with a



Fishing for profit: Ugo Fonda applied his expertise in marine biology to fish farming. After his death, the company has continued to be run by his daughter Irena and her brother Lean, both biologists

Arne Hodalija

lean, tasty body that has been tested to reveal mercury levels at just 4 per cent of the legal limit.

Despite prices of between €16 and €25 per kg at the farm shop – a 100 per cent premium over sea bass from large commercial farms – demand is outstripping supply.

For good reason, says Curt-Daniel Scheffler, executive chef at the Kempinski Palace Hotel, in the nearby resort of Portorož.

"Irena Fonda presented her fish during the hotel's pre-opening phase [in 2008]. I could see straight away that this was a very ambitious company, with a high-quality [product], very different from 'factory fish', with automatic feeding and chemical net treatment," he says. Fonda sea bass has been on the Palace menu ever since.

But widespread success was initially elusive. Ms Fonda admits that their original assumption – that the public would recognise and pay for high-quality fish – was extremely naive. "People just saw our fish was more expensive, and asked why. It

was very disappointing," she says.

At first, almost the entire production went to Italy, which has a more discerning fish-loving public. But even with the higher prices achieved there, the operation was unsustainable.

The team reviewed their strategy, selling via a newly created website, Web Store Fonda, guaranteeing the freshness of each fish with an individual tag, dating the catch. They also offered to deliver fish all over Slovenia in special boxes, packed with ice.

Almost overnight, a public that had shunned sea bass on the slab carrying a 20 per cent premium began changing its mind. Having won a string of domestic entrepreneurial awards for the Fondas' efforts, the brand is now well established in Slovenia, which accounts for 70 per cent of sales.

Yet the business still struggles. Despite official policies to encourage private enterprise, a project to double the size of the farm was delayed for three years by ministerial red tape. And the banks have tightened credit

lines – a near-crippling blow to a business that needs four to five years' investment before any return appears.

But as the Fondas' fame spread, an increasing number of people asked to see the farm. "At first, we just welcomed visitors, but it began taking too much time. So we started charging, showing tourists the cages, feeding the fish, and then having a little degustation afterwards, with local wines and produce," Ms Fonda says.

Around 1,200 tourists last year brought in €40,000 – a small proportion of total farm revenues of €1m – but it needed no new investment.

"We need three lorry loads of feed per month in summer, at about €30,000 a time. That has to be paid," she says.

The Fondas have invested in new equipment and educational material, expecting to double numbers to about 2,500 visitors this year. But there are limits. "It's a good way to add value to our brand, but we do not have the structures for mass tourism. We take each guest personally to the farm with the boat; it takes time," she says.