

Mountain Red: Breaking barriers

The first deer velvet company to enter Australia with its health supplement products is breaking barriers in more ways than one, but it's been a hard road to get there. *Deer Industry News* writer **Ali Spencer** talks to visionary **Karen Morley**, Chief Executive of Mountain Red.

It's taken eight years of hard slog, but Mountain Red was the first New Zealand company to have its velvet listed as a therapeutic product in Australia, having been approved by the Therapeutic Goods Administration (TGA) last December. Together with its distribution partner Oborne Health Supplies it has almost instantly been able to take advantage of the new market for velvet.

The news for the company and industry, "is huge. Mammoth!" says Morley, adding that the breakthrough had been achieved by the hard work put in by Deer Industry New Zealand, with whom Mountain Red worked closely in the vanguard of companies seeking to access the Australian supplements market.

Trying to achieve the stringent standards required by TGA and the US Food and Drug Administration (FDA) would frighten most companies. However, Morley and Scottish partner Campbell Berry-Kilgour set out from the start to always produce the top grade product to the highest

standards possible and had everything in place when the good news came through.

As the daughter of a New Zealand deer farmer – Barry Morley of Redwood Hills in Richmond, near Nelson, the younger Morley is passionate about New Zealand deer products and the advantages on offer to the industry.

"We totally believe that if we can get it right and nurture the animals, there's a massive opportunity in the market for us all," she says.

It helped that both have a background in the pharmaceutical/medicines industry. Morley was involved with numerous large drug companies and, as a trained pharmacologist, Berry-Kilgour took a lot of convincing in particular to head down the difficult natural supplements path. However, after Morley spent two years gathering scientific data and information proving velvet's efficacy, the initial sceptic was finally converted. In 2000, Mountain Red was established on Barry Morley's farm and the first run of

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Encapsulated blood powder.

and trusted supplier of ingredients and consumer-ready goods."

The Cervus Bio business plan is focused on working with its customers to create unique consumer health solutions. This might be through formulated encapsulation or in the supply of high-quality ingredients for manufactured foods, drinks, cosmetics or dietary supplements. In addition, the manufacturer is working with the innovative foods research centre, the Riddet Institute at Massey University, on ways to extract elements that could be useful for a pharmaceutical or nutraceutical application. Progress towards commercialisation is slow, but steady. While details are commercially sensitive at this stage, Signal is confident that useful elements will be extracted in coming years and will add further value to the firm's deer products.

The company's new Cervus Bio branding – which comes from *Cervus elaphus*, red deer's scientific name – signals the

changing company direction from supplying a commodity product to a traditional market, to promoting deer products as quality, efficacious ingredients that benefit the lives of consumers.

"It represents us better in the field and gives us more of an identity as a manufacturer," he says.

The new Cervus Bio branding was launched in early March. Its promotional material shows that, as an innovative processor, the company can work with customers to tailor-make unique consumer health solutions, including combining the health benefits of the deer products with other beneficial herbs and ingredients, such as flax seed, ginkgo and ginseng.



The changes are driven by a belief in adding further value to New Zealand's quality deer co-products – an increasingly rare and valuable material, says Signal. 

Cervus Bio supplies quality New Zealand deer velvet ingredients in whole, powdered or encapsulated forms.

206 bottles rolled out of the plant.

The first sales were here in New Zealand. Barry Morley was one of the first to try the product, which drastically improved his arthritic joint complaint, which had been "making him old before his time". It gave Morley even more confidence in what they were trying to accomplish. Her enthusiasm for the product shines through as she talks about it.

The company has a simple premise, she says: "We started up with the simple aim of producing the best we are capable of, using the best farmers and never playing silly in the market."

From the start, production has been managed using current good manufacturing practice (cGMP) protocols that ensured that the product was of pharmaceutical grade and would satisfy both TGA and FDA. In addition, the pair have always insisted on a baseline for the Mountain Red brand: always 100 percent natural, additive and preservative free ingredients that are sustainably managed and harvested exclusively from New Zealand sources.

The velvet – always red deer and always whole stick with minimal processing and without additives – is sourced from Redwood Hills and a number of other accredited suppliers. "We've found Wapiti are stroppy and hard work," says Morley, adding that science has proven that red deer velvet is as efficacious as the prized Chinese breeds.

The company looked at the offshore markets it was easily able to access, taking the traditional Chinese velvet product and encapsulating it into a form that would suit the Western supplements market. However, Western markets were also the most difficult from a marketing point of view because they weren't traditional velvet consumers. In addition, different authorities have different requirements in every market. Consequently, Mountain Red's model involves working closely with its distributors in tailor-making campaigns specific to a certain country.

Over the past 14 years, Morley and Berry-Kilgour have worn out shoe leather, visiting customers and attending trade fairs around the world, telling their story. Working with New Zealand Trade & Enterprise has meant they secured early inroads into markets.

The results speak for themselves. Customers using the product are those with joint complaints, sports people and health practitioners. These days, 90 percent of



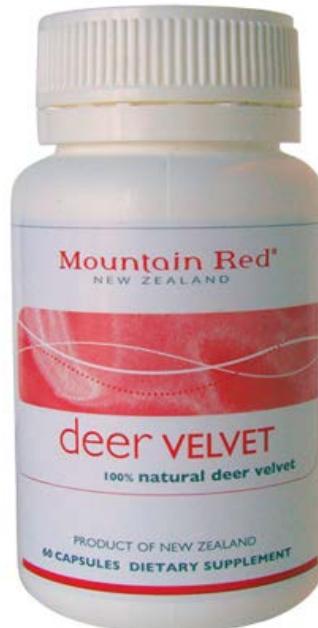
Karen Morley: Worked with NZ Trade & Enterprise to secure early market inroads.

their production is exported. Shipments are measured in tonnes and go to customers in North America, the United Kingdom, the Middle East – and now Australia. In addition, there is increased interest from Asia, as the younger generation seek out Western forms of high-quality, sustainable New Zealand products.

"We are hugely grateful to Deer Industry New Zealand and NZ Trade & Enterprise for being out there, working for us all," says Morley.

Mountain Red, which also has Greenlipper mussel extract and a grape extract in its range of supplements, is looking to add new velvet products to the range over the next two years. 

- For further information visit www.mountainred.com



Packaged product from Mountain Red.



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