



[From left to right]: Gabriel Shalvey and Conor Shalvey of Sauceman Ltd

# Grow: Sauceman

**Making It Happen:** LEO Cavan helps food company respond to Brexit challenges

**Sometimes, changing a business model is not enough, it's the whole business that has to change.**

That was the solution favoured by Gabriel Shalvey and the Shalvey family when they looked at the twin challenges presented to their family's poultry business by Brexit and a deteriorating market environment. They moved out of poultry completely and founded Sauceman to manufacture a range of sauces for the hospitality, food service, wholesale and retail sectors.

"We had been in the business since 1947, for three generations, and were involved in all aspects of poultry production," says Gabriel. The Shalveys had been exporting since the 1950s. "Dublin Airport was only a hayshed when my mother Eileen started exporting. Now in her 90s, she brings a world of wisdom and knowledge to the business. We moved into cooked meats for the food service and delicatessen markets in the 1990s and won the highest Bord Bia/Local Enterprise Office awards. We were exporting to Sainsbury's and other retailers and distributors in the UK and I was

a finalist in the EY Entrepreneur of the Year Awards in 2000." But margins were reducing all the time and the business wasn't as attractive as it had been. "We had high input costs in terms of feed, energy and so on, and were facing a tsunami of low-cost imports from countries such as Thailand, China and Brazil. Then we had Brexit. We are located nine miles from the Border. Our UK business was core to us, and Brexit was the final nail in the coffin."

The focus was to create a business that wasn't exposed to Brexit which was geared towards international markets.

The solution lay in that value adding culture and entrepreneurial drive. A business trip to India with his son Felim four years ago introduced them to new packaging technology, thus safeguarding the next generation's employment. "We saw a machine for filling sachets of sauces," Gabriel recalls. "We both decided to bring the machine home and use it to supply sauce for our poultry products, to add more value."



"We were able to produce a long shelf life product which would have low tariff implications regardless of what happened with the Border, completely different to the poultry scenario," he explains. "Our aim is to grow the business and internationalise. It was difficult to export poultry to France or another EU country. A simple thing like sending a sample required refrigeration, veterinary movement certs and more besides. With the sauce, we can just put the sachet in the post."

Local Enterprise Office Cavan became involved very early on. "We contacted them when we had one or two customers," says Gabriel. "The team in Cavan got it straight away and could see our vision. They were unbelievable with their support, mentoring and encouragement. We needed to upscale the business and develop the brand. We got a feasibility study grant which helped with early stage market validation."

Early customers included one of Ireland's leading pizza chains, and international expansion quickly followed. "We realised the product had international appeal and decided to go into it at a major scale," says Gabriel. "We got a Business Expansion Grant from the Local Enterprise Office and this helped us purchase new machinery."

The company will be participating at the Anuga trade fair in Germany in October with support from the Local Enterprise Office through the TAME grant. "We are co-operating with a German company to part share their stand costs," says Gabriel.

With further support from the Local Enterprise Office, Sauceman is now targeting production of 1 million containers a week within two years. "We have now established the Sauceman brand and the top five retailers in Ireland have all accepted it. We are also working with a nationally recognised distributor and merchandiser to sell to other retailers. That put the first part of the jigsaw in place.

We are now moving into the Northern Ireland market with help from the InterTradeIreland Acumen Programme. We have also identified key retailers and distributors in Britain and are at an advanced stage of discussions with a number of them."

Sales last year reached €700,000 and the company has set a target of reaching €1.2 million to €1.5 million in 2020. "We currently have 10 full-time and six part-time employees. We plan to increase that to between 20 and 25 over the next 18 months and grow sales to €3 million over the same period."

Innovation is managed by Gabriel and Conor Shalvey and overseen by Felim and is by no means limited to new products. "Over the past year we have been working on the development of a biodegradable, compostable, packaging," says Gabriel. "We have about another year to 18 months research to go on that and have applied for support from the Enterprise Ireland Agile Innovation Fund to assist with it."

"They were unbelievable with their support, mentoring and encouragement"

**Gabriel Shalvey,  
Sauceman**

"Sauceman Ltd were very quick to respond to the potential challenges posed by Brexit," says Marcella Rudden, Head of Enterprise with Local Enterprise Office Cavan. "They foresaw the need to diversify and identified an opportunity to develop a new product offering with export potential. The Brexit supports on offer from the Local Enterprise Office provided advice, expertise and funding to enable Sauceman Ltd to bring their plans to reality and continue to embed innovation and competitiveness into their long-term strategy for the business."

"The potential for the development of biodegradable packaging will provide the company with huge market opportunities," adds Marcella. "The Agile Innovation Fund, which is now open to LEO clients, provides a fantastic platform and support to drive innovation within small businesses and we have worked closely with Sauceman on their recent application to the Agile Innovation Fund, and hope that they will have a successful outcome".

**If you want to grow your small business, talk to us.  
Together, we can make it happen.**