

Europe
North America
Latin America
Middle East
Asia-Pacific

Award winners | Europe | **Finland**

Riku Isohätälä

Hätälä

Hätälä is based in one of the coldest cities in the world, which has an average winter temperature of below -5°C. But where there is plenty of sea and cold weather, there is also often a fishing industry. And it is in the fishing industry that Hätälä, a third-generation family business, has prospered. Riku Isohätälä is the current Chief Executive. His drive and determination, building on the work of the two generations before him, is what has made the business so successful.

“The business was in my blood, and I was certain that I wanted to work for Hätälä.”

Riku Isohätälä,
Managing Director,
Hätälä Oy

Just over 100 miles south of the Arctic Circle, the Finnish city of Oulu is the headquarters of one of the country's biggest fish-processing businesses. Called Hätälä, it is also among the country's most successful family businesses.

Now under the watchful eye of third-generation member Riku Isohätälä, Hätälä has revenues of close to €80m. Depending on the time of year, Hätälä employs up to 300 people. And it processes a massive 10 million kilograms of fish, mostly salmon, a year.

A long line of fishermen

Hätälä was founded in 1938 by Riku's grandfather Juho. But the family's relationship with the ocean's great food source goes back some way further. "We come from a long line of fishermen, and Juho himself started off as a fisherman in Oulu," says Riku. "But my grandfather saw an opportunity to not just catch fish, but also sell them in the city's market square. He sold fish – and apples – and this is how the business started."

Riku says that Juho also realized that there was potential in fishing through the ice in winter. "Back in the 1930s, there was always a lack of food during the winter months because most fishermen would not or could not fish through the ice," says Riku.



Riku worked at the marketplace to sell fish at a very young age.

"But my grandfather did, and this obviously was popular with people in Oulu."

After the Second World War, Hätälä's presence in Oulu's central marketplace grew. In 1960, Hätälä set up a sizeable fish smokery, which enabled the business to grow throughout Finland. Nine years later, under the stewardship of the second generation, led by Riku's father Olavi, Hätälä set up its first fish-processing factory, and the business became both a retailer and a wholesaler of fish.

Business in the blood

Nevertheless, in the mid-1970s, Riku's grandfather thought about selling the business and asked Olavi whether this was a good idea.

"My father wasn't going to say either way, but then he and my grandfather turned to me and my brother and asked us what we felt," says Riku. "We both said no to the sale, and that ended the matter."

At about the same time, Riku, driven by a determination to keep the business in the family, began working for the company full time. He was just 19.



Hätälä is a third-generation family business.



In 2005, the company opened a new state-of-the-art processing plant in Oulu, which can process fish extremely fast.

"The business was in my blood, and I was certain – without any pressure from my father or grandfather – that I wanted to work for Hätälä," he says. "At a very young age, I'd worked at the marketplace and helped to sell fish. That was my apprenticeship."

However, his brother felt differently. He left the business a few years later to set up on his own. And he now runs a successful vegetable company, in which Riku owns a small share.

Rapid growth

Under Riku's leadership, Hätälä has grown especially rapidly in the last 10 years. In 2005, the company opened a new 5,000m² processing plant in Oulu. The state-of-the-art plant can process fish extremely fast, as a promotional video on Hätälä's website impressively shows.

Hätälä's marketing materials proudly state that it only takes the company between 8 and 12 hours to transport and process salmon after they are caught in fish farms in northern Norway, where the company sources most of its fish.

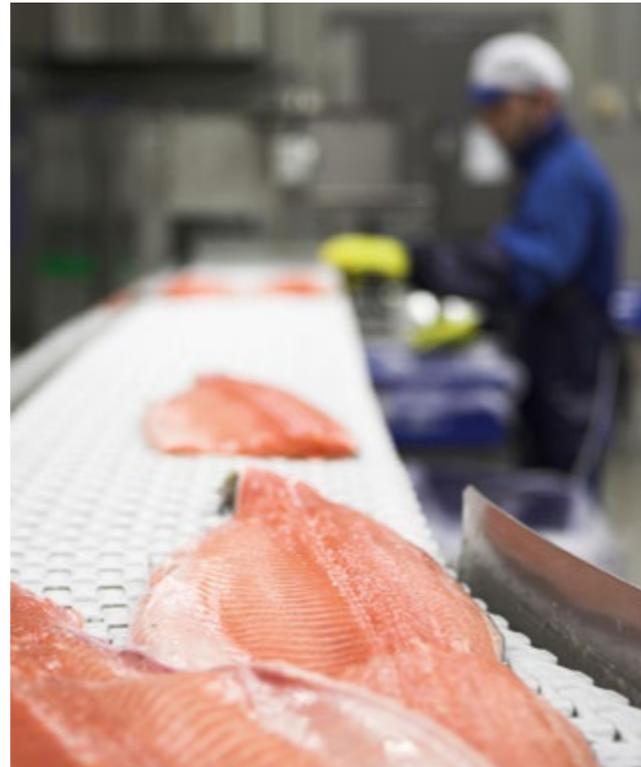
"The new plant was a big investment, and there were some concerns that it wouldn't be justified," says Riku. "But the numbers speak for themselves, and growth has been rapid."

When the plant was opened, the company's revenues were just over €11m. In the 10 years since, Hätälä has grown more than sevenfold.

The big growth spike is testament to Riku's energy and passion. He also talks about his imagination and curiosity as being important factors that have driven him and the business forward.



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“I think it helps to be curious when running a business,” he says. “It's a big part of the drive behind every successful entrepreneur.”

Looking to the future

Now 60, Riku has no plans to retire. “I feel as fit as a 25 year old and I want to stay in the business until I die,” he says.

Despite this, Riku is aware of the need to bring the next generation into the company. Luckily, so far, that has not been too difficult. His son Matti is Vice President at Hätälä and his wife also works in the business. Riku's two other children are currently working in academia, but they are also keen to work for Hätälä.

The family members place a lot of emphasis on what they see as the best values of a family business: trust, honesty and respect. Riku believes that passing these values on to staff helps the company create a loyal workforce. Some of Hätälä's employees have connections with the company that go back through generations.

The city of Oulu, famous for the annual Air Guitar World Championships and for being one of the world's most northernmost cities, is central to Hätälä's corporate culture. Apart from a small processing plant around 70 miles south of Oulu, Hätälä does all of its work in the city. Riku says that the company's commitment to the city of just under 200,000 people is not in doubt and will continue for as long as Hätälä stays a family business.

Speaking up for the fishing industry

Across the country, Riku is a well-known spokesman for the Finnish fishing industry. He often talks about the importance of investing in education to provide the skills needed for the next generation of fisherman and fishery experts.

“Valuable knowledge and skills will be lost unless Finland is committed to educating young people in fishing and fishery skills,” he says.

If its ambitious plans for the future are achieved, Hätälä will be able to continue providing jobs in the industry for years to come. Its plans include the building of a new 7,000m² processing plant, which Riku believes will help propel revenues to €140m by 2020.

Riku expects a lot of that growth to come from outside of Finland. Currently, around 4% of revenues come from abroad, but the ambition is to get this figure up to 20% by 2020.

Every year, Riku travels with Hätälä's management to the world's biggest seafood trade event, the SeaFood Expo in Brussels. The event hosts more than 25,800 buyers and suppliers of equipment, services and fresh, frozen and packaged seafood products.

“This is where we can see the trends and plan our growth in export markets,” he says. “It's very important to engage with what's happening outside of Oulu.”

No doubt Riku's continuing enthusiasm and curiosity will drive Hätälä to continued success and enable it to achieve its ambitious growth targets. And looking further ahead, the values of the first three generations will act as a lasting legacy for the company.

Riku Isohätälä

Managing Director

Company name:	Hätälä Oy
Generation(s):	3rd
Founded:	1938 in Oulu, Finland
Industries:	Food and fish processing
Employees (2014):	150
Revenue (2014):	€71.3m