



Fonterra bets on biomass protein to unlock new value from dairy lactose

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The partnership with Superbrewed Food aims to transform lactose into a high-protein, functional ingredient

SUPERBREWED FOOD

Fonterra is expanding its innovation ambitions beyond traditional dairy ingredients through a new partnership with natural ingredient manufacturer Superbrewed Food, aiming to convert lactose from its dairy processing operations into a high-quality, functional biomass protein.

The collaboration brings together Fonterra's dairy processing, ingredients and applications expertise with Superbrewed's patented fermentation technology, which produces an ingredient known as Postbiotic Cultured Protein. The move reflects a broader effort by the dairy co-operative to extract greater value from its existing milk streams while positioning itself for emerging demand for new forms of sustainable nutrition.

"Dairy will always be at the core of Fonterra's business, now and in the future," said Chris Ireland, Fonterra's General Manager for Innovation Partnerships. "At the same time, ingredients produced through emerging technologies can work alongside our dairy products, expanding the range of products and choices we can offer to customers and consumers."

The proposed protein ingredient is designed to be high in protein, non-GMO and highly functional, making it suitable for a range of food and beverage applications. Those are markets where Fonterra already has an established customer base, technical capabilities and extensive experience in developing and commercialising ingredients.

The partnership centres on the potential to use lactose—a naturally occurring component of milk—as a feedstock for biomass fermentation. Instead of treating lactose solely as a dairy co-product, the approach could create a new pathway for transforming it into a nutrient-dense protein ingredient.

For Fonterra, the initiative is part of a wider strategy to respond to rising global food demand and changing consumer expectations without moving away from its core dairy business. Rather, the company sees emerging technologies and new nutritional ingredients as complementary to its existing portfolio.

"Superbrewed's cutting-edge technology aligns with our mission to provide sustainable nutritional solutions to the world and respond to global demand," Ireland said.

Superbrewed's Postbiotic Cultured Protein is described as a non-GMO, allergen-free bacteria biomass protein. The ingredient recently received US market approval from the Food and Drug Administration, potentially opening the door for broader commercial development in food and beverage markets.

The partnership also marks an important validation for Superbrewed as it seeks to scale its biomass ingredient platform through collaboration with established global food companies.

“We are excited to be partnering with a company of Fonterra’s stature, as it recognises the value in bringing Postbiotic Cultured Protein to market and is a pivotal step towards expanding our offerings of biomass ingredients that further contribute to sustainable food production,” said Bryan Tracy, CEO of Superbrewed Food.

The agreement underscores a growing convergence between conventional food production and fermentation-based technologies. For dairy companies, such partnerships could create opportunities to derive additional value from existing processing streams while expanding their presence in fast-growing categories such as alternative and functional proteins.

For Fonterra, however, the strategy is not about replacing dairy. It is about broadening the definition of what can be created from the dairy value chain—and using new technology to ensure that more value can be extracted from every part of the milk stream.

As global demand for protein and sustainable nutrition continues to rise, Fonterra’s partnership with Superbrewed could offer a glimpse into how established dairy companies may increasingly combine traditional agricultural strengths with biotechnology to build the next generation of food ingredients.