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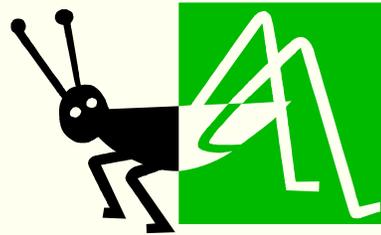
Working Toward a Sustainable Tomorrow  
Understanding & Expanding Compost Infrastructure

# The Art of Mastering Compost Operations and Marketing

**Craig Coker**  
**Coker Composting &**  
**Consulting**

# Acknowledgements

- **U.S. Composting Council, “Compost Operations Training for EPA Region 3 Regulators”, Nov. 2008**
- **North Carolina Composting Council, “Commercial Composting and Compost Use” - 40-hr Advanced Course, Sept. 2008**



To Succeed, You Must Master  
Two Different Businesses:

- - Waste Management
- - Product Marketing & Sales

# No. 1 – Waste Management

- The ground we walk is littered with the debris of failed composting facilities
- Recognize that reality and manage it



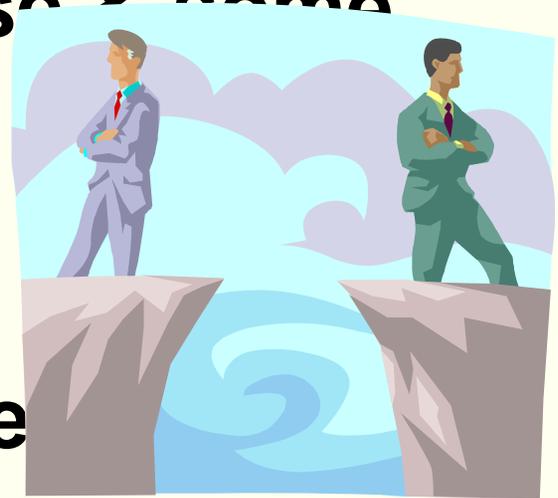
SPSA, Va Beach, VA

# The Three R's

- **Responsible**
- **Reliable**
- **Reputable**

# Responsible Waste Management

- Do it the right way – collection, handling, composting – it's easier in the long run
- Recognize a frequent conflict between common sense & some environmental regs
- Recognize regulatory realities
- Support variance requests with real data, not beliefs



# Reliable Waste Management

- **Always be available 24/7 for industrial clients**
- **Always handle wastes properly and infuse that culture into your people**
- **Never, ever, fail to pick up putrescibles when you're scheduled to be there – have a back up plan ing**
- **Be as reliable as the dawn**



# Reputable Waste Management

- **Be Professional –**
  - Have a Feedstock Acceptance Protocol
  - Use well-prepared contracts for waste mgt
  - Incentivize good employee behavior & performance
  - Ensure employees wear professional uniforms
- **Do Good**
  - Be involved in your community
  - Consider hiring disadvantaged workers

# Creating A Successful Composting Facility

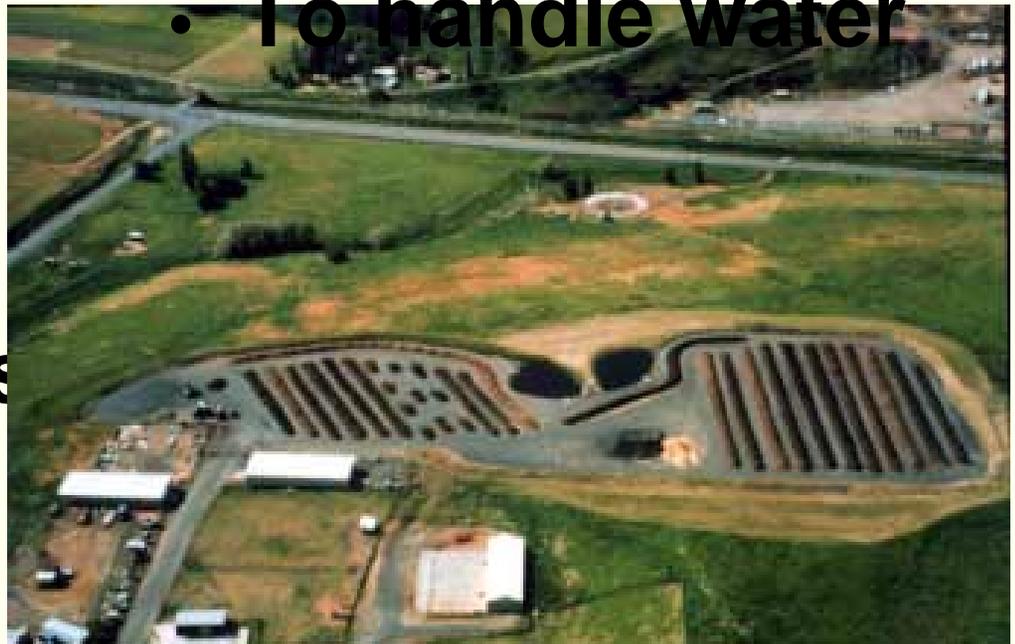
# Site planning

- **Land area requirements**
- **Road access**
- **Utility access**
- **Surrounding land uses**
- **Geography: slope, soil, water/wetlands**
- **Elevation, air drainage**
- **Wind direction**
- **Zoning, local and state regulations**

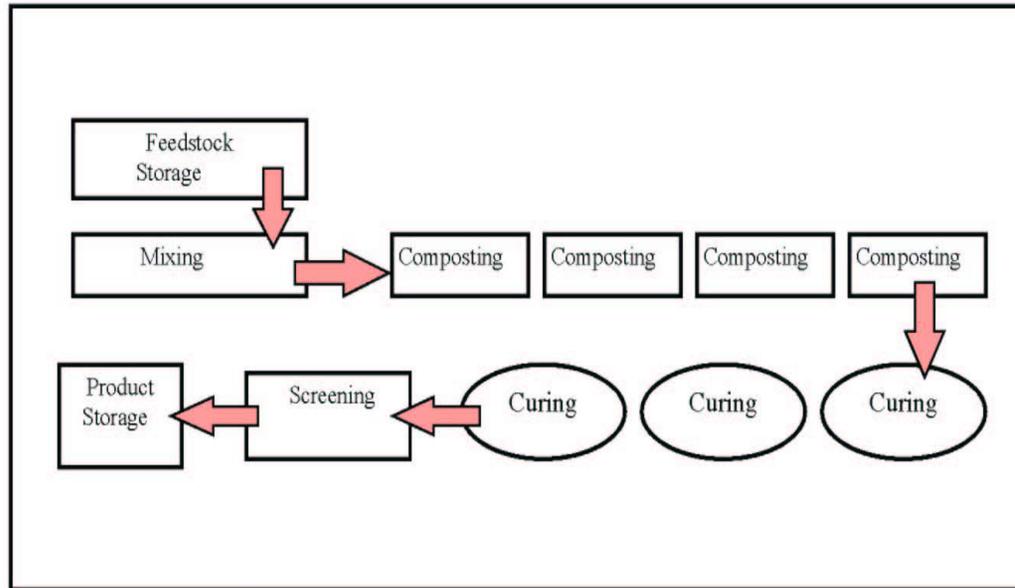
# Space - The First Frontier

## Need room (area):

- To compost
- To move around
- For access and activities
- To breathe
- To do other things
- For storage
- To handle water



# Facility Layout



- **Feedstock Storage**
- **Grinding/Size Reduction/Mixing**
- **Composting**
- **Curing**
- **Screening**
- **Final Product Storage**

- **Keep layout linear**
- **Avoid materials flows crossovers**
- **Optimize materials handling**

# Setback Distances

- **Sensitive receptors – min. 500', pref. 1,000' or more**
- **Public and private wells – 150-200'**
- **Groundwater - > 4' SHGWT**
- **Surface water – 150-200'**
- **Airports - >10,000'**
- **Residences and dwellings – min. 500', pref. 750' - 1,000'**
- **Property lines – most states 50'**

Direction of drainage  
General slope of land  
(0-8%)

Wetlands



100-200 feet

Diversion channel  
and dike

100-200 feet

Diverted runoff

Pad runoff collection channel \*

Stream

Diversion  
channel  
and dike

Pad slope graded  
to 2-4%

Holding pond or  
infiltration area \*

100 feet

Dike \*

Sediment trap \*

\* As needed

Possible visual screen of trees and shrubs



Pasture

Indicates a dike

Farm road



# Buffer zone

- **Blocks impacts of water, noise, odor and sights**
  - Includes berms, walls, treelines
  - Take advantage of hills, fields, woods, railroads and prevailing winds
  - Visual barrier also reduces odors!  
(People smell with their eye)









# Odor Control & Management

- **A good isolated site**
- **Good housekeeping**
- **Prompt handling of feedstocks**
- **Sensible process management**
- **Cover open piles with compost!**
- **Contain or enclose the process**
- **Capture and treat foul air (biofilters)**
- **Be a good neighbor – walk in their shoes**

# Puddles

- Visible
- Obvious and certain
- Controllable
- A flashing red “sign” for inspectors
- Get rid of them



# Smart Practices for Anytime but Especially w/ Difficult Feedstock

- **Watch the water**
- **Handle it promptly**
- **COVER IT!**
- **Contain it, as needed**
- **Add porosity**



**No**



*Photos: Doug Pinkerton, BioCycle*

**Yes**



**No**



**Yes**

**Coker Composting & Consulting**



Yes



# Dealing with Water

- Provide for good drainage
- **Do not let “dirty” runoff drain into streams or other surface water**
  - Capture, treat, store, reuse
  - Settle the sediment
- Divert “clean” runoff around material storage and activity areas
- Groundwater concerns
  - Course, porous, well-drained soils
  - Wells and other “short circuits”
- Recognize the realities of composting facilities and potential water quality impacts

# *Fires Happen*

## **Lessons learned:**

- **Watch temperature, especially over 170°F**
- **Limit pile height to under 18'**
- **A smoldering or burning pile must be broken up and spread out before dousing**
- **Fire department must be trained ahead of time**

# Mastering Compost Marketing & Sales

# Marketing vs. Sales

- **Role of marketing – create prospects for sales and keep the market informed about the compost product**
- **Role of sales – turn prospects into cash as efficiently as possible; stay in touch with existing and potential customers**
- **Recognize geographic constraints**
  - **Cost of shipping compost limits markets to a 75-100 mile radius from composting facility**
- **Recognize that very few buyers understand what compost is and how it should be used**

# Marketing Your Compost



# The Three D's

- **Discipline**
- **Dedication**
- **Determination**

# Disciplined Market Planning

- **Identify & characterize markets**
- **Evaluate composting operations and compost quality**
- **Select distribution and marketing options**
- **Develop the compost marketing plan**
- **Implement the plan**

# Compost Markets

- **Traditional Markets**
  - Homeowners/gardeners
  - Landscapers/turf
  - Nursery production
- **Emerging Markets**
  - Erosion & Sediment Control
  - Bioengineering – Structural Soils, Living Walls, etc.
  - Wetlands Creation
  - Environmental Restoration
- **Re-Emerging Markets – Agriculture (in places)**

*Form – bulk vs. bagged, blends & derivative products*

# Compost Markets

- **Dollar vs. Volume Markets**
- **Retail vs. Wholesale Markets**
- **Dollar Markets**
  - Higher value (golf courses, nurseries, sports turf)
  - Quality and consistency more important than price
- **Volume Markets**
  - Price is key defining criteria
  - Agriculture, erosion control, remediation, wetlands
- **Retail – characteristics of both dollar and volume**
- **Wholesale – extremely price-sensitive**

# Distribution & Marketing Options

- **Distribution Options:**
  - Wholesale to large quantity users (> 50 CY / order)
  - Direct to municipal agencies (internal markets)
  - Retail/contractor discount to professional end users (a.k.a. “prosumers”)
  - Retail to residents/homeowners/gardeners (consumers)
- **Marketing Options:**
  - In-house staff
  - Contracting with private-sector broker

# Distribution Options: Retail Sales to Prosumers

- **Benefits from product branding (name, logo) and promotional materials**
- **Message should focus on specific qualities of your product in residential and commercial horticulture/landscaping**
- **Very high repeat sales quotient with good and consistent product quality**

# Marketing- Product Branding

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**Leprechaun**  
ORGANIC PRODUCTS

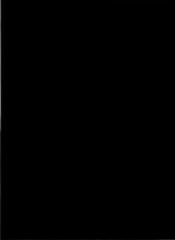
Soil Builder Compost  
Landscape Mix  
Custom Blends

Coker

Composting & Consulting



Макдоналдс





Макдоналдс



# Branding

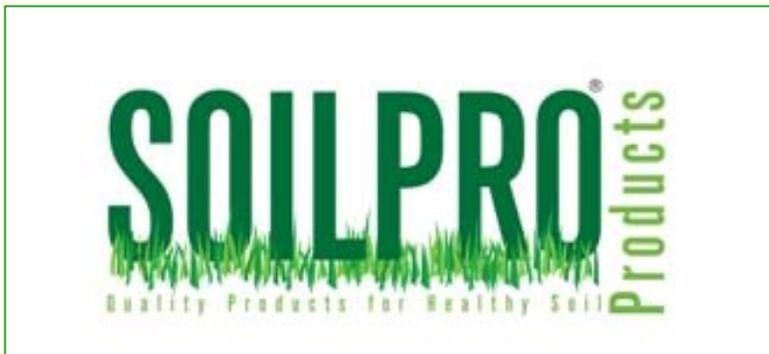
- **Symbolic embodiment of all information connected to a provider**
- **Serves to create expectations and associations**
- **Brand image – create impression that product is unique or special**
- **Brand experience – if positive, customers will often choose branded over generic items**
- **Trademark all brand names of products**

# Logos

- **Graphic element, symbol or icon of a brand**
- **Effect should be instant recognition**
- **Components – be distinctive!**
  - **Icon – the image**
  - **Logotype – letter font (i.e. McDonald's)**
  - **Slogan – convey the message**

***“BMW – The Ultimate Driving Machine”***

***“Prudential - Get a piece of the rock”***



# Advertising

- **Critical in establishing brand recognition**
- **Convey your message!**
- **Methods**
  - Newspaper
  - TV
  - Infomercials
  - Display signage at projects
  - Billboards
  - Radio
  - Trailers

# Promotional Advertising



1544 Smokey Park Hwy.  
Candler, NC 28715  
(828) 665-9899

## Treat Your Lawn This Fall With *MOM's Best Compost!*



Annual core aeration and topdressing with natural organic fertilizers, like *MOM's Best Compost*, is the best way to ensure you'll have a vibrant, vigorous lawn next spring! Compost brings physical, biological and chemical benefits to soils. These benefits include: reduced thatch, increased water-holding capacity, and disease suppression.

*MOM's Best Compost* is 100% organic, made from dairy manure, poultry manure and sawdust. It is made to the exacting standards of the U.S. Composting Council's Seal of Testing Assurance Program.

Core aerating and topdressing can be done with equipment available from many rental stores, or you can hire a contractor to do the work for you. MOM is proud to recommend these contractors for you to speak with. These contractors are top quality companies who understand the importance of using natural organic fertilizers in professional lawn care.

Snow Creek Nursery & Landscaping, Arden — (828) 687-1677  
Carolina Native Landscapes, Asheville — (828) 665-7234  
Southern Branches Landscaping, Asheville — (828) 281-3070

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**SOILS**

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**Laurel Valley Soils**  
610-268-5555 or  
1-866-LV SOILS  
(1-866-587-6457)

*Supplying quality companion & soil products to the PA, NJ, DE & MD Green Industry*

**1-866-LV SOILS** Located in Avondale, PA  
Chester County

- **Information Conveyed –**
  - **Product lines**
  - **Location & Contact information**
  - **Logo & Tag line**

# Distribution Options: Retail to Residents & Homeowners

- **Avoid perception that compost is a valueless product**
- **Develop professional education and outreach materials**
- **Set up visible demonstration plots**
- **Ensure high product quality**
- **Word-of-mouth will provide most effective advertising**

# Dedicated Marketing Strategies

- **In-house program will require:**
  - Market surveys
  - Coordination of product utilization research
  - Highly visible demonstration sites
  - Professional education and outreach materials
- **Broker/blender pros/cons:**
  - Eliminates risk of market failure
  - Revenue and control are reduced

# Factors Affecting Distribution and Marketing Strategies

- **Level of available resources to implement strategy**
- **Quantity and quality of compost produced**
- **Types and sizes of markets in your marketing region**
- **Risk and revenue expectations**
- **Most use more than one distribution channel and one marketing strategy**

# Preparing the Marketing Plan

- **Identify Target Markets and Distribution Channels**
- **Develop a Product Specification**
  - **USCC STA Compost Tech Data Sheet**
- **Develop a Program Budget**
- **Develop a Pricing Structure**
- **Develop Product Utilization Guidelines**
- **Develop a Product Identity**
- **Plan Research & Demonstration Projects**
- **Plan Public Relations & Education Strategy**

# Determination in Public Relations & Education

- **Product Literature**
- **Demonstration Sites**
- **Public Presentations**
- **Articles in Local Press**
- **Print and Other Media Advertising**
- **Website & Blog Page**
- **Displays/Exhibits**
- **Facility Tours**



# Selling Your Compost



# Compost Sales

- **Bulk vs. bagged sales**
  - Most composters sell in bulk (per cubic yard, or per “scoop”)
  - Bagged product often requires outlets through “big box” stores
    - Extremely difficult to ensure adequate profit margins
  - Bagging not feasible until production greater than 50,000 cubic yard/year (or more)
  - Sell to public at composting facility, mulch yard or sell through broker
- **Pricing**
  - Determined by competition in your 75-100 mile radius
  - In NC, statewide average is \$20-25/CY (retail)
  - Larger orders (above 50 CY) will expect discount
  - Pricing can also be influenced by feedstocks used
    - Manure & food waste composts vs. biosolids & mortality composts

# Understanding The Customer

- How does compost *benefit* the customer?
- Benefits identified to purchasers of compost
  - Helps *reduce* soil compaction
  - Helps *increase* water retention
  - Helps *hold on* to nutrients
  - Helps *reduce* chemicals needed
  - *Reduces* erosion
  - *Increases* infiltration
  - *Reduces* some plant diseases
  - *Increases* porosity
- Talk the customer's language – “what's in it for me?”

# Understanding The Customer

- **Anticipate the customer's concerns:**
  - What is it made of?
  - How do I know how good it is?
  - Are you sure it is safe...how do I know?
  - If it is so good, why is it such a bargain?
  - Will you guarantee it if it kills my plants?
  - What if my kids or dog get sick?
- **Consumer education – shortens the list of questions!**

# Developing A Sales Strategy

- **Set up Information Management System**
  - Record sales, price paid, buyer info
- **Recruit sales staff or hire broker**
- **Develop promotional materials**
- **Get out and talk to buyers**



# Sales Information Management

- **Feedback – essential to strong sales**
- **Develop sales reports**
  - *By Product* – for operations managers
  - *By Customers* – for salespeople
  - *By Geographical Area* – for advertising
  - *By Market* – for marketing staff
- **Allows understanding of total market size, market share and “projected vs. actual” sales data**

# Sales Staff

Necessary skills or knowledge base

- The composting process
- Compost application & benefits
- Product quality issues
- Government regulation
- Health, safety, & environmental issues
- Competition
- Prior research
- The green industry
- User needs
- Basic sales and marketing

# Hiring A Broker

- **Negotiation Issues**
  - Amount of material to be marketed
  - Length of contract
  - Sole-source contract
  - Pick-up/delivery schedule
  - Revenue sharing & reimburseable costs
  - Storage costs and locations
  - Bonding/guarantee requirements
  - Educational/promotional responsibilities
- **Use a formal contract agreement**

# Promotional Materials

- **Product Information Brochures**
- **Product Utilization Guidelines**
- **Compost Technical Data Sheet**
- **Consider “logo’ed” giveaway items**
  - Hats, tee-shirts, pens, coffee mugs
- **Your objective is to keep your products’ name(s) in front of possible buyers as much as possible**



# Sales- Why Should They Buy Your Compost?

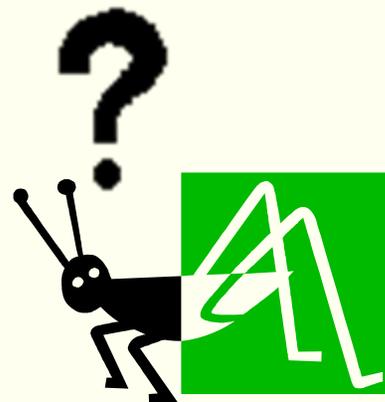
- **Quality-Quality-Quality**
  - Only sell mature, stable product
- **Volume**
  - Be sure to have enough to meet orders
- **Price**
  - Volume markets – lower price
- **Convenience**
  - Make it easy for customers to pick up
- **Delivery**
  - Deliver products in a timely manner

# Summary

- **Waste Management**
  - Responsible, reliable & reputable
  - Manage wastes correctly & efficiently
  - Set the bar as high as you can
- **Product Marketing & Sales**
  - Discipline, dedication & determination
  - Consistency, volume and value
  - Take control of your market and never cede ground



Questions?



**For More Enlightenment:  
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