

Technology Brief

MARKETING ASSESSMENT FOR NORTHWEST BIOSOLIDS MANAGEMENT ASSOCIATION

Background

The first phase of a proposed multi-stage effort to explore the potential for a targeted biosolids marketing strategy was undertaken by Spirit West Management, Inc., and the CWC. The client, the Northwest Biosolids Management Association (NBMA), a loosely structured membership organization of regional biosolids producers, sought to identify opportunities to better serve its members through an understanding of market potential, constraints, and successful (or unsuccessful) models and experiences elsewhere.

The study objectives included:

- Determining market size;
- Exploring potential demand by product category (Class A or Class B);
- Researching and assessing the competitive situation; and
- Identifying and understanding barriers to entry.

The goal was to provide the NBMA with preliminary information to help its members decide whether or not to pursue a more focused organizational role in product development and product marketing. (NOTE: The assessment was not intended to provide a recommended strategy for a specific product or target market, nor to develop an economic or operational model for such.)

The report research included a broad base of market opportunity areas – areas where biosolids might already be in use, as well as areas where potential beneficial use might be possible. The project team attempted to address the analysis with “fresh eyes”, an outsider’s perspective, and to share with the NBMA the experiences of other for-profit and not-for-profit models nationally and even internationally. The ultimate goal was to identify options which made economic sense and which would be appropriate in a for-profit marketplace.

Market Strategy Ideas

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Key Words

- Materials:** Biosolids.
- Technologies:** Various.
- Applications:** Mine and disturbed land reclamation/vegetation; commercial landscaping; agriculture; and potentially forests.
- Market Goals:** To reach mining companies and others who can utilize biosolids in reclamation or as soil amendments.
- Abstract:** To provide the NBMA with preliminary information on biosolid product development and product marketing, in order to develop a targeted biosolids marketing strategy.

The following possibilities were specifically identified for further exploration by NBMA:

- Mine reclamation/Mine reclamation service – accommodates large volume and range of product types; consulting service creates value separate from the base product.
- Disturbed land/Disturbed land service – accommodates large volume; potential for partnerships at local/state/provincial levels; successful experiences elsewhere.
- Commercial Fertilizers Compost and Synthetic Soil – a more sophisticated approach that includes actual product development and marketing; long term models available.
- Development of a Branded Product – multiple approaches



from individual producer level to regional/organizational; partners and marketing capability essential.

- Land Application Company – quick growing sector; possibility of long-term municipal contracts; several large operators already in the marketplace.
- Contract with National Land Application Companies – option for small producers individually or collectively; leverage NBMA relationship.

The report also identifies appropriate opportunities by producer type: small Class B producers, large Class B producers, and Class A producers. As might be expected, possible market options and the associated costs and infrastructure required vary greatly for each of these NBMA member categories.

A Profitable Model?/Choices for NBMA

Project research failed to identify any examples of producer-based biosolids management programs where the cost of biosolids distribution is entirely offset by the recipient, or end user of the biosolids product. There are also very few programs in North America where biosolids managers are receiving any type of value (compensation) for their Class B (liquid or dewatered) biosolids. The implications of this for the NBMA and its members are significant: greater challenge/risk in trying to establish a profit-based venture but also greater opportunity for the organization to leverage its resources and provide service to its members. The organization potential includes providing technical, strategic, and marketing assistance, as well as its ability to facilitate producer-to-commercial partnerships, member-to-member partnerships, and NBMA-to-industry partnerships.

If the NBMA as a group decides that their priority strategic focus is economic development activity, then:

- ◆ Product development will yield greater long term solutions;

- ◆ The NBMA's superb test data, pilot projects and experience are a great foundation to furthering product development; and
- ◆ NBMA should work together on one or two solutions to start with.

If the NBMA wants to continue to provide support and influence, rather than get into the product development business or to work as a group, then:

- ◆ It could help individual member producers to achieve some of the recommendations;
- ◆ Provide greater assistance in accessing and meeting government regulators within mine reclamation and disturbed land;
- ◆ Help develop land application contract guidelines, provide oversight and community communication; and
- ◆ Host and facilitate regular roundtable discussions between industry, member organizations and government to increase awareness, develop champions within those organizations, and deal with mis-information, concerns and strategic alliance pilot projects.

The results of the research and implementation of any of the suggestions require long-term commitments to resource planning and development. The NBMA and its members must determine goals and a strategic vision for the organization before the potential of any of the opportunities identified in the project work can be realized.

Fact Sheet Date: June 1999

For More Information

For more information call CWC at (206) 443-7746, email info@cw.org, or visit the CWC Internet Website at www.cw.org.

This technology brief was prepared by CWC, Managing Partner of the **Recycling Technology Assistance Partnership (ReTAP)**. ReTAP is an affiliate of the national Manufacturing Extension Partnership (MEP), a program of the U.S. Commerce Department's National Institute of Standards and Technology. ReTAP is also funded by the U.S. Environmental Protection Agency.

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