

# Case Study:

## Marketing On-Farm Compost

The Northeast Recycling Council (NERC) is a non-profit organization that conducts research, hands-on projects, training, and outreach on issues associated with source reduction, recycling, composting, environmentally preferable purchasing, and decreasing the toxicity of the solid waste stream.

Integrating composting practices into farming operations and refining compost production and utilization methods can help farmers better manage farm organic waste, including manure and crop residues. The resulting compost can be applied for on-farm soil benefits and/or sold as a valued-added product. To expand and support farm-based compost markets in the Northeast, NERC was awarded a grant from the Northeast Sustainable Agriculture Research and Education (SARE) program. Resources developed by NERC for the project, as well as presentations from seven compost marketing workshops, are posted on NERC's website. NERC provided technical assistance to farm compost operations, including development of operation-specific marketing plans.

### **Stone Hill River Farms** **Bedford, NY**

#### **Overview**

The Stone Hill River Farms compost operation is associated with Coker Farms, a 110-acre horse farm in Bedford, New York. The compost operation began in August 2010, collecting horse manure with shavings and straw bedding, along with leaves and cow manure from area farms. Collected organics are mixed and formed into windrows (elongated piles) for composting.

The owner and operator, Alan Keeley, runs the business fulltime. The compost operation was designed with excess capacity in order to provide composting services to small horse-keeping operations in the area. Mr. Keeley offers weekly collection services for area horse farms, providing 30 cubic yard and 20 cubic yard dumpsters for rent. Tipping and service fees are charged for hauling and processing the manure and bedding.

Mr. Keeley brings to the farm business an extensive background in working with horse operations. Additionally, he has owned and operated an excavating company. These two associations have served to afford productive leads for establishing his compost business, providing service and compost feedstock options and marketing contacts.

The Stone Hill River Farms compost product is sold in bulk. Material is loaded onsite or delivered. Related services offered by the operation include: stump removal, excavating and trucking, firewood sales, and retail and wholesale screened topsoil.





### **Materials Composted**

Feedstocks (ingredients) for Stone Hill River Farms compost include horse manure with shavings and straw bedding, along with leaves and cow manure.

### **Compost Method and Equipment**

Three, 30-cubic yard dumpsters of horse manure with shavings and straw bedding are collected every two weeks and one, 20-cubic yard dumpster is collected every two weeks from nearby horse operations. Leaves and cow manure are also collected by Stone Hill River Farms for composting. Dumpsters are provided by Stone Hill River Farms, along with collection services. A container rental and collection service fee of \$250 per 30-cubic yard dumpster is charged (prorated for the smaller dumpster). The farm owns four, 30-cubic yard dumpsters and one, 20-cubic yard dumpster.

The collected material is dumped on a compost pad. The material is mixed using a front loader and formed into windrows (elongated piles). Windrows are turned using a PT-120 windrow turner purchased by the farm in 2011. Feedstock materials are monitored for contamination. Temperatures are closely monitored and recorded. Once the compost process is complete, finished compost is cured.



Compost is sold by bulk and loaded onsite using a front loader or delivered using a roll-off truck.

Related services offered by Stone Hill River Farms include stump removal, excavating and trucking, firewood sales and delivery, and retail and wholesale screened topsoil. The farm is leasing an additional 30 acres to expand the compost operation over the next few years.

### **Marketing**

The owner and operator of Stone Hill River Farms has been associated with horse operations for many years; developing an understanding of the needs of horse operations and making contacts that could lead to potential feedstock collection and service options and compost sales. In addition, Mr. Keeley has a long-standing excavating business and has been able to draw upon his knowledge of this industry and continued ongoing contacts with others in the excavating and landscaping business for marketing purposes and related services.



Strategies used to develop the farm's marketing capacity include:

- Extensive literature review and research on compost businesses, techniques, operations, and sales strategies
- Researching compost marketing techniques
- Attending a Northeast Recycling Council compost marketing workshop
- Developing a compost marketing plan
- Exploring services and products to supplement and enhance compost operation



- Exploring landscape professional connections
- Exploring connections in local communities as a potential source of leaves and brush, as well as potential customers
- Capitalizing on word-of-mouth opportunities through connections with horse operations and with excavation business

### **Compost Utilization, Customer Base, and Sales**

Stone Hill River Farms compost operation was designed to meet the manure management needs of its associated Coker Farm and to allow for extra feedstock capacity to provide services for other equine operations and to potentially bring in additional revenues through collection of off-site feedstock. The experience and associations made by the owner and operator of Stone Hill River Farms have served to enhance the operation's ability to provide these services.

Similarly, Mr. Keeley's professional association with the excavation industry has allowed him to supplement the compost operation with excavating services and to expand his customer base and sales through targeting appropriate uses of his compost product to professional excavators and landscapers.

Stone Hill River Farms sells a premium humified compost product. The product is marketed to the large number of excavating and landscaping businesses operating in Westchester County. Arrangements with the Town of Bedford to purchase finished compost have been successfully made. Both wholesale and farm direct sales are offered. Product is sold wholesale for \$45 per yard, plus \$8 per yard for delivery. Customers who purchase more than 100 yards are given a discount. In its third year of operation, the farm sold out of its finished compost in July.



### **Challenges and Solutions**

Challenge: Making connections with local communities, such as the Town of Bedford, as potential sources of leaves and brush for feedstock, as well as being potential large purchasers of finished compost product.

Solution: Outreach to towns to offer drop-off opportunities for collecting town leaves and promoting the opportunity for town public works trucks to backhaul finished compost product for use in the town.

Challenge: Overcoming the marketing pressure of a long-established competing compost operation which sells "black" compost and has influenced area residents and landscapers to "expect" that high quality compost must be black.

Solution: Providing full-exposure of the local and natural ingredients that go into making Stone Hill River Farms compost and producing a consistent high quality product for sale.







### **Future Plans**

The goal of the Stone Hill River Farm operator is to have enough incoming compost feedstock materials to produce 1,000 yards of finished premium compost product annually. The operator would also like to expand into offering equipment rentals, such as compost spreaders, along with sale of various compost products. Continuing to expand services into excavating, landscaping, delivery, and collection is another ongoing component of the farm business.

#### **Additional goals:**

- Experiment with manufacturing a variety of potential compost products, including compost tea to explore marketing opportunities
- Work more closely with local landscapers to foster increased use of compost by branching into sales and rentals of equipment to meet the needs of landscapers and developing compost products suited for specific landscape practices
- Expand collection services to additional horse and other livestock operations, as needed for additional feedstock to expand production
- Continue development of relationships with nearby towns as a potential source of leaves and brush, as well as potential purchasers of compost products
- Investigate the costs and benefits of becoming Northeast Organic Farmer Association (NOFA) certified in order to sell compost certified for organic farm use

### **For More Information**

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