Utility Branding Network CASE STUDY



The "SoilPro" Compost Brand

THROUGH ITS PRODUCT FOCUS, strong marketing activities, and impressive facility, the Inland Empire Composting Authority exemplifies how to develop a strong brand and high demand for products that use biosolids as an ingredient.

About the Inland Empire Composting Authority

LOCATED IN RANCHO CUCAMONGA, CALIFORNIA, the Inland Empire Regional Composting Authority (IERCA) operates the nation's largest indoor composting facility, known as the Inland Empire Regional Composting Facility (IERCF).

Funded through a partnership between the Inland Empire Utilities Agency and the County Sanitation Districts of Los Angeles County, IERCA focuses on producing top-quality compost under the guidelines outlined in the U.S. Composting Council's Seal of Testing Assurance (STA) program.

The facility, operated by the Inland Empire Utilities Agency (IEUA), produces compost using the aerated static pile (ASP) composting method. In ASP composting, the organic material is mixed together in large piles instead of in traditional windrows.



Aeration occurs as air is pushed or pulled through the piles. To control odors as well as meet some of the most stringent air quality regulations in the world, all of the air from the building and from the compost piles is filtered through a 3-acre biological filter (made from wood chips) before it is returned to the atmosphere.

The entire composting process at IERCF takes approximately 60 days. Active composting lasts for about 22 days before the pile is screened and moved into a curing area, where it remains for another 30-40 days. Larger materials screened from the compost are recycled back to the beginning of the composting process to aid in aeration. After curing, the compost is transported to a loading area for distribution and use.

IERCF produces approximately 240,000 cubic yards (100,000 tons) of compost a year, or enough to cover approximately 30,000 residential lawns.

Key Branding Issues

A MARKETING AND BRANDING FOCUS – A critical factor in the success of IERCA was that its focus from the beginning was on the brand and marketing of the finished product, and not on disposing of a waste. The organization was set up as a separate composting authority whose sole purpose was producing a product that customers would value. This organizational focus on compost helped increased the credibility and brand of the products. The composting authority started addressing marketing issues 2 years before producing product from the facility. Efforts included creating the "SoilPro" brand name and instituting a small pilot program that allowed for producing sample product, bags, and lab test results. During the early marketing phase, IERCA asked for letters of interest from potential users. These letters provided a means for developing deeper relationships with potential customers and led to tours of the facility.

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AN EXTRAORDINARY INVESTMENT – The size of the facility (10 acres under-roof), along with the air handling systems needed to meet the air districts' emissions rulings, required significant investments. This level of investment sent a clear message that the facility and the SoilPro composting brand are long-term endeavors. Despite the large investment, the net cost of producing and marketing SoilPro products is comparable with other waste management and beneficial reuse options. Other options included trucking the products long distances to central California or Arizona, or opting for very high-tech, less flexible, and more expensive composting processes. The aerated static pile composting process used by IERCF is relatively low-tech, designed for flexibility, and produces high-quality compost. The indoor facility allows for meeting strict air quality regulations and being a good neighbor. IERCF also generates half of its electricity using roof-mounted solar panels.



THE ESSENCE OF THE SOILPRO BRAND – A good brand has features that differentiate it from other products. SoilPro compost products are high quality and highly consistent. High consistency is somewhat unusual for bulk compost products. IERCA marketing managers have come to understand that consistency is what the customer notices and values. Good brands deliver value that customers can "count on"; therefore, a good brand always involves consistent

features and overall product quality. Part of the reason for the consistency is that the product is not affected by the weather due to the indoor composting process. IERCA has been successful in landing long-term contracts in part because of this consistency, and the customer confidence that comes with understanding that this is a result of the indoor facility. This consistency brand is further enhanced by the fact that IERCA has been able to offer "guaranteed minimum nutrients," something not very common in bulk compost products. Finally, IERCA offers different grades of compost, which reinforces the idea that the product is manufactured. "Basic" and "Premium" compost are currently offered, with a "Golf Course Blend" coming out soon.

MARKETING TACTICS – IERCA employs a variety of sales and marketing tactics to land customers and maintain high pricing, including the following:

- IERCA currently sells to about 75 customers, mostly landscapers and commercial landscape supply houses.
- These customers act like distributors. IERCA does not sell to individual customers who want to fill up their trucks. These customers are referred to IERCA's commercial partners.
- Sometimes partners blend the SoilPro product with dirt to create topsoil products.
- Due to the strong partnership with commercial distributors, IERCA is not currently pushing to increase end-user awareness with the SoilPro brand.

IERCA's main marketing objective is to build strong demand for SoilPro products and garner higher prices. IERCA has developed purchasing agreements with many of the cities that produce the biosolids and organics that are ingredients for SoilPro products; however, this is currently less than 10 percent of the business, and the cities pay full price to receive the products. IERCA does not participate in giving away product unless it is part of a special event, like Compost Awareness Week or giving away samples to specific customers to build the business. IERCA works hard to maintain or increase the price of the product. This effort is aided greatly by the fact that IERCA invested in a storage facility next door to the composting facility to avoid selling product for lower prices during temporary decreases in demand.

In summary, IERCA's focus on its product quality, product consistency, and tactics for landing long-term customer relationships has led to a strong start for this innovative enterprise.