Case Study: Marketing On-Farm Compost

The Northeast Recycling
Council (NERC) is a nonprofit 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.

Holiday Brook Farm

Dalton, Massachusetts

Overview

Located in the heart of Berkshire County, Massachusetts, Holiday Brook Farm grows premium-quality foods and other items. Products include high quality, high demand meats, such as grass-fed Belted Galloway cattle, Clun Forest and Leicester sheep and pasture-raised Berkshire hogs, along with organically grown vegetables and maple syrup. Holiday Brook Farm products are sold through their CSA, farm stand, and local farmer's markets.

Holiday Brook Farm is committed to providing its customers with healthy, high quality, environmentally-responsible, and humane food. The holistic farm practices follow sustainable, natural models to enhance the health and productivity of crops, livestock, and fields. No conventional chemical fertilizer, pesticides, herbicides, fungicides, or other chemicals except those natural compounds permitted under organic production practices are used on farm fields.

The farm's screened compost (known locally as "Black Gold" or "Dicken's Dirt") is used to enrich the farm fields. Surplus compost is sold to supplement the farm's diversified product sales. The compost operation produces 1,500-2,000 cubic yards of finished compost, plus 2,500-3,000 cubic yards of soil mix. The soil mix, a popular product, is a 50/50 blend of the farm's screened compost mixed with good quality, local topsoil/loam and a little sand to foster drainage. Screened and composted wood grindings are marketed as "black mulch."







Dicken Crane, Holiday Brook Farm owner and manager oversees the compost operation, with assistance from a seasonal, full-time operator. Jesse Robertson-Dubois, farm manager oversees promotion and administrative/bookkeeping tasks.

Materials Composted

Compost feedstocks (ingredients) include horse manure, bedding, leaves, and food scraps from supermarkets, institutional kitchens, and events such as the annual Berkshire Grown Harvest Supper. Food scraps typically include other organics, such as waxed cardboard boxes in which produce is shipped and paper and compostable "plastic" service ware from cafeterias and events.

Compost Method and Equipment

Leaves are delivered to the operation by the City of Pittsfield; brush and leaves are also delivered to the operation by landscapers. The Big Y Supermarket delivers one load every other week of produce scraps, wet cardboard, and other organics. Holiday Brook Farm provides a pick-up service for manure from local horse stable operations. The farm also accepts leaves and grass from area residents.



When loads containing food scraps are received, they are immediately mixed with ground brush, chips, and leaves in small batches at the far end of the compost pad area. These mixed materials are formed into 140-foot long windrows (elongated piles), along with additional leaves. Some renderings are also accepted and composted separately, strictly for use on farm fields.

A large front end loader (4-yard bucket) is used to turn, form windrows, and screen materials. Windrow temperatures are monitored and recorded regularly. Finished material is screened at ½ inch.

The operation also does some grinding of stumps and brush; a grinder is rented for the purpose.

Marketing

Holiday Brook Farm has a strong customer base from the farm store and its Community Supported Agriculture (CSA) operation. The farm operators have used this base for promoting its compost products and to help grow sales.



Holiday Brooks Farm redesigned its website in 2012 with a more professional and appealing design, focusing on the strength of the farm's high quality diversified products. The website is used effectively as a customer education tool, presenting the benefits and uses of compost. As a compost marketing tool the website offers an excellent overview of the compost operation, farm produced compost products, and product prices.



Holiday Brook Farm's marketing capacity building and strategy also includes:

- Designing an appropriate compost operation to meet farm soil amendment needs for growing crops, as well as to manufacture a value-added product for sale
- Attending a NERC compost marketing workshop
- Development of compost marketing plan
- Outreach to landscapers and residents about the benefits of bringing leaves and yard trimmings to the site for composting
- Good use of Facebook to promote farm products

Compost Utilization, Customer Base, and Sales

Holiday Brook Farm "Black Gold" compost, also known by local customers as "Dicken's Dirt" after the farm's proprietor, is used as a soil amendment on the farm's crop fields. Surplus is sold to a wide range of customers, including home gardeners, landscapers, and farmers. The farm's current customer base is about half commercial and half residential.

Holiday Brook Farm produces 1,500-2,000 cubic yards of finished compost, plus 2,500-3,000 cubic yards of soil mix. The soil mix is a 50/50 blend of the farm's screened compost mixed with good quality, local topsoil/loam and a little sand to help with drainage. This product is marketed as "ready for planting" and recommended for use in filling raised vegetable beds, smoothing out rough patches in lawns or rejuvenating flower beds. "Screened Grindings," a recently added product line, is made from composted wood grindings. The product is marketed as black mulch for gardens.

The majority of product is sold in bulk. A small percentage of compost product is also bagged; local high school students are hired to do the bagging by hand. The farm store also has a line of five-gallon buckets filled with compost for sale; to promote refilling of buckets, a deposit is charged to encourage customers to return the bucket and purchase more compost. Compost and the 50/50 soil mix are both sold at \$40 per cubic yard. About one-third of the commercial side of the business was down in 2010 and 2011, although sales improved in 2012. In recent years all inventory of finished compost and compost products had sold out by the end of the season.



Some revenues from the compost operation are generated through charging "tip fees" to generators bringing in materials for composting. Tip fees are charged to landscapers delivering leaves and brush, as well as to Big Y Supermarket.

Services provided include loading and delivery services (six cubic yard and 15 cubic yard loads), along with collection services for manure.



Challenges and Solutions

Challenge: Due to space constraints, increasing feedstocks and compost production is limited. Additional significant costs would need to be incurred to make more site area productive for composting. Grading, adding gravel or other ground improvements, and other site modification to decrease the slope of the land and to buffer a nearby stream would need to be done. The operation could expand its footprint by as much as 50 percent with site modifications; however, the operators are not sure if the significant undertaking and cost would be worth the additional potential in sales.

Solution: Farm operators have focused on developing a compost mix, thus extending their available compost product. A premium price is received for both their compost and compost mix. Consistent product sales and selling out of product could indicate that financial investment to expand operation would be cost effective. There are nearby dairy and horse farm/stable operations which could provide additional feedstocks, as well as numerous landscapers in the region to provide increases in tip fee revenues. Farm operators are continuing their cost analysis to explore options.

Challenge: Records of product sales and bagging operation were inadequately maintained for a number of years, so a clear picture of the profit/loss associated with the compost operation was not achieved.

Solution: The current farm manager is working on ensuring accurate records and keeping better details of expenditures and sales in order to perform a profit analysis.

Challenge: Farm operators have been unable to charge a "tip fee" to manure generators. At this time it is felt that horse stable operators will not pay to have material picked up and will not pay tipping fee. There is no enforcement of manure piling on horse operations, therefore no incentive to pay for disposal. Solution: Operators have levied tip fees where possible and focused on product sales for revenue generation.

Challenge: Acquiring good soil at an economical price to improve and expand production of the 50:50 soil mix is an ongoing task.

Solution: Operators continue to make contacts with soil producers and explore other options.

Challenge: The operation is limited on its ability to expand food scraps processing due to the presence of coyotes which pull out cardboard and food scraps causing unsightliness around the operation.

Solution: Unfortunately, there are few options for resolving this problem. Operators have limited food scrap intake and always cover these feedstocks immediately upon delivery.





Future Plans

Holiday Brook Farm's diversified farm model promotes sustainability of both the farm and the Berkshire region. Although not certified organic, the farm has gained a positive reputation for its sustainable farming practices. Building on its existing customer base and effectively using its website has benefited the farm's compost operation with consistent sales. The operation is strategically located in western Massachusetts, on a main road and in close proximity to Pittsfield, Great Barrington, and Stockbridge. This proximity lends itself to a large pool of potential compost customers, from small farmers and landscapers, to home gardeners.

The farm provides an important service to the region by providing an outlet for landcapers to economically dispose of leaves and brush. Increased outreach to landscapers affords the compost operation with additional feedstock materials and product sales.

Additional goals for the Holiday Brook Farm Compost operation:

- Continue to explore options for affordable, premium soils to expand its compost mix production
- Continue cost analysis and improved record keeping in order to examine options for expanding production or increasing revenues by expanding product options, including increasing packaged product sales and enhanced revenues from tip fees

For More Information

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