

GAELTACHT CORK (Ireland)

“Earthcare” - From spent compost to organic compost



The action

In 1993, an enterprising young man from the Gaeltacht (Gaelic-speaking) part of County Cork invented an organic fertiliser, which utilises the waste compost from a nearby mushroom factory. With the support of the LEADER local action group (LAG), he was able to set up in business to market this product, "Earthcare Organic Compost". The subsequent five years saw the business's turnover rise enormously, partly because of increasing demand for organic garden products but mainly due to the entrepreneur's innovative approach to expanding his business. Concerned about the limitations of supplying just one product to customers (particularly the smaller ones), the young man took the initiative to expand his range by acting as a franchise for another distributor of garden products. This arrangement has meant that he can satisfy the demands of his customers and equally important, the reciprocal relationship developed has given his own products access to geographic markets further afield.

Key elements

- > The invention of a process that utilises the waste by-product of another industry to manufacture an organic compost.
- > The development of broad product range and access to other markets through reciprocal relations with another distributor.
- > The use of attractive packaging and the Irish language to differentiate Earthcare Organic Compost from similar products.

Context and starting point

Mushroom growing is a highly intensive, high yield industry and the composts used have a short life-span due to their short optimum growing potential. As a result of this, mushroom growers dump large quantities of the "spent" mushroom compost (around 200 000 tonnes per year in Ireland alone).

An enterprising young man, graduated in Education and Rural Science (horticultural specialisation), in the Coolea area of County Cork noticed that a local mushroom growing facility needed to dump all spent compost. Considering a use for this waste, which is rich in organic value, he concluded that, with a decomposing period and a certain amount of processing, this waste could be converted into a fine organic garden compost.

Following a process of trial and error mixing various amounts of natural fertilisers and soil enhancers, a new product - "Earthcare" - was developed, containing a mixture of spent mushroom compost, organic fertiliser and peat. Market research was simultaneously undertaken to evaluate potential demand and competition. This research revealed that there were a small number of organic composts on the market based on this mix, that there was an increasing interest in organic growing and subsequently the market for organic compost was expanding. With the financial help of the Gaeltachta LEADER group, personal investment, a loan and a small overdraft, the Earthcare business was set up in 1993 at the entrepreneur's family residence.

Implementation

Having noticed that the marketing of garden products had become increasingly sophisticated and that the presentation of both product and packaging was of vital importance to the success of the product, it was decided to utilise the Irish language and to commission a local painter to do the artwork for the packaging rather than having a normal commercial art design. This has given the Earthcare packaging a distinctive presentation, which differentiates it from other garden products.

Further finding of the research showed that the main customers for the product would be garden centres and hardware stores, while petrol stations, supermarkets and smaller local shops could stock it during the main gardening season. The compost was well received and repeat orders suggested that the product would soon become established in the organic compost marketplace. Shortly afterwards, it became evident that for transport, profitability and customer service reasons, it would be desirable to market a range of complementary products. Customers tend to prefer a regular but smaller delivery service, in other words a little of everything rather than full pallets of individual products. Outside of the cities, very few customers could get this service; Earthcare seized this opportunity. A large Dublin-based distributor was approached with a view to introducing Earthcare Organic Compost in the Greater Dublin area in exchange for Earthcare establishing a range of the distributor's products in its own market area. Earthcare's product range expanded to include a variety of gardening products as well as garden ornaments and tools. This arrangement has been very satisfac-

tory to both parties with the distributor delivering directly to Earthcare's premises and returning with Earthcare's compost for the Dublin market.

In recent years, the comprehensive service offered by Earthcare, which allowed it to expand into the marketplace, has become very competitive. Consequently, it must constantly develop new initiatives to maintain its market share. One innovation has been to target commercial growers and to this end it has developed price competitive commercial mixes tailored to the individual needs of growers. Earthcare has also done substantial research into organic nursery mixes, which tend to be imported into the country, and it hopes to market its product soon.

Efforts have also been channelled towards reducing the time-consuming process of composting spent mushroom compost. The fruit of this exercise has been the development of a process that will turn the waste compost into a soil conditioner that is ready for use immediately without further composting. This process will contribute to the reduction of mushroom compost waste and also reduce the amount of peat excavated from the bogs of Ireland for use as soil conditioners.

In 1998, Earthcare had one full-time person (the owner) and 3 part-time persons (2 full-time job equivalents) on the payroll. The business carries around 20 different products, including 5 own-products. The latter represents around 25% of Earthcare's annual turnover of about EUR 130 000 per annum and this is expected to grow as the business enters new geographic markets and develops new products. Finding new market outlets has not, however, been an easy task for Earthcare owing to difficulties in accessing financial capital, in finding market outlets willing to stock a new and unproved product from a new supplier, and in organising an effective distribution system. While the business's success to date has inevitably depended on the resourcefulness and motivation of the entrepreneur the LAG has played an important role in the development of the business in terms of both financial and other support.

Funding

Approximately EUR 58 000 have been invested in the business to date, mainly in facilities and equipment, of which the LEADER LAG provided EUR 13 000.

Innovative elements for the area

The area's identity

The development of an organic product, which has attractive packaging and uses the Irish language, creates positive associations with the area of Coolea from both an environmental and cultural perspective.

Competitiveness and access to markets

Earthcare Organic Compost has the advantage of being cheaper to produce than chemical-based composts. While the initial nutrient yield from a chemical-based cost may be higher, the organic compost will usually have a more sustained yield. Demand is growing in Ireland for organic compost (growth in garden centres alone is estimated at 5-10% per annum) but competition is increasing at the same rate, which means that innovation is a daily feature of Earthcare's activities.

One of the distinguishing features of this business is the relationships developed within the trade (wholesalers and retailers). Recognising the inherent disadvantages of delivering just one product to customers, the entrepreneur aligned himself with a distributor from another part of Ireland and now carries his products, thus broadening the range of products offered. This arrangement ensures a full service provision to customers, most importantly to smaller retail outlets in remote areas, and it also gives Earthcare access to other markets through a reciprocal relationship with the distributor.

Environment, management of space and natural resources

Earthcare Organic Waste is produced from a natural waste product deriving from mushroom production, which would otherwise be dumped. The pressures of competition have compelled the business to further experiment with the waste compost to develop new products and processes.

(*) *Gaeltacht denotes those areas of Ireland where the Irish language is spoken. The Gaeltacht comprises large parts of counties Donegal, Mayo, Galway and Kerry along the western seaboard of Ireland, as well as smaller areas of counties Cork, Waterford and Meath. The total population of the Gaeltacht is about 86 000 people.*

CORK GAELTACHT (Ireland)

The Earthcare (Cúram Cré in Irish) Enterprise is located in the Irish-speaking part of County Cork (Cork Gaeltacht-Mhúscraí) in the south west of Ireland. This small Gaeltacht area has a long history, culture and language, which are considered unique and valuable to most of the population both young and old. Rural decline, driven by typical problems of high dependence on agriculture, has led to decreasing population, which is particularly noticeable in this small community of around 3 150 persons.

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