



Compost Market Structure In Scotland August 2001

Availability and Price Structure

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1. Introduction

On behalf of the *REMADE* programme, a detailed telephone and fax survey of the market developments for composted products was undertaken during June-August 2001. The objectives were to:

- Identify companies and organisations marketing compost in Scotland
- Assess the range and style of composted products
- Determine the price structure of the market, particularly in comparison to competitive peat-based products
- To provide feedback for compost manufacturers to assist market development

Individual companies were approached initially by telephone and subsequently by fax/letter, outlining the scope of the *REMADE* programme. Respondents were asked to supply information on product ranges and pricing structure. Company-specific information remains confidential, but is used in this report to assess the trends and price developments for the sector. All product prices are ex-works and therefore take no account of the cost of transportation, which can be very significant. In using this data to develop operational costings, for instance, for the use of compost on construction sites, the proximity of the site to the compost producer should always be taken into account as this can be a decisive factor. Nonetheless, the data provides a useful insight into the current market position and price structure for composted materials in Scotland. The survey includes compost suppliers in England where they were prepared to quote for delivery to a Scottish customer. Not all suppliers are compost manufacturers but all those contacted for this survey are commercial traders not supplying the general public.

A total of 51 (fifty one) companies responded to the survey. Companies offer products in bags, ranging from 5 litres to in excess of 150 litres capacity. These (garden centre-type) products tend to be for a different market outlet from bulk sales. In the first case, bagged products were only priced as ex-works and did not include any subsequent retail value. In the case of bulk compost, this tends to be delivered by truck in up to 60 cubic metre loads, although smaller quantities, typically 10 or 20 cubic metres are also available.

2. Compost Types ---

Of the responding companies, a range of composted materials were available. These were based on the following, usually as a single main ingredient:

- Greenwaste
- “Peat-free composted” (i.e. not specified)
- Composted bark
- Biosolids
- Spent mushroom substrates (SMS)
- Composted woodchip
- Green waste plus peat
- Wood fibre

Most suppliers will provide only one or two materials from the range above.

3. Results ---

Bagged compost was available as a total of 38 different products. The range of bag sizes is shown in Figure 1. While some material is available in bags with less than 10 litre capacity, the majority are in excess of 40 litre. The most common size is 80 litre capacity and this supports earlier survey work carried out by SAC into the peat market in previous yearsⁱ. The second most popular size is a 40 litre bag, which typically represents an easy carry-home size. Little compost is produced in bags larger than 80 litres, with no responding supplier producing material in mini-bales, as is common for the peat market. This may be due to the generally higher bulk density of compost compared to peat. The price of compost is presented as pence per litre for each of the bag sizes (Figure 2). Not unexpectedly, the highest price per litre relates to those products in small bag volumes (in the 10-20 litre range). The range of quoted prices was considerable, varying from 26 pence per litre for bags up to 10 litre capacity, to 1.15 pence per litre for large bulk bags (up to 125 litre capacity). The overall average price per litre of bagged composted material was 9.27 pence per litre.

Figure 1: Number of composted products per bag size available in Scotland

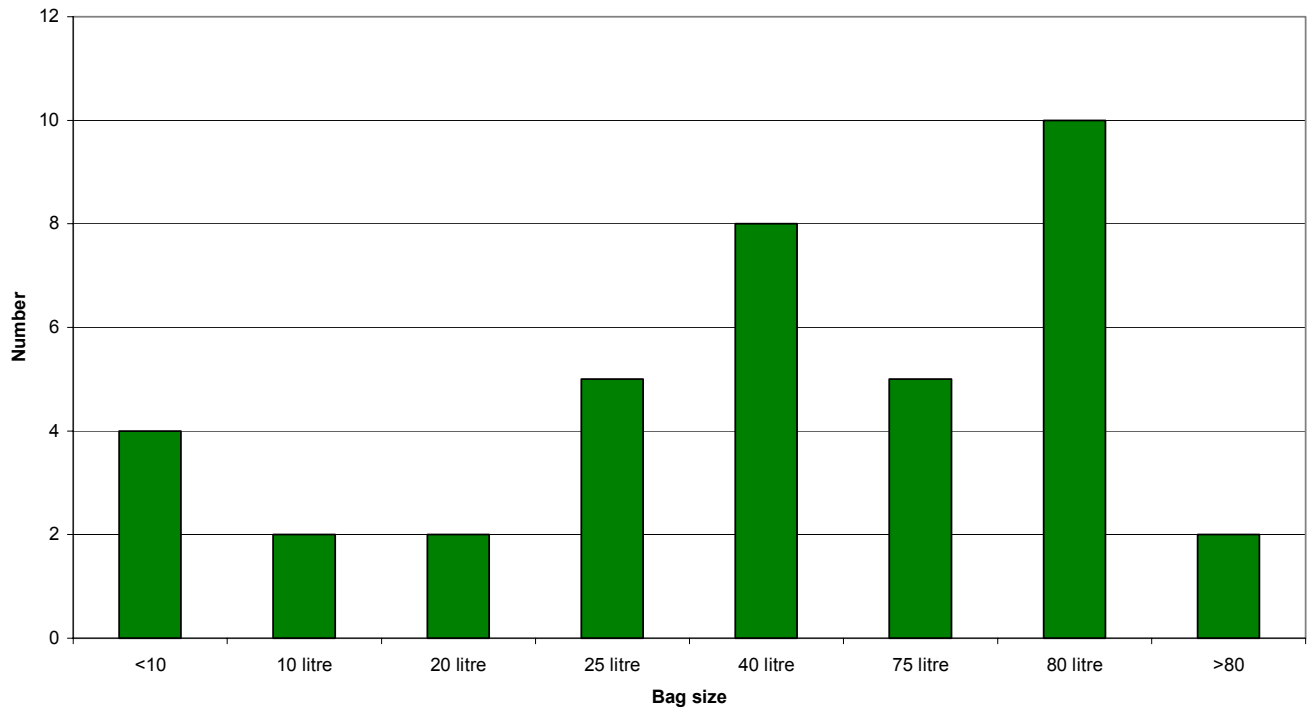
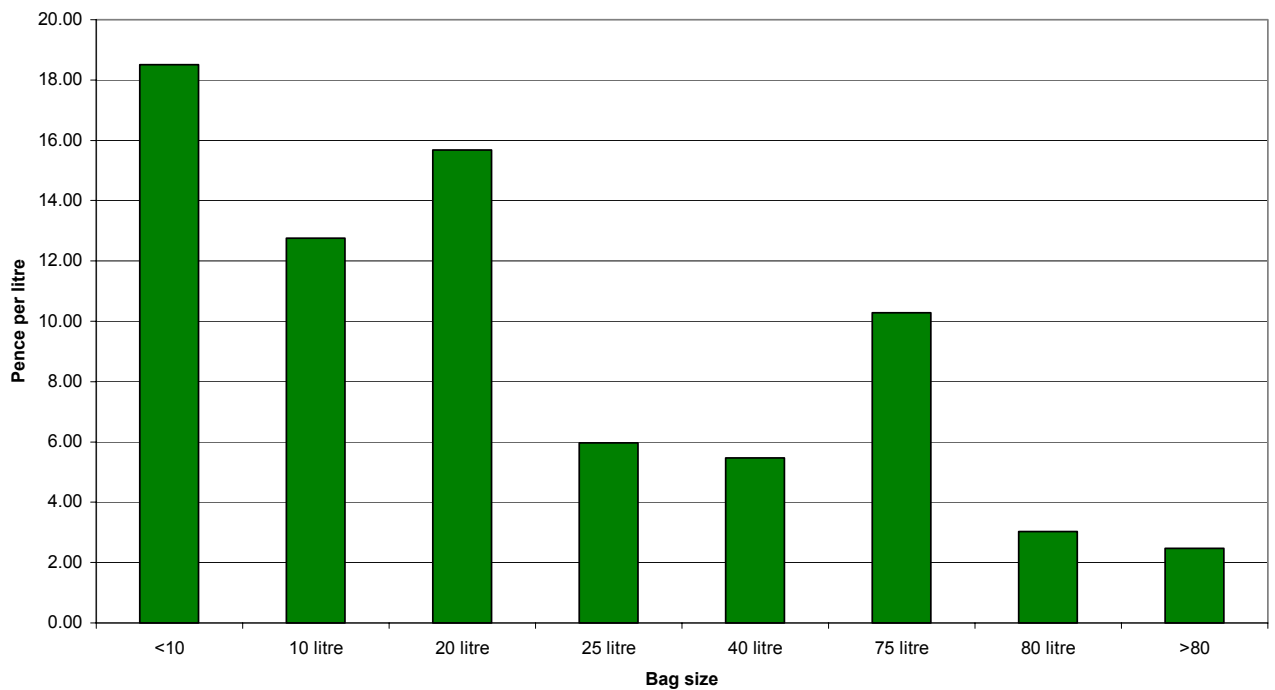


Figure 2: Price per litre of bagged compost available in Scotland ex-works (Aug 01)



Bulk compost was offered by eight companies at an average of £15.39 per cubic metre. The range of prices was from £2.20 - £41.50 per cubic metre. However, there was considerable reticence in this area of business, as the majority of companies clearly stated a preference for quoting a specific price for an individual tender. Four companies refused to provide any quote. From the various discussions, it was apparent that significant savings can be made for bulk or regular purchases, and therefore this particular information should be considered as a guide only.

Availability of compost is severely limited by the restrictions on sale of compost from licence-exempt sites. A number of significant compost manufacturers are known to be creating quality compost, but this material is unavailable in the market place, because it is a condition of the exemption that the material may not be sold. Such sites have been excluded from the survey data reported here.

4. Comparison to Peat _____

There are few primary producers of peat-based products in Scotland. This is despite the fact that Scotland has significant peat resources. However, these are often of a non-horticultural grade and are not suitable for the manufacture of products equivalent to composted materials or for landscape purposes. The price range for peat quoted from Scottish suppliers was in the range 2.38 pence – 3.6 pence per litre. Consequently, it would appear that Scottish compost producers are already working at a potential cost advantage and market position, compared to the existing bulk peat market.

None of the Scottish compost manufacturers were offering a processed high-quality growing medium which could be considered comparable to peat-based products having adjusted fertiliser value and specific physical properties.

5. Company Contacts

The companies responding to the survey who list supply of composted materials in their product range are shown in Table 1

Table 1: Companies supplying compost to Scotland responding to the *REMADE* survey

| Supplier | Address | Telephone | Fax |
|---|--|---------------|---------------|
| Petersfield Products | 45 Cambridge Road, Cosby, Leicester LE9 1SJ | 0116 286 7029 | 0116 275 1084 |
| Melcourt Industries Ltd | Eight Bells House, Tetbury, Glos GL8 8JG | 01666 502711 | 01666 504398 |
| County Mulch | The Watering Farm, Creeting St Mary, Ipswich IP6 8ND | 01449 721729 | |
| Dale Products | Twyford, Banbury, Oxfordshire OX17 3AA | 01295 811441 | |
| Dundee City Council | 8 City Square, Dundee | 01382 434688 | |
| M & B | Paynter Street, Fenton, Stoke-on-Trent, Staffordshire ST4 3JL | 01782 598383 | |
| Active Compost Limited | Scaur O'Doon, 25 Scaur O'Doon Road, Ayr | 01292 442377 | |
| Silverbirch | Glasgow | 0141 777 5050 | |
| AHS | Coppards Lane, Northiam, East Sussex TN31 6QP | 0179 725 2728 | 0179 725 2724 |
| South Ayrshire Council | Rozelle Park | 01292 616158 | |
| Gem Gardening | Brookside Lane, Oswalwhistle, Accrington, Lancashire BB5 3NY | 01254 356635 | 01254 356677 |
| E J Godwin | Meare, Glastonbury, Somerset BA6 9SP, | 01458 860644 | 01458 860587 |
| William Sinclair Horticulture | Firth Road, Lincoln, Lincolnshire LN6 7AH | 01522 537 561 | 01522 540569 |
| Woodland Horticultural Products | 14 Woodborough Road, Winscombe, Somerset BS25 1AD | 01934 844431 | 01934 844431 |
| ASB Greenworld | Greenworld Park, Sutton Bridge, Spalding, Lincs, PE12 9RN | 01406 350167 | 01406 351058 |
| Boughton Loam | Telford Way, Telford Way Shire Industrial Estate, Kettering, Northampton NN16 8UN | 01536 510515 | 01536 510691 |
| Irvines of Pollockshields | 128 Nithsdale Road, Pollockshields, Glasgow G41 5RB | 0141 424 0357 | 0141 424 0357 |
| Leisure Grow Products | WRM Logistics Centre, Knowl Piece, Wilbury Way, Hitchin Hertfordshire SG4 OTY | 01462 451700 | |
| Oaktree Garden Products | 207 Park Road, Uxbridge, Middlesex UB8 1NR | 01895 239697 | 01895 239697 |
| Banks Horticultural Products | 2 Angel Court, Dairy Yard, High Street, Market Harborough, Leicestershire LE16 7NL | 01858 464346 | 01858 434734 |
| Blenhiem Estate Sawmills | Combe, Witney, Oxfordshire OX8 8ET | 01993 881206 | 01993 883156 |
| Eden Park Ltd | Tunstall, Sittingbourne, Kent ME9 8DY | 01795 471583 | 01795 428011 |
| Fairfield Turf Ltd | Fairfield Court, Brookland, Romney Marsh, Kent TN29 9RX | 01797 344731 | 01797 344737 |
| All4gardens.com | | | |
| UAP | Greets Farm, Wellburn, York IS60 7EH | 01653 617000 | 01653 617010 |
| Woodgrow | Oakdale House, 84 Burton Road, Findern, Derby DE6 6BE | 01332 516392 | 01332 511481 |
| Hurstridge Products (Sporting Surface Supplies Ltd) | Hathersham Lane, Smallfield, Horley, Surrey RH9 6JG | 01342 843663 | 01342 844180 |

Note that this list excludes companies or organisations that can supply but would not quote prices and those who produce but cannot supply due to licensing restrictions. For specific information about products readers should approach companies direct.

This information is based on that supplied by companies and no responsibility for inaccuracy, omissions, errors or resultant loss is accepted by the authors or REMADE Scotland.

¹ SAC Horticultural Advisory Service Report: C44ii