

Poops to conquer

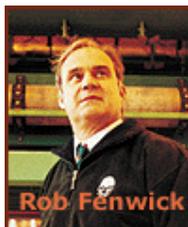
Living Earth embraces waste

By Mark Story, Auckland

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The willingness of home gardeners and commercial growers to embrace compost products made using the remains of human waste, marketed by biowaste treatment and collection company Living Earth, has made managing director Rob Fenwick a very happy chappy.

Had the gamble backfired, Fenwick would have been left with a growing mountain of Wellington's waste to get rid of. When *Unlimited* first reported on Fenwick ("Filthy money", September 1999) he had just formed a joint venture with Waste Management to blend the city's garden waste with the ever-so-politely-named "biosolids" at the new \$17 million "in-vessel" (inside) water treatment plant at Moa Point.

Since then, the company has managed to sell every bag of the 30,000m³ of compost from the Wellington operation, marketed under the Living Earth label. Living Earth's compost volumes have lifted to 100,000m³. At an average price of \$35 per cubic metre, that's worth over \$3 million. Add the estimated \$1.5 million Living Earth is paid for disposing of city councils' garden waste, and the company earned between \$4 million and \$5 million last year. Not bad for what was a recycling wannabe back in 1993.

Fenwick expects 25% year-on-year growth on the back of local government commitments to reduce the amount of waste going to landfills. "More than half of all waste in New Zealand is organic. The 'low hanging fruit' is to reduce biowaste first. For example, Auckland City plans to issue ratepayers with a 120-litre wheelie-bin just for garden waste next year. For us, this means a significant increase in disposal fees and more garden waste for our compost products."

A decision by Waste Management to acquire half of Living Earth (for an estimated half of annual revenue) has helped to strengthen the company's balance sheet. Waste Management is also using Living Earth as the instrument it will use to make its long-awaited entrance to the Australian market. A joint venture between Living Earth and a biowaste collection operator in New South Wales will be announced shortly.

"The only downer last year was missing out on a tender for Waitakere City. But being directly linked to Waste Management will help enormously. Our immediate objective is to win a bid to operate the \$6 million in-vessel water treatment plant being built by the Christchurch City Council next year."

Mark Story