

# **PNW Composts Inc.**

## *Business Plan*

**Nathan Scott, Owner**

**&**

**Derek Scott, Owner**

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# **Executive Summary**

## **Service**

PNW Composts offers an easy and affordable alternative to food scrap recycling which allows customers to conveniently collect kitchen scraps & compostable paper products. Upon signing up, our clients are given a 3.5-gallon leakproof container to begin their collection. The client can opt for weekly or biweekly services. The containers will be picked up on the customers designated day of the week from their doorstep (or other convenient location) and exchanged with a clean and sterile replacement.

## **Customers**

The target audience for PNW Composts are residents of Washington in the cities of Washougal, Camas, Vancouver, and Longview. The company will aim its target base at multifamily homes but will offer services to all residents in the area.

## **Future of the Company**

For too long, options for residential food scrap collection and composting have been limited to large garbage collection companies. PNW Composts intends to offer a more sustainable approach to disposing of food scraps and educating customers about the process involved. The company will use more fuel-efficient vehicles, sanitary means of delivery and haul away of receptacles, as well as composting methods which will encourage biodiversity. The practices will in turn create a more fertile compost product that can be used for potential endeavors.

# **Company Description**

## **Mission Statement**

To offer a simple, efficient, and environmentally safe way for households to decrease their food waste in a responsible manner.

## **Principal Members**

Nathan Scott – Owner

Derek Scott – Owner

## **Legal Structure**

PNW Composts is a for profit corporation.

# Market Research

## Industry

PNW Composts will be part of the solid waste collection industry. Currently, the only major competitors in the area are Waste Connections (serving Washougal, Camas, & Vancouver) and Waste Control (serving Longview & most of Cowlitz County). PNW Composts will operate far differently than either of their competitors as they will only be managing food waste which is a part of the industry that both Waste Connections & Waste Control fall short on. Waste Connections offers a mixed debris can in which food scraps can be added to yard debris bins. Waste Control does not currently offer a solution to aid in food waste recycling. Being that only a couple municipalities in the region have a subpar solution, the potential for growth within the industry is vast.

## Detailed Description of Customers

The ideal customers the company aims to market are residents within Washougal, Camas, Vancouver, & Longview, in the state of Washington. These customers will have a minimum income of \$35,000. They will also value supporting small local businesses, earth conscious practices, and a clean and sanitary way of disposing of food scraps.

## Company Advantages

PNW Composts has the following advantages compared to competitors:

- Small Family-Owned Company
- Fuel Efficient Vehicles
- Small easy to store collection receptacles
- Clean receptacles every service visit
- The ability to service residents of apartment complexes as individual customers



## **Regulations**

PNW Composts must meet all federal and state regulations concerning transportation and composting of solid waste. These includes:

- Washington Utilities and Transportation Commission Title 480
- Federal Motor Carrier Safety Administration Guidelines
- Department of Ecology, Washington State Legislature Chapter 173-350 WAC, Solid Waste Handling Standards.

PNW Composts is exempt from compost facility permit due to standards set in WAC 173-350-220 Composting facilities. As the company grows, and storage of more than 25 yards of solid waste is deemed necessary, the permit will need to be revisited.

# Service Line

## Service

PNW Composts will offer a residential food scrap pickup service. Residents will be supplied one 3.5-gallon receptacle in which they can deposit kitchen scraps and other select compostable materials. Customers will have the option of a weekly or biweekly pickup service in which the company will collect the filled containers and provide them with a freshly cleaned one. After collecting the receptacles, the company will then accumulate the contents at the composting facility and sterilize the containers for future use.

## Pricing Structure

PNW Composts will offer services for the following prices:

- Biweekly Pickup - \$29 per Month
- Weekly Pickup - \$39 per Month
- Additional 3.5-Gallon Receptacle - \$10 per Month

## Research and Development

The company is planning to conduct the following research and development:

- Conduct in person surveys at local events (Farmer's Markets, Plant Fairs, Etc.)
- Distribute educational information at local events
- Conduct online surveys using paid advertising (Facebook)
- Include a feedback mechanism on the website for ideas, suggestions, and improvements.

# Marketing & Sales

## Growth Strategy

To grow the company, PNW Composts will do the following:

- Online marketing with quality website properly optimized for search engines.
- Advertise to target area using Facebook ads.
- Offer in-person signups at local events.
- Distribute informational pamphlets door to door.

## Communicate with the Customer

PNW Composts will communicate with its customers by:

- Providing an email newsletter with company news, product information, and event schedule
- Using targeted Google and Facebook advertisements.
- Utilizing social media such as YouTube, Facebook, Pinterest, and Instagram.
- Providing contact information on the company website.
- Adding labels on food scrap collection receptacles that include company name, contact info, and web address.

## How to Sell

Currently, the two owners of the company oversee sales, Derek & Nathan Scott. As profits increase, we'll continue to increase our sales budget using social media, online marketing, door to door marketing, and direct mail. The company will increase awareness to our targeted customers through online advertising and attending local events.