

US COMPOSTING COUNCIL



2016-2017
ANNUAL REPORT



US Composting
Council®

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The US Composting Council (USCC) is a national, non-profit trade and professional organization promoting the recycling of organic materials through composting. The USCC is the only national organization committed to the advancement of the compost manufacturing industry.

BOARD AND EXECUTIVE COMMITTEE

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Clayton Leonard, *New Earth*

Sarah Martinez, *Eco-Products*

Robert Michitsch, PhD, *University of Wisconsin, Stevens Point*

Susan Thoman, *Cedar Grove Composting*

*The USCC Fiscal Year runs from April 2016 through
March 2017 and report information reflects that.*

HISTORY

Established in 1990, the US Composting Council (USCC) is the only national organization in the United States dedicated to the development, expansion and promotion of the composting industry. The USCC achieves this mission by encouraging, supporting and performing compost related research, promoting best management practices, establishing standards, educating professionals and the public about the benefits of compost manufacturing and compost utilization, enhancing compost product quality, and developing training materials for compost manufacturers and markets for compost products. USCC members include compost manufacturers, marketers, equipment manufacturers, product suppliers, academic institutions, public agencies, nonprofit groups and consulting/engineering firms.

Our Vision

We believe compost manufacturing and compost utilization are central to creating healthy soils, clean air and water, a stable climate, and a sustainable society.

Our Mission

The US Composting Council advances compost manufacturing, compost utilization, and organics recycling to benefit our members, society, and the environment.

We will work to achieve our mission and vision by:

Serving
as an advocate to promote composting

Educating
professionals, policy makers and the public

Encouraging & Promoting
research and adoption of the best management practices

Bringing Together
management and allied professionals, generators of organic residuals, policy-makers, regulators, and product users to pursue our mission and vision.



BioCycle, a premier industry periodical, is the official magazine of the Council.

FROM THE PRESIDENT

A YEAR OF CELEBRATION



For those of you who have reached (or passed!) you're 25th birthday, you know how it feels. If you went the trade or business start-up route, you probably recall that people are starting to heed your experience. If you went the college route, you've had a couple years since you earned your degree to start to see the things you learned applied to real life and now, you're making a difference.

What a wonderful age—and we get it! The compost manufacturing industry is all grown up, and we celebrated our 25th birthday during this past fiscal year. Now and into the future, we will continue to evolve and change with economic shifts, technological advances, and public attitude changes.

Financially it was a year of up-front investment in our inaugural Certification Program by hiring expert certification consultants and a new Certification Website and Testing Services Company; and we improved our annual conference by increasing contractor involvement in conference logistics, registration and badging systems, purchasing a conference mobile app and overall improvement program content. Operations investments included restructuring business administration of the USCC with an Association Management Company, who reorganized our database and accounting systems; and closed and moved the Maryland Office to the offices of our management firm in Reston, VA.

Some significant shifts began during this past year at our Strategic Planning Retreat, when the USCC Board of Directors officially recognized the positive impact compost has on our planet in the form of carbon sequestration. We officially added climate change mitigation as a key component of our mission statement. The USCC joined

BioCycle and GreenBlue to expand our circle of influence and passion through our participation as a co-founder of The Compost Collaborative. This group aims to leverage the diverse goals and projects of numerous partners in the industry by integrating them into a cohesive public action strategy. These strategies will greatly enhance our ever-growing efforts to advocate for the expansion of our industry and the products we produce throughout the United States.

We hosted the second annual Cultivating Community Composting co-conference (thank you members BioCycle and Institute for Local Self-Reliance) at COMPOST2017 and look forward to integrating this growing group of entrepreneurs into our USCC and conference family. We also celebrated our first CCOMs—the fruit of our “grownup” industry—as they were awarded the first professional certifications in the compost manufacturing business.

And we sought out past “family members” through our Member-to-Member ReConnect Campaign, bringing dozens of old friends back into the USCC membership fold.

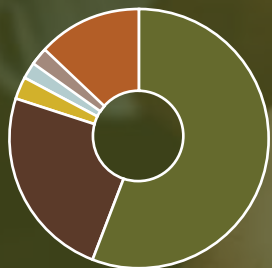
If you attended COMPOST2017, you saw the melding of old and new, young and experienced, history and future, at our closing program. We look forward to stepping out and expanding our circle as we begin our next 25-year journey as the confident, open-minded, and professional industry that we have become.

Best Regards,

Lorrie Loder-Rossiter, President

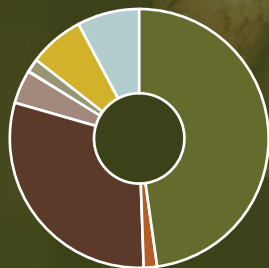
PS – Don't let me forget to thank our Benefactor Members who make so much possible for our organization: Caterpillar, Kimberly-Clark Professional and Scotts MiracleGro.

THE FINANCIAL PICTURE



\$1,019,969
Total Income

- Goal 1: Promotion
- Goal 2: Market Development
- Goal 3: Advocacy
- Goal 4: Education
- Goal 5: Governance
- Goal 6: Operations
- Goal 7: Research



\$1,322,368
Total Expense

		Total Income	Expense
Goal 1:	Promotion	1%	8%
Goal 2:	Market Development	13%	2%
Goal 3:	Advocacy	5%	6%
Goal 4:	Education & Conference	56%	41%
Goal 5:	Governance	0%	2%
Goal 6:	Operations	24%	39%
Goal 7:	Research	1%	3%

Note: Direct comparisons to 2015-2016 financials are precluded this year by a one-time change in organization of general ledger items.

CONNECTING WITH FRIENDS AND ALLIES

Some of the best things happen when we work with partner organizations and mutually leverage our influence to get great things done. One of our committees, the Strategic Alliance and Business Development Committee, has been focused on just that, especially on the relationships we can build with other state recycling organizations.



Our collaboration with like-minded organizations through this committee, which is focusing also on State Recycling Organizations, leverages both our resources and our partners' goals. For example, at COMPOST2017, we announced with Keep America Beautiful the results of our national study on an organics' recycling container color. GREEN will be the color of these bins nationwide!

Media Partners:

- American Recycler
- BioCycle
- Composting News
- Erosion Control Magazine
- Mulch and Soil Producer News
- MSW Management
- Portable Plants & Equipment
- Recycling Product News
- Resource Recycling
- Recycling Today
- The Organic Stream
- Waste Advantage
- Waste 360
- WHEN

Organizational/Project Partners

- American Biogas Council
- AmHort
- American Public Works Association
- American Society of Landscape Architects
- Biodegradable Products Institute
- Green Sports Alliance
- International Erosion Control Association
- Keep America Beautiful
- National Foundation to End Senior Hunger
- National Restaurant Association Conserv.
- Soil Science Society
- Solid Waste Association of North America
- The Compost Collaborative
- US Green Building Council

ADVOCACY & PUBLIC POLICY

USCC's core mission is to speak for the compost manufacturing and organics recycling industry in state houses, policy forums and regulatory agencies.

Legislative and Environmental Affairs

Committee Co-Chairs: *Neil Edgar, California Compost Coalition and Marcus Zbinden, Carver County, MN*

The number of state issues being monitored by the group have grown exponentially with the push for more compost infrastructure throughout the US. State permitting updates, local zoning and public hearings, and infrastructure fees have all been topics for which the committee has recommended support and opposition statements by USCC in 2016-17.

Compost Collaborative

USCC joined with BioCycle and Green Blue to form the Compost Collaborative, a stakeholders group of compost manufacturers, consumer-facing businesses and policymakers to share best practices and resources, as well as generate innovative solutions to shared challenges. The group met several times during 2016-17 and continues to expand its impact.

National Organic Program

USCC conducted a survey and provided comments to the National Organic Program after a federal judge voided existing regulations regarding compost use on crops in the NOP. Results showed:

More Than 70%
respondents (primarily members) sell compost approved for organic agriculture

More Than 1 million
tons of compost per year from these respondents were approved for use in organic production

35%
said the voiding could have a significant impact on their businesses



USCC Executive Director Frank Franciosi has been meeting with Congressional Representatives, like the staff of Rep. Cory Booker (D-NJ) to ensure compost manufacturing has a big role in upcoming legislation.

Persistent Herbicides

USCC continues its working relationship with USEPA and industry leaders to change the labeling and use of persistent herbicides to protect exposure to composting feedstock inputs.

National Infrastructure

USCC had several meetings on Capitol Hill in support of devoting resources to composting in federal bills that will grow the infrastructure to divert food scraps such as the Food Recovery Act.

Compostable Labeling Legislation

The State of Maryland passed legislation using the USCC Compostable Products Task Force model for proper labeling of compostable products. The CPTF is working on updating that model legislation in 2017-18.

ANNUAL CONFERENCE

The USCC Annual Conference is the keystone event for the entire US compost manufacturing and organics recycling community. Our keynote was Chad Hymas, an internationally renowned leadership speaker; and the closing was a 25-Year-Review Extravaganza.

1,100
Conference Attendees

116
Pre-Conference
Course Participants

88
Tour Participants

500
Demonstration
Day Attendees

94
Exhibitors



Equipment Demonstration Day

MEMBERSHIP

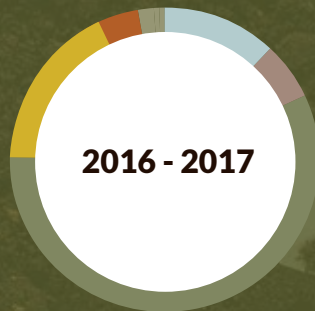
Committee Chair: Heidi Ringhofer, WLSSC

The capstone of our year in membership activities was reconnecting with our past members in two big ways: The US Composting Council's Membership Committee was instrumental in growing our membership in 2016-2017.

- We celebrated our 25th Anniversary as an association during the 2017 year, with special programs, memories, videos and a Memory Project blog.
- We reconnected with dozens of past members who came back to the Council and rejuvenated our ranks with our ReConnect Campaign, in which four teams of about 30 members reactivated our relationship. It was a great year for revisiting and remembering!

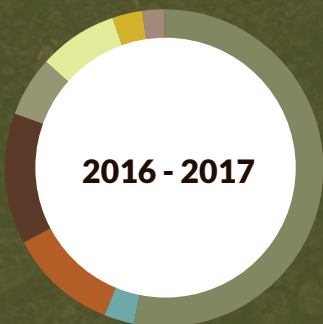


USCC Vice President/California Composting Council Chair, Jeff Ziegenbein raised a toast to 25 years at Compost2017.



Soilbuilder Levels*

- Associate (individuals, students, retirees) (17%)
- Basic (non-profit, farm composter) (5%)
- Bronze (small business, small government, university) (55.5%)
- Silver (medium business, large government) (14%)
- Gold (large business) (4%)
- Platinum (corporate) (4%)
- Corporate Sustaining (.5%)
- Benefactor (.5%)



Membership By Industry*

- Compost Manufacturers (42%)
- Academic (3%)
- Equipment Products (11%)
- Individual (13%)
- Consultants (6%)
- Public Agencies (8%)
- Nonprofits (3%)
- Haulers (2%)

*Percentage of total membership

USCC CHAPTERS

It has also been a remarkable year of growth for our Chapters. We have several states who are still monitoring the possibility of Charter Chapter or Committee status, and Michigan came on board as an official USCC chapter.

Chapters:

- California Composting Council (Association of Compost Producers, Dan Noble)
- North Carolina Composting Council (Gary Gittere)
- Michigan (Kerrin O'Brien)
- Minnesota Composting Council (Ginny Black)
- Virginia Composting Council
- MD-DC Composting Committee (Brenda Platt)
- Colorado Composting Council (Dan Matsch)

Watch for more growth potential in Illinois and Missouri



Young Professionals

Our Young Professionals Group is branching out beyond the social aspect of networking and completed their first Conference Service Project in Los Angeles last January. The group collaborated with LA Compost and the Los Angeles Community Action Network to build a three-bin compost system for the rooftop garden where they serve the homeless community on Skid Row.

Jason Sanders (L) and Erik Martig (R) doing their part to help at Los Angeles Community Network.

COMPOST OPERATIONS MANAGERS CERTIFICATIONS

CCOM™ Credential Launched in 2016

USCC launched its first professional certification program for the compost manufacturing industry: Certified Compost Operations Manager™ (CCOM™). It will be the first of a series of professional certifications expected in the new program.

It required two years of work to develop and nearly a quarter-million dollars to begin. Now, with this credential, the operator of a compost facility (the person with responsibility for day-to-day management of the compost manufacturing system) can be certified.

9 Knowledge Domains for the CCOM:

- Business acumen
- Composting Purpose & Vision
- Composting Science
- Equipment & Services Maintenance
- Feedstock management
- Health & Safety
- Process Control & Quality Assurance & Equipment
- Regulatory Compliance
- Site Management

CCOM™ Certification Requires:

- An industry position held for at least 2 years, including one year in facility operations
- A training course of at least 3 days
- Successfully pass the CCOM™ test.

The Certification Commission thanks our Certification Heroes



“This certification has been a goal for more than 15 years. We wanted a credential that an individual could gain by showing they have the knowledge, skills and experience to manage a composting operation.”



THE NUMBERS:

2016-17: 50
Certifications Awarded

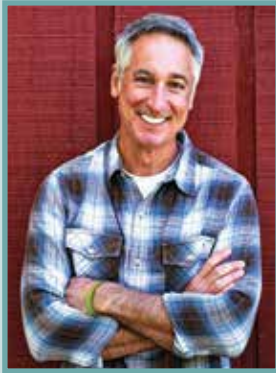
2016-17: 400
Registered with
Certification Commission

First Certified Compost Operations Managers

*Thank you to the Certification Commissioners for their hard work:
Jerry Bartlett, Tom Del Conte, Jack Hoeck, Mark Rose and Scott Subler.*



MARKET DEVELOPMENT COMMITTEE: *Bob Engel, Ron Alexander, co-chairs* *The MDC does great work assisting members with their compost marketing needs.*



The Certified Compost brand, in its second year, is strengthening consumer awareness of Certified Compost.

Joe Lamp'ol of TV's "Growing a Greener World" continues to be up-front and center as our spokesperson for Certified Compost.

More market development activity:

- 2 new videos on the use of Certified Compost on turf and for general soil amending.
- 15 customized videos produced for use by STA participants

The Seal of Testing Assurance (STA) closed this fiscal year with:

237
Companies

From 38 States

322
Products represented

8,000,000
cubic yards of STA compost in the program! 322 compost products. That represents over 8,000,000 cubic yards of STA compost! The STA program momentum and direction remains unchanged in 2017.





LOOKING FORWARD FOR THE NEXT 25 YEARS

As we close the chapter on the first 25 years of the Council we open a new one with a bright and exciting future. We bring with us the lessons learned over the past. What will the future look like? What role will compost manufacturing play in making us more sustainable?

Circular Economy

The U.S. consumer is beginning to understand what a “circular economy” is and how it operates. The old model of make, use and dispose was never sustainable. Under the new circular economy, products are designed to be regenerative and or restorative. They are designed based on strict materials selection, standardization, long use life and end-of-life separation.

Since ancient times, civilizations have been composting and returning nutrients and carbon back to our soils. We must gear up to meet the demand compost must play in the circular

economy, by increasing existing facility capacities and developing infrastructure where it doesn't exist. Municipal governments must embrace compost manufacturing and include it in their ten-year waste plans. States need to update their composting rules to encourage compost manufacturing infrastructure. The Federal government needs to jump-start infrastructure by offering grants and loans to public and private entities. More jobs are appearing in the compost manufacturing and organics recycling space, and our organization is welcoming more investors interested in the future of the marketplace—which will pay off in future dividends.

“We bring with us the lessons learned over the past. What will the future look like?”

USCC: Providing Tools

Professionalism plays an important role in our industry's growth. It's our job to respond with more tools to educate regulators and the public; and to help members with tools that illustrate your professionalism, prove the business case and explain the benefits of compost manufacturing facilities and organics recycling collection to your host communities.

Certification

We have always been about businesses, and helping you grow successfully. Look for continuing enhancements to our Certification Program as we grow the number of certificates and begin to look towards certifying new roles. We are fulfilling another objective of our Strategic Plan as we increase involvement of young entrepreneurs, including training through our Composting Council Research and Education Foundation courses and nurturing of these business people through mentoring, coaching and pitching events.

Compost Use and Public Policy

Our Market Development Committee continues to develop the tools for STA participants to spread the word about the many uses for Certified Compost. We also ask you to participate in growth of our public policy muscle as our Compostable Products Task Force and Legislative and Environmental Affairs committees dig deeper into the ever-growing regulations and legislation affecting our industry.

Compost manufacturing is growing as an industry and Americans rely on it to meet goals of resource conservation, food scrap diversion, residuals management, storm water management/erosion control, and climate change mitigation. Becoming a mature industry requires steady growth and focused goals. Come grow with us, be part of the change as we look towards a bright future.

-Frank Franciosi, Executive Director



US Composting
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