

Green Entrepreneurship

Successful business cases of Green Entrepreneurs in the Mediterranean



Compostadores: Sustainable composting units and services in Spain

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Name: Compostadores
City, country: Castelldefells, Spain
Name of entrepreneur/ founder: Eugeni Castejón

Description: A company that manufactures and distributes modular composting units and other associated products for homes, schools, public organisations and businesses. The composting units are made from 100% recycled material, can be adapted to different capacities according to clients needs and can also be used as containers for urban gardens and events.

Investment: *Start-up capital.* All initial funding was provided by the entrepreneur and prizes awarded. In 2010, a venture capital firm bought 14% of the shares and in 2011 the company is seeking a second round of international investment.
Return on investment: No information provided.
Sources of funding. Until 2010 80% of income was generated through public clients, and 20% through private. However, in 2011 the company has enhanced its focus on the private sector and expects private sector business to reach 50% of total revenue.

Stakeholders: Clients: Businesses, public sector, educational institutions, individuals
 Suppliers: Demand for sustainability in the entire supply chain
 Investors: Scalable, global, and cost-effective business with a triple bottom line: people, planet, and profit.
 Public institutions: The company contributes eco-efficient solutions by recycling plastics, reducing CO2 emissions, recycling organic material and enhancing biodiversity. The company has received awards and recognitions in various business areas, environmental protection and Corporate Social Responsibility.

Employment generation: 12 full time employees. They expect to double their workforce with new investments in 2012.

Timeline:
 2000 – Eugeni began composting at his home
 2002 – Eugeni founded the business
 2002 – 2007 – Distribution of imported composting units from other countries (Italy, Australia, France, Austria and Germany)
 2007 – 2009 – Research and development phase to develop a composting unit to be manufactured in Barcelona, exports to other countries begin (Portugal, Bulgaria, France)
 2009 – Design readjustments and testing of composting units
 2010 – Record number of units sold
 2011 – Potential for internationalization of business

Feasibility Study: A business model was developed using the local City Council's business plan model (Barcelona Activa). During the first four years the business completed all objectives set in the plan, doubling their income annually. If a more detailed analysis had been carried out it is possible the business would have never been launched.

Geo-social-economic setting:	A large generation of plastic and organic waste exists. There is also ignorance of the advantages that the Combox contributes to solve this problem by preventing production of these waste products and converting them into resources.
Key features:	Strong environmental ethic, waste minimization with closed cycles enabling organic waste to be managed by individuals and organizations, avoiding waste to landfill. Flexibility and practicality of the product.
Overall rational and motivation:	After seeing the practical benefits of composting at home Eugeni was inspired to spread this culture further as well as create a sustainable business. The environmental driver is to reduce waste to landfill. In addition, considerable design efforts were made to ensure the product itself was sustainable, using 100% recycled plastic as the raw material, and ensuring its size fits on EU standard distribution pallets to ensure efficiency in distribution. Create a sustainable business model, initially importing products to gain clients and reputation and subsequently manufacturing the product.
Strengths:	Accumulated experience over 9 years and specialization of the company in a specific product. While there are now other organizations in Spain importing similar products there currently does not exist any other model with the level of sustainability and personalization as the Combox. There is growing interest from the private sector.
Challenges and constraints:	Product design, which took many attempts to reach the ideal solution, lack of support and vision from public institutions as clients – in other countries similar companies are far more successful, setting up the business alone. The need for investment in key areas by incorporating new talent. Greater financial strength and investment capacity are necessary.
Direct activities and Impacts:	<i>Social:</i> The 12 employees have entirely flexible hours all year round and work towards their objectives rather than completing a fixed timetable. <i>Environmental:</i> The main product is made from 100% recycled plastic and in itself avoids waste to landfill. <i>Economic:</i> The company has received various entrepreneurship and environment prizes and has been featured in the press constantly. The founder has initiated a process to create a business organization of eco-entrepreneurs in Catalunya with other companies.
Use of innovative Technologies:	Exclusivity in the usage of post-consumer recycled plastic through an internationally patented eco-efficient technology.
Evidence of a holistic approach/world view:	A closed loop vision, whereby waste is avoided from landfill to make a product which provides a recycling service for organic waste. “Cradle-to-Cradle” Design
Policies, Incentives and Regulations Needed:	Green public procurement policies and practice, vision and ambition from the administration. Give entrepreneurs prizes that give them visibility and credibility as well as open doors to potential clients and other key stakeholders. Prizes are more useful than subsidies which do not act as incentives for excellence.
Lessons and Recommendations:	Develop green enterprises with others, choose people with talent to work with, not with family and friends. Look for partners who complement your brand. Trust your instincts.
References:	www.compostadores.com