

HOW NEWBIO CAN HELP ENABLE GROWTH OF THE ALTERNATE MARKETS SECTOR

Discussion summary from the 2013 NEWBio Bioenergy Symposium, State College, PA, 16 August, 2013.

What do you believe could identify a best case scenario for alternate industry sectors in the coming years?

1. *What are alternate industries in the context of NEWBio (i.e. not biofuels):*

- Truckers
- Products: Absorbant pads
- Animal feed/pellets
- Willow for stream bank restoration
- Wood waste recovery and cardboard waste recovery
- Bio-chemicals and plastics; biodegradable plastics
- Animal/poultry bedding
- Anything you can get from petroleum you can get from biomass, it's just a matter of cost
- Using plantations to apply excess nutrients, nutrient management

2. *Best case scenario for these industries.*

- Support of policies of state and local level, which could consists of incentives, new development programs, funding for research, role of BCAP
- At farm shows, the question of why we are spending our money on planting willow, for example, has emerged. Perhaps less government money should be sought, and more focus placed on the market, which seems to align with public opinion
- Need to demonstrate supply is central – USDA has made a large investment that will show value in a short period of time. Yet, political issues can inform development even if supply is not present (eg. Bioprocessing plant with no corn supply in Clearfield, PA).
- Attend to issues of scale, attend to key desirable properties.
- Incentives may not be part of the ideal case. BCAP, for example, supported planting of 800 acres of Willow last year, next year it might be none.

3. *What kind of role NEWBio might play to develop these programs?*

- How can NEWBio influence the federal level? What decisions might then emerge?
- How can NEWBio help address mandates on the industry that does not enable them to meet the standards they were required to meet?
- Common form factor is a significant factor when marketing to industry (eg. of willow). Biomass logistics are in their infancy and that needs to be fixed so industry has consistent quality and quantity

- Big need for persuasive, one-on-one education with potential users to communicate value of products (eg. help people understand qualities of switchgrass). Lack of knowledge is significant; need to educate target customers.
- Understand how to balance and stage alternate markets relative to primary market. Described as a “nurse industry” that can create the stage for the primary target market.
- Understand which properties of biomass supply are preferred.
- Understand how can NEWBio influence these scenarios versus what influence broader economic trends have independent of the group.
- Consider uses for waste, for landfill cover, etc., and how distribution would work. NEWBio could push policy here rather than waiting for policy to push the market.
- Global marketing is essential. Consider people’s perceptions of straw compared to switchgrass (not as pretty). Marketing to help change perceptions is key. Need for gorilla marketing.
- Alternates for chicken/poultry farmers would open up market for more wood pellets.
- Consider the role of brand new markets versus replacement markets.

Some key summary themes that emerged out of this discussion:

- How can we understand current uses for alternate markets and how might we help to expand them?
- It is important to consider how uses of fuel balance with other alternate products
- What are public perceptions, perceptions of risk, and how can these be changed?
- How can NEWBio increase face-to-face and other forms of communication with consumers

What should NEWBio prioritize over the next 4 years?

- Brainstorm and expand products: Beauty products, insulation, lignan for car doors, etc.
- Having student groups do marketing projects
- Focus on finding demand and identify new or promising markets, focusing on economic analysis in select markets.
- Integrate sustainability assessment, a particularly unique and important feature (for eg., local economic development, youth issues in rural areas, etc. are important local features that may be important). This is a unique feature of the project that would be very useful.
- Seek collaborative partnerships domestic and abroad.
- Documenting within all thrusts what alternative markets are emerging. Use success stories to spread the word.
- Systematize failures and successes into a database; make case studies available on a website to share lessons learned.
- Wood industry is looking for other uses. Consider this as a model to help understand key properties other industries are seeking and understand how NEWBio could help achieve those properties
- Understand how scaling up would impact the system
- Understand key “specs” that consumers want.