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This one's a two-fer

Ostara makes water-treatment cheaper — and fertilizer better

IT IS AN unlikely business idea — marketing a technology that prevents pipes from clogging at wastewater facilities and, at the same time, creating an environmentally sensitive high-end fertilizer. Yet that's exactly what Vancouver-based Ostara Nutrient Recovery Technologies Inc. markets: a technology that extracts pipe-clogging phosphorus from wastewater at sewage-treatment plants, then uses it to make a slow-release version of the chemical for the fertilizer market.

Using technology developed at the University of British Columbia, five-year-old Ostara is now moving beyond the piloting stage. The firm completed its first full-scale commercial installation at a sewage treatment plant in Portland, Ore., last year, and CEO Phillip Abary says several new facilities are lining up, with projects under construction in Virginia and Pennsylvania.

The appeal is understandable. “We solve a problem water-treatment facilities face and create a sustainability message that is complete,” Abary says, noting that downtime at treatment plants due to clogging can cost facilities up to \$1 million. The timing is good, too. Demand for commercial phosphorous is surging, with prices in the region of \$500 per ton. Ostara's slow-release phosphorus, which lasts up to six times longer than the standard variety, can sell at three to four times that amount. And due to the slow release, it



CEO Phillip Abary: “We solve a problem in water treatment and create a sustainability message.”

reduces phosphate run-off, which leads to oxygen depletion and algae growth in lakes and streams.

Having raised \$10.5 million in venture funding in 2008, Ostara today earns revenue from sales of its technology and sales of its fertilizer, Crystal Green. Abary won't discuss revenue possibilities for the technology, but there are more than 200 treatment facilities in North America alone. All have phosphorus problems, he says. “It's quite a business challenge,” Abary says, “but it presents a fascinating opportunity.” — *Robert Thompson*