



# VERMICULITE EXECUTIVE REPORT

## April 2005 Volume 1

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### **A new information service from IBI**

We are pleased to present the first issue of the Vermiculite Executive Report. This quarterly newsletter will feature news and technical topics about the vermiculite market, the horticultural and agricultural user sector, and updates on IBI Corporation vermiculite initiatives.

### **Maintaining supply flexibility**

IBI believes the current world vermiculite market is in considerable flux, and accordingly, we are recommending that our customers not undertake long-term, locked-in, exclusive supply arrangements at this time, except under exceptional circumstances.

We have heard reports that some mines are having difficulty in consistently supplying certain grades and also in providing timely delivery. In the case of new sources of supply coming on-stream, some industry sources indicate there may be “application suitability” issues. Vermiculite processors may want to consider keeping their supply options open in order to have the flexibility to modify their buying of raw vermiculite as circumstances change.

### **You’ll believe it when you see it!**

Customers who have not actually seen IBI’s Golden Large Flake Namekara Vermiculite are usually surprised at its stunning colour – it

closely resembles real gold. In fact, it is so attractive from a horticultural customer perspective that many retail vermiculite suppliers are selling our exfoliated vermiculite in clear see-through bags to show off its remarkable appearance.

If you would like to examine our Premium Golden Vermiculite first-hand, just e-mail your request to Dennis Mellersh at [D.Mellersh@IBInvest.com](mailto:D.Mellersh@IBInvest.com). We will be happy to send you a sample. If you like, we can also send you the results of independent laboratory tests conducted on our material.

### **Providing proof of quality**

As more sources of vermiculite present themselves, the market becomes more competitive and suppliers turn more aggressive in their sales efforts. However, quality considerations have always been important in vermiculite use, and as more sources of supply come on stream, the “application suitability” of any particular vermiculite is an important element in the buying decision process.

Under these circumstances vermiculite processors and resellers are entitled to, and should demand proof of quality claims. Reliable suppliers will provide the results of independent testing to substantiate their claims. Quality substantiation can be an important consideration in horticultural and agricultural applications

where the presence or absence of mineral elements can have either a beneficial or negative effect on plants.

Astute vermiculite buyers are closely examining the claims and policies of all sources and are applying stringent criteria to ensure reliability of delivery and accuracy of quality claims. These buyers are apparently working under the maxim that “If something sounds too good to be true then it probably is too good to be true.”

### **Vermiculite is popping in China**

At the fall meeting of The Vermiculite Association (TVA) in Beijing, officials of the Chinese vermiculite industry indicated to TVA delegates that China plans on assuming a major position in world vermiculite markets.

The same officials however, were less candid in discussing quality, long-term pricing, availability, and delivery factors regarding the various grades of Chinese vermiculite. China is not a first-time player in vermiculite mining, but the marketing aggressiveness exhibited at the TVA meeting is something new and is worth watching.

### **Amazing powers of vermiculite**

We were impressed with the marketing acumen shown in a website published by a vermiculite processor and value-added reseller who uses vermiculite in the manufacture of horticultural products. For example, the website featured a detailed section on the company’s growing mixes, which incorporate vermiculite in their composition, for use with (among other applications) potting, perennials, hanging baskets and planters, and gardening.

It’s a reminder that vermiculite possesses many amazing horticultural powers, such as being an excellent seed germination and root-cutting medium. Our industry should be telling the powerful vermiculite story to horticultural and agricultural users whenever we can.

### **Horticultural fact: Vermiculite is nature’s time-release mineral**

Because of its physical composition vermiculite has the ability to hold substantial amounts of water and later release the water as needed.

Due to its cation exchange properties, vermiculite is able to hold and make available important elements such as potassium, calcium, and magnesium, which are essential to healthy plant growth.

### **Vermiculite and field crops**

Researchers in Brazil have found that very small amounts of vermiculite, such as a rate of just one cubic metre per hectare, can have surprising agricultural benefits.

The researchers placed a small amount of vermiculite in the bottom of furrows being seeded with tomatoe and carrot and found that “plots where this technique was applied remained damp longer than neighbouring plots where no vermiculite was applied,” especially during dry spells.

The researchers are currently examining this “synergistic effect” whereby there was a compounded water retention much larger than would be anticipated from the small amounts of vermiculite applied. – Source: The Schundler Company

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### **We’d love to hear from you!**

If you have a news item you would like to share with our readers, we would be happy to consider it for publication. To contact us about the newsletter or other IBI communications issues, please direct your e-mail to:  
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