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BUSINESS

How to Sell Garbage Disposals in China

Emerson's InSinkEerator Rejiggered to Munch Kitchen Favorites Like Eel, Bullfrog Skin and Duck Heads



Emerson Electric hopes China's housing market will open up for its kitchen disposals. Pictured, workers at its Racine, Wis., InSinkEerator factory. ROB HART FOR THE WALL STREET JOURNAL

By *James R. Hagerty*

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RACINE, Wis.—About half of all U.S. homes have garbage disposals gurgling under kitchen sinks to grind up food waste. The rest of the world generally doesn't share Americans' enthusiasm for this gadget.

That's a problem for Emerson Electric Co.'s [EMR 2.04% ▲](#) InSinkEerator unit, the world's largest disposal maker, whose founder invented the device 87 years ago. The U.S. market for disposals, totaling about \$1 billion at the retail level last year, is mature and slow-growing. Despite decades of overseas promotion by InSinkEerator and others, the U.S. still accounts for more than three-quarters of global demand for disposals.

So InSinkEerator has staked its growth hopes on China, where it sees big potential even though the product is almost unknown there.

"We are turning the dial up in China," said Dave MacNair, vice president of global marketing at InSinkEerator. The company in November 2012 opened a plant to make disposals in Nanjing,

China, its only manufacturing site outside the U.S. It is pitching its product to the Chinese via online marketing and in-store displays, while working with home builders and local building-code and waste-handling officials to explain its benefits.

While browsing at Jiahe Jiamei Furniture City in Beijing recently, Wang Chao, an office worker, was skeptical about the disposals on display, costing 1,000 to 4,000 yuan, or \$161 and \$645. "I don't know much about that," she said, "and I'm not interested in buying one either."

But James Liu, an antique dealer who studied in Britain, was interested in one to avoid blocked drain pipes and "disgusting" smells. "Not many of my friends have this at home," he said.

So far, sales in China are tiny. InSinkErator won't provide data but says sales are growing quickly—more than 30% a year—from a small base. The company is competing against several Chinese rivals, including Beijing Becbas Technology Co. and Ningbo Oulin Kitchen Utensils Co.

China is attractive partly because it has more housing construction than any other country. InSinkErator executives also believe the Chinese have a greater need for disposals because they eat less processed food than Americans and have more leftover vegetable peelings, fish bones and other items that can be ground up.

InSinkErator redesigned its disposals for the Chinese market, angling the grinding teeth differently so they could handle tough waste, including eel or bullfrog skin. The device also grinds more finely so leftover rice or noodles won't clog pipes.

At InSinkErator's labs in Racine, workers test disposals by feeding them with cow ribs and pinewood blocks. They also now test food more likely to be found in China, such as white radish (whose density presents challenges) and duck heads.

The technicians have found shark skin nearly impossible to grind up. Mango pits are equally tough. "They're like nature's Kevlar," said Dane Hofmeister, a lab manager.

InSinkErator regularly seeks meetings with local Chinese officials to explain how disposals could reduce the amount of household waste that needs to be hauled away and buried in landfills. One victory came in early 2012 when the Shanghai Urban Construction and Communications Commission, under a pilot program, recommended use of disposals in certain types of housing.

The disposal was invented in 1927 by John Hammes, an architect in Racine, who got the idea while watching his wife clean up after dinner and built a primitive grinder from sheet metal and a small electric motor. He obtained a patent eight years later and formed the company in 1938. InSinkErator sales didn't take off until after World War II, when housing construction boomed.

Sales depend heavily on new construction because it is expensive—often \$400 to \$800—to retrofit disposals into old homes. For that reason, they're far more common in the Western U.S., with its newer housing stock, than in the Northeast's older cities.

In the 1970s, InSinkErator used wild-haired comedian Phyllis Diller as a pitchwoman. Her lines included: "Every woman needs a leftover lover." It diversified into trash compactors, which squash refuse into smaller bundles, but quit making them because they weren't a big hit. It found more success with kitchen spigots that provide instant hot water at temperatures near boiling.

Still, disposals are the company's mainstay. "We know kitchen waste solutions better than anyone," says a banner hanging from the ceiling in the company's bustling Racine factory, which has about 900 workers and 24 robots, including one nicknamed Wilma after the "Flintstones" cartoon character.

In the U.S., InSinkErator disposals retail from about \$80 to \$340. The company competes against General Electric Co. and the Waste King brand of Anaheim Manufacturing Co., both of whom import disposals from Asia.

For now, InSinkErator is focusing efforts on China's high end, but it may eventually have to offer lower-cost versions, Mr. MacNair said. "We think it will become a mass market [good]," he said. "The question is how long it is going to take."

—Lilian Lin in Beijing contributed to this article.

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