

Village Farms moves houses to Texas

By Doug Ohlemeier, Staff Writer
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EATONTOWN, N.J. -- Continuing the historical loss of population to other regions of the country, a major Northeastern greenhouse vegetable grower-shipper has pulled up its operations and instead is focusing its resources on more sunny climates.

Village Farms LP has closed nearly all of its New York, Pennsylvania and Virginia hothouses and has increased production in Texas.

"We're focusing more on the Southwest," said Michael Degiglio, chief executive officer.

Village Farms divested itself of its Buffalo, N.Y., and Wheatfield, N.Y., and Fredericksburg, Va., hothouses along with two glass operations in Mt. Carmel, Pa. The company is keeping its Ringgold, Pa., facility.

Village Farms grows hothouse tomatoes, peppers and cucumbers under 135 acres of glass compared to the 200 acres it had in 2001.

"We've just decided to focus on the Southwest," Degiglio said.

"We're weaning our Northeast operations down. We're evaluating what we will be doing the next few years."

Virginia and other areas of the Northeast proved difficult because of fewer sunny days.

"The light level wasn't strong enough to have consistently higher production in the winter," Degiglio said.

"We found it very difficult in Virginia. The latitude wasn't quite far enough south."

Plus, the tremendously humid and hot summers didn't make for ideal growing conditions, he said.

Village Farms now has most of its greenhouse product grown under glass in the high desert mountain areas of west Texas. Marfa, Texas, and Fort Davis, Texas, offer more sunny days and temperature advantages, Degiglio said.

The company, which has grown greenhouse vegetables in Texas since 1995, expanded its Texas acreage by 15 acres last year.

"That area is actually higher than Denver," he said.

The cool nights and longer periods of daylight make for improved growing conditions, Degiglio said.

Distributing greenhouse vegetables nationally, Village Farms is constructing a fifth distribution center in Chicago.

Degiglio declined to go into detail about the facility, but he said he expects it to become operational by fall.

"We've been focused on marketing these last few years," he said.

"Our customer mix and sales volume are where we think we will need more capacity in the future. A big part of our focus is expanding our marketing presence and produce distribution."

Village Farms has distribution centers in Buffalo, N.Y., Philadelphia, Tampa, Fla., and Dallas.

Beefsteak, clusters and cherry tomatoes on the vine account for 80% of Village Farms' business. Peppers constitute 15% of its sales, with cucumbers accounting for less than 5%.