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Village Farms starts construction on fifth greenhouse in Texas

By Coral Beach
Staff Writer

Village Farms International Inc. broke ground near Monahans, Texas, for its latest hydroponic facility, and company officials expect to harvest tomatoes from the initial 30-acre greenhouse in early 2012.

The Eatontown, N.J., company plans to build a total of 120 acres of greenhouse space on the 320-acre site.

The initial greenhouse will be the fifth the company has built in Texas, chief executive officer Michael DeGiglio said during a June 14 conference call with investors and media.

The Monahans complex will be the second to employ the company's proprietary GATES growing system, which uses light for growth and has unique air-flow technology.

"It is a contained environment kind of like a biosphere," senior vice president for sales and marketing Doug Kling said during a phone interview with **THE PACKER** on June 14.

"With GATES we use computer technology to track the growing process and for insights on how nature works. Then we can use nature's secrets for better growing."

The company's Marfa, Texas, greenhouse also uses GATES, which, combined with the Texas weather, allows for year-round production.

The Monahans greenhouse will have light-diffusing glass to provide more consistent light for more efficient growing, Kling said.

"The Texas high desert has great growing conditions for us:



Courtesy Village Farms International

A new Village Farms greenhouse in Monahans, Texas, similar to this one in Marfa, Texas, will grow tomatoes, and will use the Eatontown, N.J.-based company's proprietary GATES growing system.

low humidity, cool nights, high-light. It's practically perfect," he said.

The initial Monahans greenhouse is expected to employ 80 to 100 people to produce tomatoes. The company also specializes in hydroponic cucumbers and peppers.

With the ability to produce 365 days a year, DeGiglio said they have yields of more than 220 pounds per square meter a year. That translates into about 880,000 pounds per acre annually.

The greenhouse will recycle its water up to five times, using 86% less water than traditional field tomato farming.

It will also use wind power for a portion of its electricity, but the region already has the least expensive electricity in the U.S., DeGiglio said, partly because of the extensive use of wind power.

With GATES and other new efficiencies the Monahans first greenhouse is projected to gen-

erate 15% of Village Farms' revenue by 2013.

The initial capital cost in Monahans is estimated at \$42 million, which includes infrastructure improvements for future phases.

Besides the new greenhouse, the Monahans site will include a packing, sorting and distribution facility.

DeGiglio said the company will ship produce from Monahans to a 400-mile radius, adding that the company already supplies three of the region's four large retailers.

They will also ship their Texas produce to other regions, depending on customer needs and the production cycle of its greenhouses in Canada, which don't have GATES technology and where less light results in a nine-month production season.