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Village Farms to build new 'GATES' greenhouse facility

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Village Farms International Inc., headquartered in Eatontown, NJ, has announced that it is building a new greenhouse in Monahans, TX. It is the fifth greenhouse built by the company in the state, and is based on the firm's innovative proprietary technology termed "GATES." The facility is expected to begin production in early 2012.

Phase one of the Monahans greenhouse will incorporate a 30-acre production greenhouse in addition to various other service buildings such as an advanced-technology packing,



The new Village Farms facility currently under construction in Monahans, TX, will join other company-owned facilities, including one in Delta, BC, and one in Fort Davis, TX. (Photos courtesy of Village Farms)

sorting and distribution facility. The company's long-term plan is to utilize a total of 120 acres on the 320-acre site. It will initially employ 80-100 people and bear a capital cost of approximately \$42 million, which includes certain infrastructure improvements for future phases. Each consecutive phase would add approximately 30 more acres of production area.

"Currently we face increased demand for our U.S. product because of the buy-local food movement," Michael DeGiglio, the company's chief executive officer, said in a June 13 press release. "Given the momentum of this cultural change, our new facility is well positioned to support our customers in this increased demand for regionally grown fresh premium produce. We are very excited about this next project, not only because it is in the state of Texas, but also because it will be one of [the] most advanced commercial food-producing greenhouses built to date."

The Monahans greenhouse will employ a highly resource-efficient hydroponic growing system. In keeping with the company's "good for the Earth" sustainability philosophy, the project is focused on water conservation, land preservation, food safety, integrated pest management and reducing the overall carbon footprint. The greenhouse will recycle its water up to five times and utilize 86 percent less water compared to field tomato farming. Higher yields per acre means producing greater quantities of food on less land. In fact, yields are up to 30 times more per acre compared to field farming.

The new greenhouse will receive a portion of its electricity needs from renewable wind power. It will operate within a fully enclosed system, mitigating outside contaminants and unwanted crop pressures in order to ensure the highest food-safety standards and crop vitality available today.

In a June 14 teleconference, hosted by Mr. DeGiglio and Stephen Ruffini, chief financial officer for Village Farms, Mr. Ruffini responded to a question regarding the local job pool needed to operate the new green-

house.

Monahans "is a booming area, and many people are moving there," he said. "The population is high, and although the oil and gas industry is strong there, not everyone chooses to work in that field. The high technology used in the greenhouse offers greater efficiency for labor. An example is the packingshed, which utilizes technology in post-harvest functions. The greenhouse still requires crop workers, however, and we feel confident that we won't encounter problems finding them."

He added that initially the facility will produce tomatoes-on-the-vine and that other high-value crops will be added in the future, including some products that are not traditionally grown in greenhouse environments.

In response to questions presented by *The Produce News*, Mr. DeGiglio said that locally grown is a big part of Village Farms' future strategy and has always been part of its strategy.

"Determining the location of our greenhouse and distribution center projects, we have and will always be driven by our customer needs and our desire to meet customer expectations for quality fresh produce," he said. "Yet in meeting customer expectations for locally grown produce and our ability to deliver on this prospect, a number of factors must also be favorable. When developing new greenhouse projects, we must consider our core customer requirements, but also consider relative financial aspects that drive and determine a profitable business. For example, the costs of doing business are factored into the strategy such as labor availability, input and energy costs, and economies of scale, all determining factors in the model."

He added that locally grown is not an exclusive strategy but only one of a number of ways that Village Farms strives to meet its customer needs and expectations through its diverse grower-marketer-shipper model.

"Interestingly enough, I believe that the locally

grown movement may very well impact every industry in the future," he said. "Within the food industry, this trend seems to be most salient because food is always on the radar with people — it is something you think about, use and put into your body every day. For some, it may be purely cost-driven, and for others it is more of a passion. But nevertheless, food transcends all boundaries. People have taken an interest in, and are becoming more informed about, how their food is grown and produced."

One way they are doing that, he suggested, is through the advent of social media, where people look to understand food safety, traceability and the subtleties behind a resource-intensive industry.

"Overall, the desire is to know just where the food people are eating and feeding their families is coming from and how it is grown," Mr. DeGiglio continued. "Plus the locally grown movement as a term in itself has a 'warm and fuzzy' [connotation] that implies a drive for a greater understanding of agriculture that may very well build confidence in the system as a whole. I think this is why both of the slogans — 'putting a face to your food' and 'know your farmer' — that stem from the locally grown movement instill trust, focus on building community and may actually work to give people a more authentic experience with the food they eat. Village Farms is pleased to be part of this and striving to help facilitate this trend and at the same time building awareness with our own niche in hydroponic greenhouse agriculture, a more complex system in itself, yet an extremely environmentally friendly resource-efficient way of growing food for the future."

Village Farms' Monahans greenhouse will be the 12th greenhouse that the company has developed, built, acquired or operated over the past 22 years, including sites in Pennsylvania, New York, Virginia and Texas. The firm said it also owns and operates the largest greenhouse in Canada located outside Vancouver, BC.