



With a business model that provides local greenhouse produce for retailers under purchase agreements, New York-based BrightFarms is currently in talks with around 25% of the top supermarkets in the U.S. Development associate Allison Kopf tells www.freshfruitportal.com the specific retailers cannot be named, but at least three more deals are expected this year. Supplying fresh tomatoes, lettuce and herbs within a mile of stores, creating jobs and helping the environment, Kopf says the model can only be positive for the industry. 

BrightFarms signed its first deal in October last year with McCaffrey's Markets in Pennsylvania and has continued to gain traction since then.

Kopf says the philosophy is to build one acre commercial scale greenhouses within a mile of stores, funded by private capital and built on the premise of a 10-year purchase agreement with the store.

"A lot of people in the industry don't have the means to finance a greenhouse, but as an alternative we have the upfront capital, we can build the greenhouse as part of a long term agreement, and the retailer has no commitment other than to purchase what is grown," she says.

"The idea is to have the freshest and best tasting produce, and it's better for the environment because you're cutting out the transport of tomatoes and lettuces from Canada or California, and the retailers are making better business.

 "Our calculation is that one acre can produce 500,000 pounds of produce but of course that will vary depending on the arrangement."

But does this mean growers in Canada or California should be concerned about losing their markets? Kopf thinks not, as the greenhouses will promote fresh produce consumption and will create local jobs with local farmers wherever they are built.

"We try to add to the local produce constituency but we don't want to restrict anything coming in from elsewhere," she says.

"We have had an incredible amount of support so far - yes there has been a bit of pushback but overall it's been very positive."

It is still early days for the company, but Kopf highlights that the scalability of the model - based on a similar system used in the solar energy industry - means it can be applied just about anywhere in the world.

In addition, she adds that the prices sold for the tomatoes and lettuces will be equal if not less than for produce already sold by supermarkets.

In December the company completed a US\$4.3 million financing with NGEN Partners, including investments from Emil Capital Partners and company founder Ted Caplow.

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