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Wednesday 22nd January 2020, 16:43 GMT

Half of new indoor growers 'have no ag experience'



Controlled environment production attracts high percentage of young entrants, with funding a major challenge, new survey reveals

Almost half (46 per cent) of the companies that embarked on vertical or glasshouse production in 2019 had founders with no previous experience in agriculture, a international survey has revealed.

In contrast to traditional agriculture where the average age continues to rise, production in a controlled environment attracts many young people: 44 per cent of the companies' founders were between 21 and 30 years of age, while a further 30 per cent were between 31 and 40.

The [census](#), which was a joint project of Agritecture and Autogrow, included interviews with 316 controlled environment producers in 54 countries, of which 43 started their business in 2019.

It found that 21 per cent of the new companies in this sector were based in the US, with 65 per cent growing salad greens and microgreens, and 61 per cent setting up a vertical indoor farm (as opposed to a greenhouse).

The top three challenges they mentioned were raising capital funds, maximising profits and sales and automating to increase efficiency.

Receiving funding for these ventures was not the norm with 19 per cent receiving external backing, 50 per cent of which was from corporate investors.

Some 16 per cent of funding applications were unsuccessful, while the remaining 65 per cent did not pursue funding. Currently, 65 per cent of the start-ups surveyed are at a pre-revenue stage, while only 26 per cent said they were profitable.

The survey also revealed that agriculture in a controlled environment is now globally widespread, with 80 per cent of polled operators coming from countries other than the US and 30 per cent operating in developing countries. After the US, the countries with the highest number of respondents were India, Belgium and South Africa.

Most of the businesses surveyed

produced salads, microgreens, herbs and other leafy greens. In addition, vine vegetables like tomatoes, cucumbers and peppers were grown by 25 per cent of companies, followed by berries (17 per cent), root vegetables (12 per cent), and a number of other products that were grown by 10 per cent of producers or less.

The report includes data on demographic information, growth methods, types of structure, services offered, marketing strategies, perceived challenges and future perspectives for farmers.

<http://www.fruitnet.com/americafruit/article/1474/parts-of-san-diego-quarantined-as-psyllid-count-mounts>

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