



Dear Shareholders, Stakeholders and Interested Parties
CO2 GRO Inc. is pleased to present a recent Produce
Grower Magazine article on berry greenhouse grower
trends.

The Producer Grower Magazine

Whether it's strawberries or other types, the market for
controlled environment berries is on the rise.

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Blackberries and raspberries growing in a high-tunnel greenhouse

Photo: © Alicia | adobestock

Expanding the berry market

Currently, strawberries are the most common berry crop grown by controlled environment agriculture operations, and the market appears to be growing.

According to Produce Grower's [2020 State of the Industry research](#), the number of growers producing strawberries increased by 14 percentage points in the last year. Experts in the industry say that products like strawberries that provide the same or better taste as field-grown product, but last longer, are primed to disrupt the market.

"What we're interested in is beyond the shelf life; we want home life for the customers," Victor Verlage, senior director of Agriculture Strategy Development at Walmart, said during an Indoor Ag-Con online panel. "We don't want them to waste produce because it goes bad quickly."

There are a number of operations — including Mucci Farms, an operation based in Ontario, Canada, and DelFresco Produce, also based in Ontario — that have an established track record of production. There are also production guides — including one from the University of Arizona's Controlled Environment Agriculture Center, available [here](#) — giving growers a detailed look at production costs. Indoor strawberry production, however, isn't foolproof. A 2017 study from Cornell University that grew strawberries in NFT systems, for instance, found some drawbacks.

"We regularly encountered clogged drip emitters across all systems, which accounted for a majority of the plant loss over the course of the experiment and added significantly to the day-to-day maintenance of the systems," the study reads. "This, coupled, with the use of synthesized substrates called to question the sustainability of such a practice." The study also said that the drip-to-drain system was the only one that was successful in aquaponic and hydroponic conditions.

Additionally, the study found that strawberries grown in deep water culture were more susceptible to crown and root rot — issues that strawberry plants are already prone to suffer from.

Other types of berries are on the rise, too. According to our State of the Industry research, growers who are producing blueberries have grown by 8 percentage points, while 8% of growers are producing other types of berries, including raspberries and blackberries.

For blueberries, blackberries and raspberries, high-tunnel container production is the most proven method in a controlled environment vs. field production. While each crop has its own unique growing needs, North American operations are following in the footsteps of European growers, who are already producing various berries in containers.