

Greenswell Growers lands a deal with Kroger for co-branded line with Ukrop's

Richmond Times Dispatch | Sean Jones | March 19, 2023

Leafy greens in packages with the tagline "Grown with love in Goochland County VA" will soon hit store shelves across the Mid-Atlantic now that a local company has completed a deal with a mainstream grocery brand.

Ready-to-eat containers of Goochland-based Greenswell Growers' locally grown leafy microgreens, such as romaine and arugula, are coming to Kroger locations, with an initial ship date set for sometime before the end of April. The move into Kroger is a major development for the company, which opened its \$17 million automated commercial greenhouse in 2021.

When it opened, the greenhouse operated just a portion of its 1.5-acre indoor space. It's now tripled that capacity, using all the available space across the facility with the ability to increase output even further if needed.

"The greenhouse is completely full with product, and we're hitting retailers of scale," said President Carl Gupton. "We wanted to measure twice and cut once in order to figure out what worked and what didn't work inside of this greenhouse. I think we're going in the right direction with it."



Greenswell Growers, in partnership with Ukrop's Homestyle Foods, will start selling a three-product line of leafy greens at Kroger locations in the Mid-Atlantic in April.

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Customers 'across the board' interested

Greenswell's management was in talks with six grocery stores when the greenhouse opened, but had yet to announce where its greens would be sold. Its products have since spread throughout boutique grocers in the Richmond

area as Greenswell picked up regional deals with Food Lion and Harris Teeter along the way.

"We've had a mixture of food-service business, medium and high-end restaurants, really customers across the board," Gupton said.

A key part of Greenswell's journey was forming a partnership with Ukrop's Homestyle Foods.

Ukrop's initially used Greenswell's greens in its sandwiches and wraps. Then in November 2022, Ukrop's started offering the co-branded packaged greens in Ukrop's Market Hall after receiving positive customer feedback.

Ukrop's then pitched the co-branded microgreens to Kroger during its regular meetings with the national grocer.

"We are excited about our partnership with Greenswell Growers. The opportunity to work with a cutting edge, sustainable and local Virginia grower of crisp and delicious greens is a great fit for our company," said Scott Aronson, Ukrop's co-president and chief strategy officer, in a statement. "Having fresh greens available all year long (without the concerns of growing seasons and long-distance trucking, along with reducing the need for water) was an especially attractive option, as we strive to provide the freshest lettuce in our salads and sandwiches to the retailers and consumers we serve."

The two companies will go into the national chain with a three-product line.



The operation, which covers 1.5 acres, produces leafy greens in a climate-controlled and highly automated environment using recycled rainwater and natural or indoor lights.

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Essential Green Leaf is light and crunchy, marketed as a replacement for romaine or iceberg lettuce. The Vibrant Greens Blend is a combination of two lettuces and arugula, and the Refreshing Romaine Blend is a mix of baby leaf romaine and fresh and crispy green leaf with a touch of sweetness.

Gupton said Ukrop's was instrumental in helping Greenswell.

"We're kind of the new guy on the block; how do you prove yourself? We know it tastes great, we know it lasts long, but we want to find a way to crack the retail code, and they helped us do that," Gupton said.

Greenswell's leafy greens are more than just green and red plants. The magic in its crunchy and vibrant flavors lies in its automated, indoor greenhouse. Most of the plants' light comes from the sun, but high-pressure sodium lamps keep conditions consistent when it's cloudy. Everything is engineered to be perfect for the plant. Temperatures fluctuate by only about 7 degrees between day and night, and every piece of plant nutrition, sunlight and water content is tracked from beginning to end.

"In popular growing areas, temperature variation is much higher, something like 30 degrees. That's stress that will break down the plant as it's trying to grow, and will deteriorate the plant and create a bitter taste," Gupton said.

Those automated conditions also shorten the grow period to 21- or 28-day cycles, depending on the plant. Traditional outdoor farming yields about three or four harvests a year.

Greenswell's leafy greens also have an extended shelf life of around 18 days, Gupton said. On-site machinery packages the plants immediately when they're through the grow cycle, and they're distributed within a day.

Company founded in 2021

Efficiency is key to Greenswell's method. Gupton said the 1.5-acre greenhouse can yield 700,000 pounds of product per year, about 28 times more than traditional farming on the same acreage, while using 85% less water.

The company was founded in 2021 by Charles "Chuck" Metzgar, a former managing director for the human resources consulting firm Mercer; Doug Pick, the president and CEO of Feed More, the hunger relief agency that operates Virginia's largest food bank; and John May, a retired technology industry professional and president and CEO of the Center for Innovation and Development in Kilmarnock. Today the company has 27 employees.



Greenswell Growers opened its \$17 million automated commercial greenhouse in 2021 in Goochland County in the West Creek office park.

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Greenswell originated from its founders' mission to have a higher standard of nutrition for the meals at Feed More. Around 75% of its vegetable options were canned, meaning they were often packed with sodium and had added sugar or preservatives. It was hard to find enough volume to meet Feed More's supply needs through traditional farming. While looking for farms to meet their demand, the founders stumbled into hydroponics. Greenswell was born.

The company still donates to Feed More, providing about 60,000 meals last year.

Greenswell is now focused on its expansion, with plans to build two more greenhouses at its West Creek Business Park location. Gupton said the company is in talks with two more grocery brands, but declined to name them.

"Our thought process with our greenhouse is, you can build this around major metro areas," Gupton said. "We have 26 million potential customers in a 250-mile radius. In a day's drive, we can be at 70% of the U.S. population. So the model is there."



An employee works on the automated packing machine at the company.

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