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## Post: LGS vertical farm funding open!



Created by [Brittany Bunk](#) on 28-Jan-2022

Fund raise

[Professional, Food & Drinks](#)



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### Content

LGS = Local Grown Salads

#### Contact:

- President: Zale Tabakman: [zale@localgrownsalads.com](mailto:zale@localgrownsalads.com) – Direct investing, accredited investors only
- [Brittany Bunk](#) on Beyond Animal for co-investing and non-accredited investors. Developing an at least \$100k collective investment. Will be the lead for the group, followed by the person who invests the most.
  - Note: groups can form on their own with at least \$100k each on their own without me too.

#### About:

- Tower technology - more efficient than horizontal stacked bunk beds
- uses only white LEDs (although they said other colors might be better, it's not cost efficient, as LEDs are too cheap to switch over for a cost advantage)
  - Built on doors within reflective material that act like mirrors, but are a special material that is better than a mirror!
- is zero waste - all the remaining material is given to others or composted
- utilizes older underutilized buildings - because of tall ceilings
  - no extra materials or land to build more farms
  - avoids urban decay by providing revitalization and use of what's would decrease a city's value - this is the future!
- use solid, not liquid fertilizer
  - more compact for shipping
- Elegant technology - doors, frames, and plant columns all built with commodity widely available items
- Serving the 'East Coast' market around Philadelphia to decrease reliance on California produce
  - very flexible in terms of what they can grow 60+ herbs, greens, and small vegetables
  - less food waste: they grow what sells (is profit-driven and what consumers want and will eat) rather than follow what's subsidized, which might not be eaten in the end
  - The Colorado River is dying, so this is creating resiliency in the food system for Eastern US, which is home to 10s of millions of individuals
- no food goes to livestock, so this is a vegan\* company
- **Warnings:**
  - soil alternative
    - \* about the word 'vegan' here: the context is they use sterilized (i.e. heated) pine. While they say this is sustainable and creates a 'better crunch and shelf life', there're concerns as to whether or not it's truly vegan or how sustainable.
      - *veganism*: trees might have organisms outside (like ants), inside (like nematodes), and on top (like birds) - so removing trees might be hard for wildlife
      - *sustainability*: It's unknown how the trees are extracted, but experience with other companies using trees say they cut new trees.
    - it's messy, but they have a new setup method to decrease that
    - it's not reusable by the company but can be used in compost by others
  - are automated but are looking to automate even more
  - food is packaged in plastic and driven to other states outside of where the greens are grown

#### Overall:

- This company
  - is worth investing in, because the benefit they provide for the world and food system in terms of resource use and resiliency/sustainability is much, much higher than any problems they cause it.
  - I believe in what they are doing, because it is the future and vertical farming is the most vegan means of growing food for civilization.
- Vertical farming
  - Is the future! (of agriculture)
  - is continuously improved upon and decreases in cost compared to agriculture to where it'll one day outcompete it



## Investment options (feel free to choose one or more):

### Philadelphia:

- Indoor Vertical Farm targeting Greater Philadelphia. A 6.3M market. GP/LP Structure, Minimum \$50,000/ LP Unit, maximum of 200 Units.
- 8% Pref. Expected 11x Return within 5 years. 80/20 Split after investors are made whole. 1.75% management fee.
- Opportunity Zone. Has its own tax deductions
- Accredited Investors Only when investing directly and not through the group
- Investor receive quarterly dividends

### St. Croix:

- Indoor Vertical Farm servicing USVI (US Virgin Islands), Puerto Rico, Greater Miami.
- Got loan from government.
- Equity investment. Minimum \$100,000. Significant Tax advantages for the company. USVI residents have additional tax benefits (and are vetted by the USVI government).
- Total Round: \$600,000 representing 54.55% of the company
- LGS prefers to only have 3 investors
- However, there's a co-investing option: create an LLC with up to 6 people, up to 10 if USVI residents.

### Build your own:

- can be placed anywhere in the world (within reason)
- upfront cost: \$1.1 - \$2 million
- would be automated where managers are hired out to carry out tasks

### Local Grown Salads

<http://LocalGrownSalads.com>

## Comments

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