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2022 CEA Recap

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ICYMI: I received a notice that Contain Inc., a data company that specializes in the indoor farming segment, issued a recap of 2022, so I took a peek at it. The report held some interesting notes about last year, including the fundraising that did and didn't happen in the CEA space.

For example, the report showed venture capital investment was down by 37% over the previous year, according to statistics from CB Insight. Those numbers were down over a record-setting investment year, though, the report points out. Private funding came in around $1 billion, which also was down from 2021.

The report noted there was a sharp uptick in mergers and acquisitions on the vendor side, with greenhouse manufacturers, controls and automation companies seeing more consolidation. That consolidation happened, too, for farms and Contain expects to see more of that in 2023.

A few more nuggets include the outlook for 2023, both positive and negative:

• Those negatives include "more farms and tech closures as funding becomes ever more scarce and the economy worsens," the company writes, with the biggest impact possibly on higher-end restaurant suppliers.

• One positive is supermarkets are likely to stay stable in relation to a recession, which helps out CEA growers.

• Something that's not positive, but will impact CEA growers, is continued environmental issues with field growers, which will require other growers to fill in the supply gaps.

Those are only a few of the insights from the report. You can download the report for free with registration on the website at insights.contain.ag.