

*TerraSphere Systems builds, owns and operates vertical farms in tall buildings in cities, close to where most consumers live, supplying locally grown produce to minimize food miles and carbon footprint.*

## **Business challenges**

- In order to gain first mover advantage in nascent market, accelerate growth, and generate good ROI for licensee partners, the Company had to optimally set
  - technology license fees
  - equipment prices
  - royalty percentages

## **Marketing challenges**

- In order to maximize revenues and margins, the Company had to
  - determine fruits/vegetables to grow
  - select retail channel partners to sell to
  - define consumer brand and packaging

## **Environmental problem company addresses**

- Field agriculture contributes to climate change due to water and energy consumption
  - in U.S., 20% of fossil fuels consumed are used in agriculture
  - 10% of global food supply depends on unsustainable use of water
  - the average head of lettuce travels 1,200 miles to your dinner plate

## **Carbon Leaf Solution**

- Identified business model (license fees, equipment prices, royalties) to enable rapid scale-up and high ROI, while minimizing capital requirements and risk
- Completed financial models / statements
  - capital required to support growth initiatives and cash flow needs
  - financial projections (ROI, NPV)
  - identified business risks and a plan to mitigate them
- Created go-to-market plan, defined strategic initiatives, and prioritized
  - geographic locations for first farms
  - target food retailers
  - crops to grow to maximize profits
- Interviewed food retailers to determine
  - crops to grow
  - prices they would pay
  - volumes they would buy
  - packaging requirements
- Defined consumer brand based upon target consumers' key buying factors
- Built sales pipeline of interested retailers