COVER STORY | SUNMED GROWERS

Jake's Legacy

At Maryland's SunMed Growers, third-generation U.S. greenhouse grower Jake Van Wingerden expands his family's storied horticulture footprint into cannabis.

Jolene Hansen



Among U.S. ornamental greenhouse growers, the Van Wingerden name is everywhere. Jake Van Wingerden's paternal grandfather, Aart, emigrated from the Netherlands in the 1940s. In subsequent decades, his 16 children and their offspring have dominated the bedding plant industry nationwide. A family tree composed of Jake's uncles, first cousins, and brothers accounts for more than 30 million square feet of U.S. greenhouse space.

Tidal Creek Growers, Jake Van Wingerden's 625,000-square-foot ornamental greenhouse operation located in Earleville and Davidsonville, Md., reports producing more than 8 million ornamental plants per year. Just a few miles away from the Earleville site sits SunMed Growers, his rapidly expanding, 250,000-square-foot, state-ofthe-art greenhouse cannabis facility, now in its fifth year of production.

With the addition of an extraction facility in late September, SunMed is growing and processing branded SunMed Labs products to supply Maryland's medical cannabis market—while positioning itself for adultuse sales in the future.



To accommodate consumer desire for variety, SunMed keeps around 70 cultivars in production.

ABOUT SUNMED GROWERS Year founded: 2015

Location: Warwick, Md.

Canopy size: 190,000 sq. ft. (Phase Three expansion will increase canopy to 380,000 sq. ft.)

Number of employees: 140 total (60% in greenhouse cultivation)

Products offered: Flower, pre-rolls, fresh-frozen live resin dabbable extracts and vape pens. Infused pre-rolls and a gummy product coming soon. Potential seltzer and chocolate in the works.

A Family Foundation

Within the ornamental industry, the Van Wingerdens have long represented industry-leading innovations and traditional values. When Jake and other close relatives started talking cannabis, the ornamental business took notice. Onlookers were divided on whether a Van Wingerden move into cannabis signaled a normalization of the plant or

just the latest in generations of gutsy Van Wingerden moves.

For Jake, the decision to start a cannabis company was simple. His Colorado-based brother, Aaron—also one of the country's leading bedding plant growers—was the first in the family to take the plunge in 2014 in the Rocky Mountain state. When Maryland's path to medical legalization began, the brothers talked. Though Aaron's interest in cannabis has since shifted to hemp genetics, he was integral to Jake's move. "Aaron's the one that really got me started and gave me the help I needed to get off the sidelines and jump in," Jake says.

When SunMed won one of Maryland's 15 original cannabis cultivation licenses in 2015, Jake says a crash course in raising cash followed. He had one year to be operational and, with traditional bank financing not available to cannabis businesses, private funding was the only route. To add to the pressure, he wasn't retrofitting an existing structure. He was building a new facility designed to grow premium greenhouse cannabis in Maryland's climate.

"I bought a 60-acre piece of dirt and built a brand-new facility from the ground up, so that was very stressful to get something right off the ground," he says. He shares that some family members were among his original investors.

While many stalwarts in the ornamental business deemed cannabis too great a risk, Jake disagreed. "I had gotten into it enough and understood the train had already left the station and was well down the tracks," he says. Today, no one questions his judgment in joining the industry on the ground floor. Instead, they ask for help when their states legalize cannabis.



A lab addition in September enabled the company to introduce its SunMed Labs products to the Maryland market.

Learning Curves

Despite decades of greenhouse experience, cannabis was new to Jake. Unlike new ornamental varieties, which are introduced to the market with detailed growing instructions, cannabis didn't come with a guidebook. "When I got started, I didn't know what I didn't know," Jake says.

He describes cannabis as the most aggressive plant he's ever grown. "It wants more of everything, more light, more CO2, more fertilizer, more everything—more than you could ever imagine," he says. Plus, he was used to growing plants for aesthetic appeal, not potency.

Like many producers new to this crop, he hired cannabis consultants and growers and followed their advice—but he didn't see the success he was accustomed to in growing plants. He eventually realized that part of the discrepancy was in scale.

SunMed's Phase One production facility was 70,000 square feet with the latest in advanced greenhouse technology, what Jake calls "all the bells and whistles." But much of the existing knowledge about cannabis cultivation at the time came from experience garnered on a dramatically smaller scale. Many practices recommended by his new cannabis advisors didn't translate to large-scale production. Production processes became complicated, and commercial greenhouse economies of scale familiar to Jake were being lost.

After about 18 months, he became determined to get back to his growing roots. "We just made a decision and said, 'You know what? This isn't working for us," he recalls. Then he started approaching cannabis with the balanced greenhouse growing style that secured his bedding plant success.

Jake credits his consultants, Royal Heins, Ph.D., and Bruce Bugbee, Ph.D., with helping him see the light. Heins—a highly respected Professor Emeritus from Michigan State University and an industryaltering researcher, mentor and consultant in the ornamental industry —has been a consultant to Tidal Creek for about 16 years. When Heins came over to SunMed, he brought along Bugbee, widely known for his pioneering work with light and plant growth at Utah State University.

Multiple experiments and trials are underway at SunMed as the team creates and conquers new learning curves for growing greenhouse cannabis at scale.

"The bottom line is we're simplifying it—everything from our pruning techniques to our fertilizer and irrigation strategies to our scheduling and then also debunking some of the myths surrounding this plant," Jake says.



FAST TAKE WITH JAKE VAN WINGERDEN

Biggest challenge in launching or maintaining a cultivation operation: "Raising capital and navigating legal and regulatory issues."

Something most people don't realize about running a

cannabis business:

"For someone getting into it from the ornamental world ... in cannabis, we're not measured on how pretty it looks. We're measured on how good it tastes."

What keeps you awake at night:

"As an independent grower, it's the takeover and consolidation of the distribution channels that the MSOs [multi-state operators] are effectuating."

What helps you sleep at night:

"I sleep very well at night because I have a phenomenal team here, and we built a great culture. That's a great comfort to me in running this business—my team."

Advice for new or existing cultivators who want to succeed in this industry:

"Raise 30% more money than your original budget number."

Designed for Growth

Until the expansion into processing this fall, SunMed had been focused solely on cultivation. "Our big focus [has been supplying] A-grade smokable bud to the dispensary," Jake says. To accommodate consumer desire for variety, he keeps around 70 cultivars in production, from everyday favorites to a mix of profiles spanning sativas, indicas and hybrids, he says.

"From the time you stick a cutting to the time you actually sell that product, it's a 20-week cycle, so you have to have your production plan planned out almost a year in advance," he explains. His production and sales teams are constantly tweaking plans, balancing current hot sellers with predictions for six months down the road.

Recent completion of SunMed's Phase Two bumped the canopy square footage to 190,000. The facility has about 25,000 plants in production and 10,000 clones in propagation at any time. Perpetual weekly harvest of 2,500 plants generates 500 to 600 pounds of dried, cured bud each week. About 140 employees—split 60% greenhouse, 40% post-harvest —handle it all, including about 4,000 to 5,000 pre-rolls daily.

Designed for continuous production, SunMed uses a Dutch rolling table system that moves in a circular pattern. Plants grow in coco-based media, blended on-site, in custom-designed air-pruning pots. The plantholding tables slowly move through one of the many greenhouse sections that correspond with the plants' life stages. Other than a plantspacing operation that occurs when plants progress from a vegetative setup to a finish setup, plants on the automated table system stay put until harvest.

In late September, SunMed's new 2,000-square-foot extraction facility launched as a small forerunner in existing space. The company also broke ground on a separate 50,000-square-foot processing facility to launch at scale in about a year. Fresh-frozen live resin products primarily dabbable extracts and vape pens—are the focus. "We think that's the way of the future," Jake says. Infused pre-rolls and gummies are in the works, too, and, potentially, seltzer and chocolate.

Phase Three of SunMed's cultivation facility development also is underway. Set to happen in two stages, the expansion will add another 190,000 square feet of canopy. The first stage, to begin next year, will involve an outdoor crop grown on tables within the steel superstructure of the eventual greenhouse. That crop will provide a mainstay of fresh-frozen live resin without cutting into flower production for the existing market. Stage two of the project will see the structure covered with glass, transforming it into an all-season production facility.



SunMed's plant-holding tables move through greenhouse sections at various life stages.

Looking Ahead

As Jake continues dialing in the details of his medical cannabis operation, Maryland's potential legalization of adult-use cannabis isn't far from mind. He's watched other states expand from medical markets

into adult-use and immediately run out of product. "We're looking ahead and saying, 'What can we do now to prepare for that?' so Maryland doesn't have a similar news story," Jake says.

In the bedding plant world, growers look for ways to make pennies, striving to make a little on a lot. "The cannabis world is different. Right now, you can make a lot on a little," Jake says. "But one day, that'll flip. One day, production will catch up with demand. It may be nationwide production, nationwide supply." When that happens, he says, low-cost production facilities will be the ones that stay in business.

That's one reason he's committed to the research and trials being conducted at SunMed, helping researchers like Bugbee write the book on commercial-scale cannabis. "We're happy to help contribute to that knowledge," Jake says. "When you find the 1%, 2%, 3%—little things that help improve your quality—those are millions of dollars in potential benefit, and we're looking for that edge."

Now is the time, he says, to make investments, undergo some trial and error, and discover those little variables to set SunMed apart for sustained success.

"I don't have a crystal ball. I can only influence what I can do at my facility," Jake says. "But building a long-term production facility that grows high-quality products at low cost is, in my opinion, the model to follow."

Jolene Hansen is a freelance writer and frequent contributor to GIE Media publications. Reach her at jolene@jolenehansen.com.

NAVIGATE THROUGH THE NOVEMBER COVER STORY

Introduction: A Tale of Two Van Wingerdens (http://magazine.cannabisbusinesstimes.com/article/november-2021/A-Tale-of-Two-Van-Wingerdens.aspx)

SunMed Growers: Jake's Legacy

(http://magazine.cannabisbusinesstimes.com/article/november-2021/jake-van-wingerden-sunmed-growers-maryland-cannabis.aspx)

Farmlane: David & Cindy's Quest

(http://magazine.cannabisbusinesstimes.com/article/november-2021/david-and-cindy-van-wingerden-farmlane-greenhouse-cannabis.aspx)

A Tale of Two Van Wingerdens (/article/november-2021/A-Tale-

of-Two-Van-Wingerdens.aspx)

Next > David & Cindy's Quest (/article/november-2021/davidand-cindy-van-wingerdenfarmlane-greenhousecannabis.aspx)