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Growstone ramps up glass recycling

Growstone turns glass waste into plant growth medium for hydroponic and commercial uses

Premium content from New Mexico Business Weekly by Kevin Robinson-Avila, NMBW Senior Reporter

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A homegrown company soon will operate 24/7 at Albuquerque's Cerro Colorado Landfill to grind and bake scrap glass into an agricultural product.

Growstone Inc. makes an environmentally friendly growing medium from glass that reportedly can aerate soil and improve production for hydroponic and commercial growers.

The company, which runs an 8,000-square-foot plant at the Westside landfill, just closed on a \$3 million capital raise from private investors and the State Investment Council's Co-Investment Fund to ramp up operations tenfold over the next six months, said Growstone CEO [Mike Langone](#).

"We've increased our processing to about 30 tons per month now, but we plan to reach 300 tons per month, or about 3,600 tons annually, by June," Langone said. "We're getting out of startup mode and into full production."

[Jill Holbert](#), acting director of Albuquerque's Solid Waste Management Department, said it's a win-win project for the city and the company. Growstone pays \$20 per ton for the glass it receives from the city, which collects about 3,000 tons of scrap glass annually.

"There are limited opportunities to recycle glass in New Mexico, because the nearest recycling operation is in Colorado," Holbert said. "This is a local recycler, so it eliminates shipping and other costs, and we get \$20 for every ton."

Holbert said scrap glass is difficult to recycle because there are few commercial end-products.

"Some municipalities grind it up for use in road base or in street medians, but there are limited opportunities," she said. "If [Growstone] can compensate us and create a viable market for the glass, that's very positive."

Growstone's patented process starts with crushing the glass into a fine powder. It then adds a

proprietary foaming agent before placing the powder in kilns, which bake it into sheets of lava-like porous sponges.

The final product provides a highly productive growing medium, because it can aerate soil while retaining water, Langone said.

It's particularly good for hydroponic plants, which are grown without soil in liquid nutrients, because it's a stable base for plant roots to adhere to, anchoring them for maximum strength and yields.

The product can replace traditional minerals used by growers, such as perlite, which is acquired through strip mining.

"We have a very unique process to create an agricultural product in a way that no one else is doing," Langone said. "Our customers include hydroponic growers, commercial growers and soil-blending companies."

Sun Mountain Capital, which manages the SIC's private equity investment program, put money into Growstone because of its market potential, said Managing Partner [Brian Birk](#).

"We've seen a lot of customer enthusiasm for their product," Birk said. "It's an environmentally friendly, high-performing engineered material that is better for growing plants than strip-mined alternatives. I think the market potential is enormous."

Sun Mountain originally invested in Growstone when it formed in 2008. The new follow-on funding brings total state investment to \$2.5 million.

To date, the company has raised about \$11 million in private equity, including investments from individuals and from California-based **Triton Pacific Capital Partners LLC**.

Triton Managing Partner and Chairman [Ivan Faggen](#) said he found Growstone's breakthrough technology enticing.

"Growing crops in glass is quite unique," Faggen said. "It works extremely well in retaining water for nutrients to be absorbed. All testing has shown it can provide a tremendous boon for the plant, fruit and vegetable-growing industries."

Triton helped bring two more investors into the latest follow-on round, which closed Jan. 30. They include serial entrepreneur [Dal LaMagna](#), founder of the international beauty-tools business Tweezerman, and VFormation LLC, a San Francisco private equity fund.

VFormation Principal [Sara Regan](#) said Growstone is tapping an emerging market niche.

"There's a very mature market now for mixed growing mediums sold in bulk, and a growing hydroponic market wave that the company can ride on," Regan said.

The company received \$1 million last year as a first close on the new funding round. It used that money to upgrade its plant and prepare for high-volume production, Langone said.

Growstone grew its workforce from eight in June to 14. It will reach 20 employees by June, when the plant moves to an around-the-clock schedule.

Growstone also reorganized its governance structure, converting from a general partnership to an incorporated entity with a board of directors.

Langone is the board president and Birk is the board chair.

krobinson-avila@bizjournals.com | 505.348.8302