

Pot Market Makes Manufacturer Light Headed

AGRICULTURE: Marijuana growers can control crop with LED systems.

With the U.S. cannabis market estimated to grow to \$22 billion in four years, the duo behind California Lightworks has bet some of that money will come their way.

George Mekhtarian and Craig Adams have developed LED lighting systems for marijuana growers. Made in Canoga Park, the company's two lighting systems target the hobbyist and small scale grower as well as large commercial operations.

"(Commercial growers) are looking for everything a professional would look for in efficiency and return on investment," said Mekhtarian, who handles the technical and engineering duties at California Lightworks.

To prepare the company for expected growth, Mekhtarian and Adams, who oversees sales and marketing, will move the research and development and manufacturing operations into a 7,500-square foot building next door to where it has been located on Deering Avenue since 2011.

California Lightworks was founded in 2008 to develop and manufacture lights for indoor horticulture and has about a dozen employees. Mekhtarian said there could be more than 20 by the end of the year. In 2012,

the company released its SolarStorm lights for small scale and hobbyist grow operations, and last year introduced the SolarSystem lights for commercial operations.

LED lights are considered superior to incandescent or fluorescent bulbs because they use less power, generate less heat and can last from 80,000 to 100,000 hours.

Marijuana growers have long used



Plugged In: California Lightworks' new SolarSystem lights are for commercial farm operations.

high-intensity discharge lighting in their operations but the output can deteriorate by about 70 percent after about 10,000 hours.

The advantage of LED lights is that the light spectrum can be customized for enhanced photosynthesis. The plants need to be in a tightly controlled environment of light, temperature and humidity, Mekhtarian said.

"We can mimic natural sunlight to get better growth with less energy usage," Adams added.

Between 10 percent and 20 percent of California Lightworks' products are used for tomatoes and other crops. The growth for the company will come from the marijuana industry, Mekhtarian and Adams said.

ArcView Group estimated that by 2020 the combined medical and adult-use sales of the drug in the United States would be about \$22 billion.

After Colorado and Washington State made recreational use of cannabis legal in 2012, applications for commercial growing operations poured into those states. And those growers will need lights.

"Now everyone is waiting to see what happens with California," Adams said.

The November ballot will include the

services.

Chief Executive Rajeev Tandon said the positions in Simi Valley are on the technical and business side, including engineers and designers familiar with Java and Microsoft programs as well as business analysts for the banking and entertainment industries from which Xavient draws its customers.

"We want to get it mostly done before the end of the third quarter," Tandon said.

Founded by Tandon in 2002, Xavient provides software and IT services for legacy and new systems. It started in the broadband, cable and satellite markets before expanding to banking clients about four years ago and into the entertainment and media markets about two years ago. Some customers of its software include Home

Depot Inc., DISH Network and Comcast Corp.

Tandon attributes the hiring program to a push from those newer markets.

"Since a lot of our new banking clients and entertainment and media clients are Los Angeles-based, they want to have their consultants, developers and business analysts based closer to them," he said.

Additional employees will not mean additional industries that Xavient will serve. Instead, Tandon said the company will bring on new services such as cloud storage, business intelligence and analytics.

"We are expanding our offerings to these (markets) rather than entering new ones," he explained.

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