

Fiber is the Future, the Future is Fiber

Sitting here at the beginning of the 2023 growing season there are several undeniable truths.

- The CBD Market is Dead. Long live CBD!
- We've forgotten (or ignored) the original hemp activists' mantra: *"Food, fuel, & fiber!"*
- Hempcrete is now part of the national building code.

The 2018 Farm Bill legalized hemp at the federal level. Charlotte Figge and Sanjay Gupta put CBD in America's living room and medicine cabinet. As CBD products flooded the market and as a result Jane & Joe Public sampled plant based medicine, many for the first time. Hemp became the belle of the ball.

Call it the invisible hand at work in the market or the inevitable supply & demand conundrum but too many farmers grew too much hemp. Of course prices plummeted and farmers lost money. Fast forward to Summer 2023 and across the country license renewals nosedived and new licenses are few and far between. No surprise; Econ 101 strikes again.

Too many people believe that "hemp" and "CBD" are synonyms. Industrial hemp grown for food, fuel, and fiber was ignored during the CBD green rush. To add insult to injury the bulk of the hemp grown for CBD extraction is less than ideal for the fiber market for two reasons: farmers planted the wrong cultivars and they planted them too far apart. Repurposing the unsold CBD harvest for the fiber market doesn't really work. Small hemp farms with small amounts of stems aren't profitable for established hemp fiber manufacturers. Shipping costs alone make it impractical.

Hempcrete will make industrial hemp relevant and profitable. The shift won't happen overnight. Architects need to get up to speed first then contractors and construction workers. It'll take a lot of hemp to build homes across the country. It'll take even more to build whole subdivisions or commercial buildings. Literally thousands of acres will be needed to stock Lowe's and Home Depot. When it catches on, hemp will be grown on the same scale as wheat, corn, and soybeans to meet the demand. Literally thousands of acres of hemp will be needed to supply the hemp fiber market including paper, textiles, and building materials.

Smart farmers will differentiate themselves and increase farm income by growing dual purpose crops. Think fiber/grain or fiber/cannabinoids (or terpenes). Medicine on top, fiber below, not to mention the roots which also have medicinal properties. Smaller farms can compete with corporate plantations by selling their crop into two or more markets.

Hemp fiber has no shelf life or expiration date. It doesn't go stale. Grow it now and sell it when the market catches up to you. Farmers who aggregate their harvests with others can sell collectively just like dairy farmers do with milk. Shipping costs will be lower if a lot is grown in one place.

Demand for hemp building materials like hemp wood and hempcrete will transform hemp from a niche crop to a Big Ag commodity worthy of the Chicago Board of Trade. Farmers will add it into their crop rotation. Savvy farmers will arrange purchase agreements before they purchase seeds. Successful farmers will cultivate long term relationships with their buyers.

Some fiber cultivars like Neo (HarleTsu x Nebraska hemp for victory and Carmagnola) also have valuable chemistry in their flowers, including cannabinoids, terpenes, and other compounds. Unfortunately small farms that only grow CBD-rich cultivars will be at a disadvantage. Savvy farmers will kief their flower to separate the trichomes which is worth more than bulk biomass.

Looking down the road as the hempcrete market expands, patients can look forward to lower prices and standardized products, if the market segments as described above. And that's a good thing if you ask me. Either way, hempcrete alone will determine how the hemp market matures and grows. Plan ahead farmers!

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