



AGTECH MARKET & INVESTMENT RESEARCH

2026 Briefing
Market growth,
investment trends and
the technologies moving
agriculture from
research to commercial
scale.

**TURNER
DEVELOPMENT**
Western North Carolina

The Market Is Maturing - Not Disappearing

Agricultural technology has moved through a classic innovation cycle: rapid enthusiasm and abundant venture capital, followed by a sharp correction and a more disciplined phase of commercialization. The investment numbers now point to a sector that is becoming more selective, more technically demanding and more focused on measurable economics.

\$16.2B	\$9.0B	+7%	\$6.6B
Global agrifoodtech funding in 2025	2025 funding to upstream technologies	Upstream funding growth in 2025	U.S. agrifoodtech funding in 2024

Investment reset

AgFunder reports that global agrifoodtech funding reached \$16.2 billion in 2025, roughly flat with the prior year, but the composition changed. Upstream companies - technologies serving farms, food production and biological systems - attracted \$9 billion, up 7% year over year even as deal count declined. The signal is important: investors are writing fewer checks and demanding clearer science, unit economics and paths to revenue.

The correction was severe. Global agrifoodtech funding fell to \$15.6 billion in 2023, about half the prior year's level. Funding stabilized around \$16 billion in 2024 before reaching \$16.2 billion in 2025. Rather than a return to the 2021 boom, the market is entering a period in which capital is more likely to favor technologies that solve identifiable production problems and can demonstrate commercial adoption.

For real estate and commercialization infrastructure, this distinction matters. A tighter capital environment increases the value of facilities that allow companies to test, demonstrate, manufacture and scale without committing to building an entire campus themselves.

Sources: AgFunder Global AgriFoodTech Investment Reports 2024, 2025 and 2026; AgFunder U.S. investment analysis.

Where the Opportunity Is Concentrating

AgTech is not a single market. It is a collection of technologies addressing labor, inputs, crop protection, water, biological performance, climate risk and the economics of producing food. The strongest commercialization opportunities tend to sit where technology can produce a measurable operational result.

Technology area	Why it matters commercially
Robotics & automation	Labor scarcity, repetitive field tasks, precision operations and the need to raise output per worker.
AI, machine vision & sensing	Turns field and greenhouse data into decisions; supports scouting, quality control, targeted application and automation.
Biologicals & crop science	Demand for new crop-protection, plant-health and biological solutions creates testing and validation needs.
Precision application	Reduces waste by applying water, fertilizer and crop-protection inputs more accurately.
Controlled-environment agriculture	Provides repeatable growing conditions for research, propagation, specialty crops and product validation.
Water & irrigation technology	Water stress and rising input costs make monitoring, control and efficient delivery increasingly valuable.
Post-harvest & supply chain	Automation, preservation, sorting and monitoring can reduce losses and improve product quality.

Adoption is already real

USDA research shows that digital agriculture is no longer experimental across major U.S. field crops. Automated guidance has expanded to well over half of planted acreage for several major crops, while adoption of yield mapping, soil mapping and variable-rate technologies varies significantly by crop. This uneven adoption is itself an opportunity: technologies are proven enough to have commercial credibility, yet large portions of agriculture remain available for further penetration.

USDA identifies rising production costs, climate change and labor shortages among the pressures supporting digitalization and automation. Those drivers are structural rather than short-lived, which helps explain why AgTech continues to attract investment despite the venture-capital reset.

Source: USDA Economic Research Service, *Precision Agriculture in the Digital Era: Recent Adoption on U.S. Farms*, 2023.

What Investors Are Looking For Now

The investment environment has shifted from 'growth at all costs' toward evidence. That is healthy for companies with defensible technology and for physical ecosystems designed around commercialization.

Tangible science A differentiated technology, biological platform, machine or process that can be demonstrated.
Clear customer economics Evidence that the product saves labor, reduces inputs, raises yield, lowers risk or improves quality.
Path to revenue Pilots and partnerships that can convert into repeatable commercial sales.
Capital discipline A realistic route from prototype to production without unnecessary fixed overhead.
Real-world validation Access to farms, greenhouses, laboratories and customers where claims can be tested.
Manufacturing readiness Facilities and partners that help bridge the difficult gap between prototype and scaled delivery.

McKinsey described the post-boom environment as an AgTech 'capital drought,' but also argued that the reset creates opportunities for strategic and financial investors to identify companies with durable value. AgFunder's more recent data reinforce the same theme: capital remains available, but it is being allocated more selectively.

This changes the geography of innovation. A startup may originate in a university laboratory or venture ecosystem, but commercialization requires a different kind of place: affordable space, loading, power, greenhouse or field access, fabrication, assembly, warehousing, and proximity to customers and partners.

Sources: McKinsey & Company, *Seizing opportunities amid the agtech capital drought* (2024); AgFunder Global AgriFoodTech Investment Report 2026.

The Commercialization Infrastructure Opportunity

One of the persistent gaps in innovation ecosystems is the transition between invention and commercial scale. Traditional laboratories are optimized for research. Conventional warehouses are optimized for storage. AgTech companies often need something in between.

RESEARCH	PROTOTYPE	TEST	DEMONSTRATE	MANUFACTURE	DISTRIBUTE	SCALE
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For a commercialization campus, the opportunity is not to predict one winning technology. It is to provide adaptable infrastructure that can serve multiple categories as companies mature. Flex-industrial space can accommodate engineering, prototyping, electronics, assembly, light manufacturing and distribution. Greenhouse and lab infrastructure can support crop science, biologicals, genetics, controlled-environment testing and product validation.

This model also responds to investor discipline. Companies can lease the infrastructure they need rather than raise additional capital to construct specialized facilities before revenue is established.

Western North Carolina adds a useful combination of agricultural access, a skilled manufacturing tradition, universities and research institutions, proximity to the Research Triangle and Southeast markets, and a quality of life capable of attracting technical talent. The region does not need to replicate a major research cluster. It can complement those clusters by providing the places where technologies are tested, demonstrated and turned into businesses.

Turner Development thesis: *The next phase of AgTech will require more than venture capital. It will require places where science, hardware, agriculture and business can meet in the real world.*

Outlook: A More Selective, More Commercial AgTech Market

Market-size estimates vary substantially because researchers define 'AgTech' differently. One current commercial market estimate places the global agritech market at roughly \$34.6 billion in 2025 and projects approximately \$58.8 billion by 2030, an 11.1% compound annual growth rate. Another uses a narrower/different definition and estimates \$26.0 billion in 2025 growing to \$53.8 billion by 2030. These figures should therefore be viewed as directional rather than directly comparable.

The more useful conclusion is consistent across the evidence: agriculture is becoming more digital, automated, biological and data-driven, while investment is becoming more selective. That combination favors technologies with measurable value and ecosystems capable of helping them reach customers.

*For investors, communities and developers, the opportunity is increasingly about **commercialization infrastructure**: the physical bridge between an idea and a scalable business.*

Selected Sources

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AgTech commercialization in Western North Carolina