

A grassroots agrarian effort to create a new crop for the Midwest

Hazelnut Community

Generations of breeders, growers, early adopters, taxpayers, visionaries, non-profits, researchers working to develop a hazelnut industry for the Upper Midwest

Mission-driven

Solve Environmental Problems with Hazelnuts and Agroforestry

Growers and Communities Come First

Building an industry from scratch

Improved
Germplasm

Sustainable
Production

Harvest and
Receiving
Stations

Shelling
Facilities

Grower-
Owned Value
Chain

Markets and
Consumers

Upper Midwest Hazelnut Development Initiative (UMHDI)

- A collaboration between the University of Wisconsin and University of Minnesota working to realize the mission and vision of hazelnuts in the Upper Midwest
- Launched in 2007, focus on R&D
- Now in commercialization phase



Upper Midwest
Hazelnut
Development Initiative



**Upper Midwest
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UMHDI 2030 Initiative

20,000 acres of Midwest hazelnut production by 2030

Improved
Germplasm

Sustainable
Production

Harvest and
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Shelling
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Grower-
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Markets and
Consumers

UMHDI 2030 Initiative – what's needed

- 9 million new plants
- 44,000,000 lbs of in-shell nuts/yr
- \$134 million establishment cost funding
- 1000 growers
- Mechanical harvesters, receiving stations, shelling facilities, winning products, consumers, on and on...

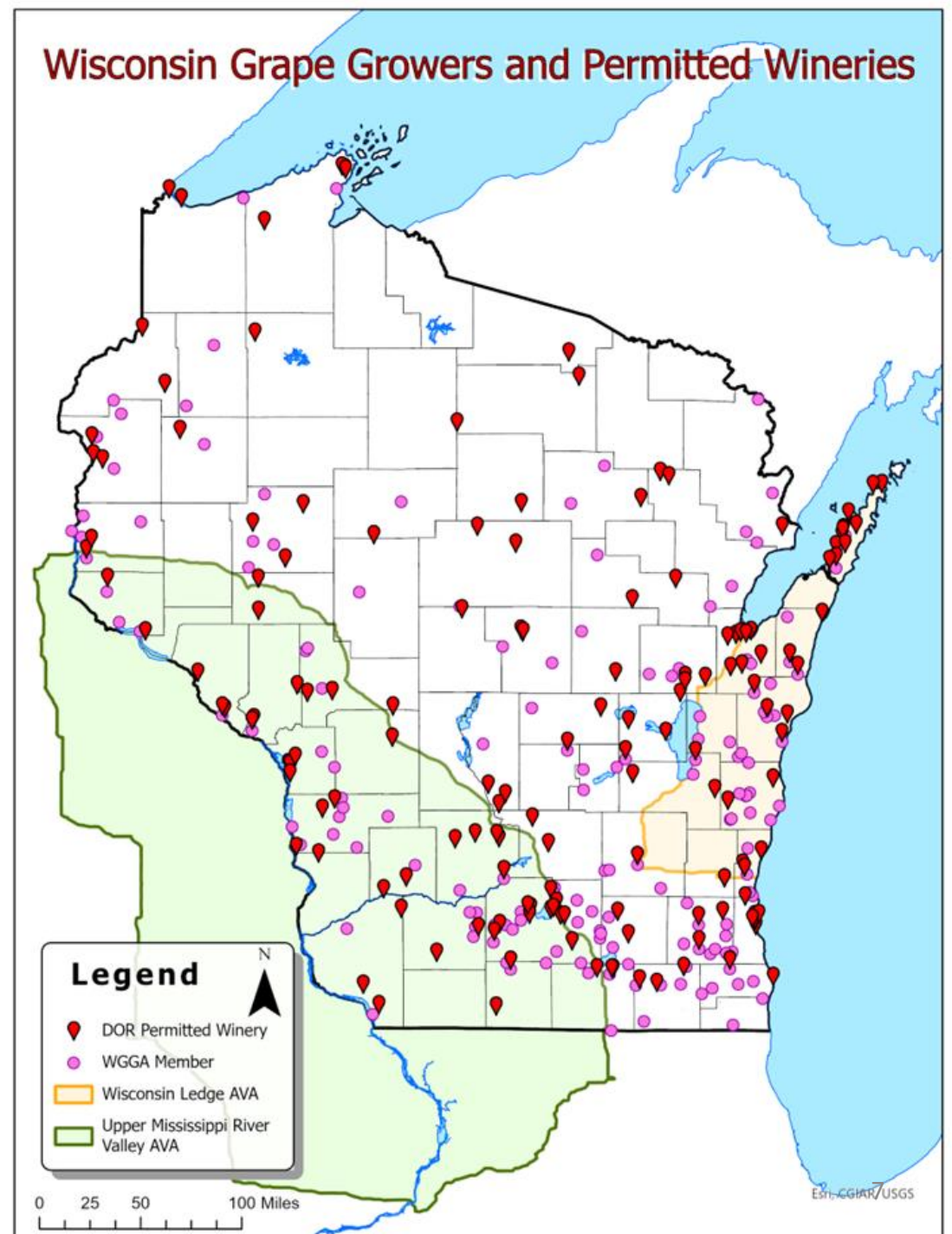
How Do We Get There?

The Free For All Option – Likely Pitfalls

- Lots of seedling production with limited yields
- Lots of small unprofitable growers
- Misaligned nursery production, demand, pricing
- Nursery and processing gatekeepers controlling pricing and market access
- Systemic undercapitalization with limited and delayed scaling

The Wine/Grape Example

- Lots of geographically distributed small vineyards, most under 5 acres and unprofitable
- Lots of small wineries in tourist destinations reliant on DTC sales
- Financed by retirement income/savings
- They've hit a ceiling



The UMHDI Stewardship Approach

- **De-risk early production** when risk and inefficiencies are high
- **Align nursery stock supply chains** with grower demand
- **Develop geographic grower networks** to enable receiving stations and shelling facilities
- **Provide open-access subsidized processing** to navigate the valley-of-death and avoid gatekeepers
- **Support grower-ownership** of the value-chain
- **Support entrepreneurship and market development**

Upper Midwest
Hazelnut
Development Initiative



Midwest
Hazelnuts
LLC



Overstory
ventures

Purpose

Steward the mission of Midwest hazelnuts and **shepherd** early-adopters and the fledgling industry through the many pitfalls of industry development

UMHDI

- Continued R&D
- Grower outreach education
- Organizational development
- UMHDI Processing Accelerator

Midwest Hazelnuts, LLC

- Manage propagation and sale of UMHDI cultivars and seed-lines
- Processing Accelerator partner
- Go-First Farm network
- Assist Early-Adopter Commercial Partners

Overstory Ventures

- Business incubation
- Capitalization
- Entrepreneur/team development
- Assist MH, LLC

Midwest Hazelnuts, LLC Governance

- Purpose not profit drives decision making
- Steward-ownership model (separate voting and economic rights)
 - **Mission-Steward Members** - voting rights
 - **Resource-Steward Members** – economic rights
 - **Business-Steward Members** – voting and economic rights
 - **Golden Share** - ensures any profits are invested back into the UMHDI mission (regenerative not extractive)

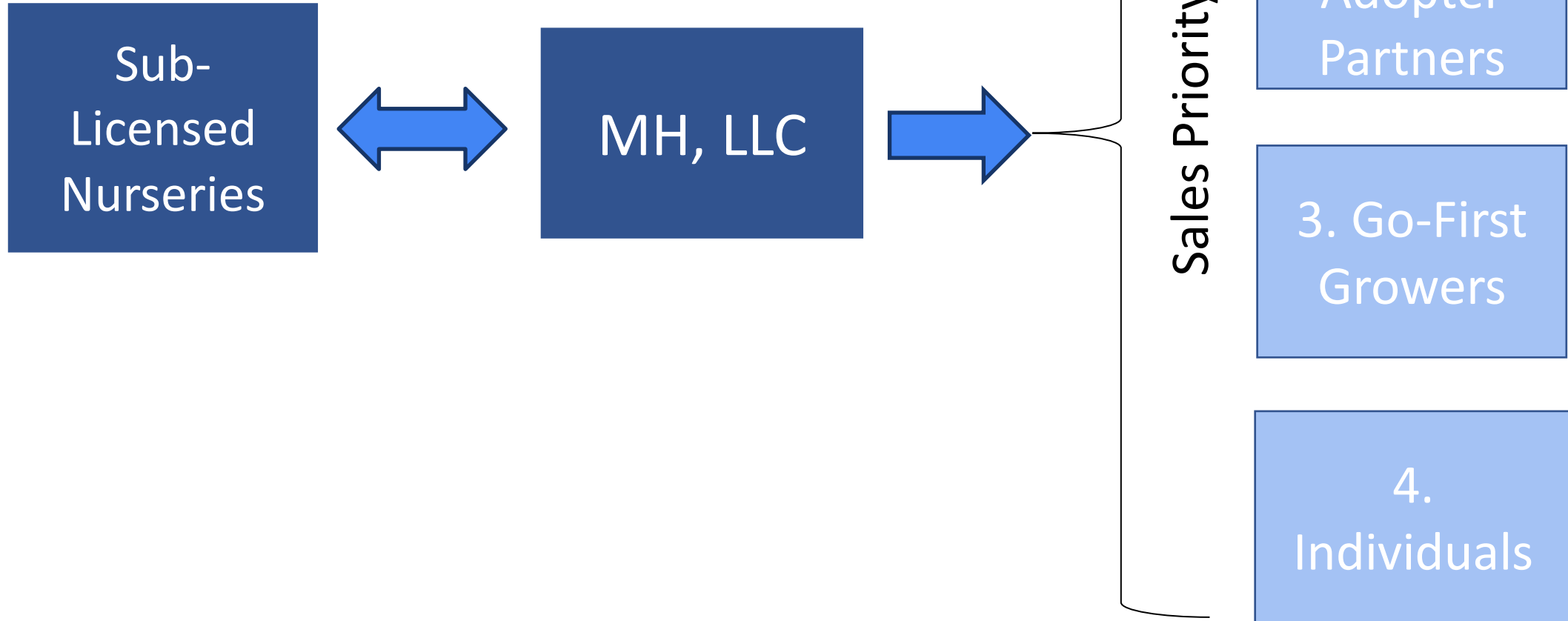
Midwest Hazelnuts, LLC Business Model

- Returns on capital limited to dividends and capped exits, negotiated at each placement
- Exclusive license for propagation and sale of UMHDI released cultivars
- Sub-licensed nursery partners to produce field-ready plants
- Coordinate between growers and nurseries for sale of UMHDI cultivars and seed-lines
- Margin on plant sales to fund operations

2024 Activities

- Partnership development and fundraising
- Fiscal agent for the UMHDI Pilot Processing Line
- To date, roughly 8000 seedling plants sold to 50 growers for wildlife habitat, hobby production, pollinator rows
- Seed funding for receiving station equipment in Minnesota

Strategic Plant Sales To Support the Industry



1. Multi-Purpose Go-First Farms

- De-risked early production of UMHDI Adventure™ Series
- Evaluation of advanced UMHDI breeding material
- Demonstration and agronomic research
- Local partnerships to develop scaled and efficient supply chains



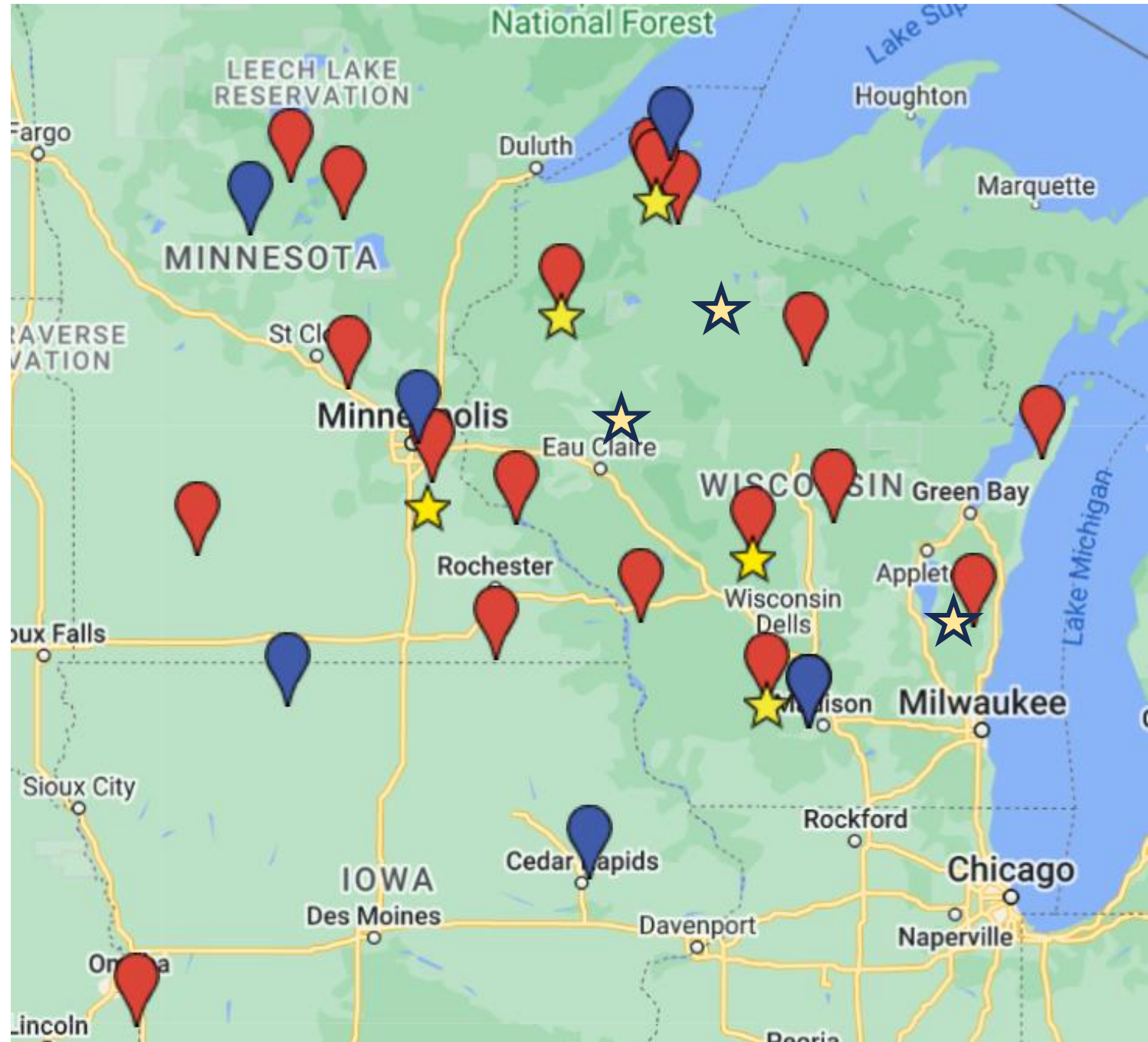
UMHDI Trial Plantings (As of October 2024)

**UMHDI 1st Gen Selection
Performance Trials**

Joint Performance Trials

Go-First Farms

- GFF1 – Spring Green, WI
- GFF2 – Ashland, WI
- GFF3 – Spooner, WI
- GFF4 – Finley, WI
- GFF5 – Farmington, MN
- GFF6 – Chippewa Falls, WI
- GFF7 – Adell, WI
- GFF8 – Merrill, WI



First Five Go-First Farms



Farmington, MN



Finley, WI



Spooner, WI



Ashland, WI



Spring Green, WI

2. Early-Adopter Commercial Partners

Application process

Formal or informal groups of growers
(minimum of 3) with demonstrated
experience working together

Pooled plant orders placed annually



3. Go-First Growers

Application process

Must be within 25 miles of a Go-First Farm

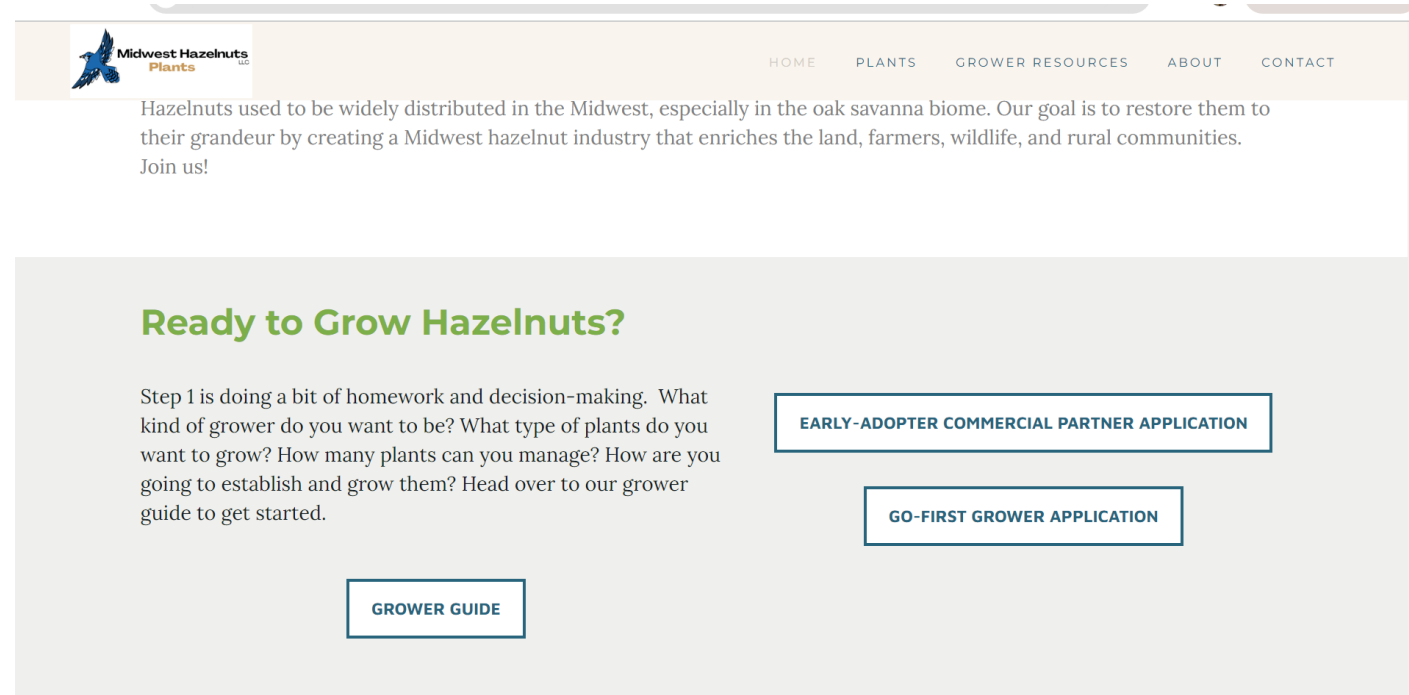
4. On Your Own

Get on the waiting list to be notified when online ordering is open



Three Ways to Access UMHDI Plants

- Be part of an Early Adopter Commercial Partner organization
- Apply to be a Go-First Grower
- Sign up for the waiting list to be notified when ordering is open online



The screenshot shows the website for Midwest Hazelnuts Plants. The header includes the logo and navigation links: HOME, PLANTS, GROWER RESOURCES, ABOUT, and CONTACT. Below the header, there is a paragraph of text: "Hazelnuts used to be widely distributed in the Midwest, especially in the oak savanna biome. Our goal is to restore them to their grandeur by creating a Midwest hazelnut industry that enriches the land, farmers, wildlife, and rural communities. Join us!"

The main content area features a section titled "Ready to Grow Hazelnuts?" with the following text: "Step 1 is doing a bit of homework and decision-making. What kind of grower do you want to be? What type of plants do you want to grow? How many plants can you manage? How are you going to establish and grow them? Head over to our grower guide to get started."

Three buttons are visible: "EARLY-ADOPTER COMMERCIAL PARTNER APPLICATION", "GO-FIRST GROWER APPLICATION", and "GROWER GUIDE".

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Plans for 2025

- Continue building an ordering and education platform for seedling sales
- Open ordering for fall 2025 seedlings
- Recruit and hire a program manager
- Recruit members and capital in preparation for cultivar sales
- Build receiving station(s)



Current Seedling Offerings For Fall 2025

Plant Type	Intended Use*	Description
Half-siblings, UMHDI 1st Gen Mix	H, B, PC	Half-sibling offspring from the four best UMHDI 1st Gen selections (Rose 9-2, Stap N7-6, Arb 7-1, Price W41). Limited pollen cloud at the site so many of the plants could be full-siblings. Sold with half-sib family IDs.
Half-siblings, UMHDI Bayfield Mix	H, B, PC	Half-siblings from top selections at the Bayfield site. Very diverse pollen cloud at the site so plant performance will be highly variable, but expect plants to be typical of hybrid hazelnuts with a compact growth form, good yields, good EFB resistance, susceptibility to big bud mite, and kernels around 0.5g.
Half-Siblings, UMHDI Spooner Mix	H, B, PC	Seed are from top best plants in a diverse collection of hybrid and American hazelnuts grown in a UMHDI research planting in Spooner, WI.
Open-pollinated, American Hazelnut Mix	B, LS	Seeds are from the top 30 American hazelnut plants growing in a UMHDI breeding population of 1500 <i>C. americana</i> plants in Hayward. Sold with breeding IDs. Expect nut size to be typical of <i>C. americana</i> .

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Seedling Ordering For Fall 2025

- First come, first served
- For pick-up at Hausers Superior View Farm, Bayfield, WI starting September 15
- Or shipped through direct arrangement with Hausers
- Plant by October 1, depending on your location, use a 24-30" tree tube, water and mulch



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