

# HAZEL *News*

Dear Oregon Hazelnut Growers,

By now you've probably heard about the merger of Hazelnut Growers of Oregon ("HGO") and Wilco Farmers ("Wilco"). For the past year, we've been working together to bring together the two successful cooperatives for the purpose of providing improved value to local agricultural producers. After all, we are both "grower-owned" cooperatives intent on "maximizing grower success."

Our combined cooperatives have over 100 years of service in the Willamette Valley with the leadership, skills and financial strength to sustainably serve local growers. Staying true to our core values, integrity, quality, respect, accountability, teamwork and community, is paramount to what we do every day and how we do it.

So, what does this merger mean to you? How can we improve our value and service to local hazelnut producers as one combined cooperative? First, we will capitalize on the synergies of combining organizations. By synergies, we mean to reduce operating costs by combining or eliminating redundant activities. As an example, we've already saved \$90,000 on insurance with combined rates. Additionally, by sharing resources we will expand our ability to support growers through various means like asset utilization, increased field representation (Wilco Agronomy) and communication (Reporting, Websites, Social Media, Newsletters and Events).

Later this year, we will break ground on a new Hazelnut Processing Plant located in Donald, OR. This new food-grade facility will replace the existing plant in Cornelius which will be sold and the proceeds used to help pay for the new facility. New equipment will also be added which will significantly improve workflow efficiency and throughput volume thus allowing us to maximize our productivity and further reduce operating costs. We will also have bulk and finished goods storage all under the same roof. This plant will be a flagship for the industry and allow us to continue to provide customers and growers with world class hazelnut processing for decades to come. We look forward to inviting you to visit the facilities grand opening in 2018.

These are just a few of the things that we expect to do in the near future to help "maximize success" for growers. To our existing loyal growers we thank you for your continued patronage and we look forward to continue servicing your needs for years to come. For those growers that are not current customers of HGO or Wilco, we simply ask that you take another look at what the combined Wilco and HGO has to offer and consider giving us a try. The future is bright with the combined, grower-owned cooperative and we appreciate your consideration.



Doug Hoffman | Wilco, CEO & President



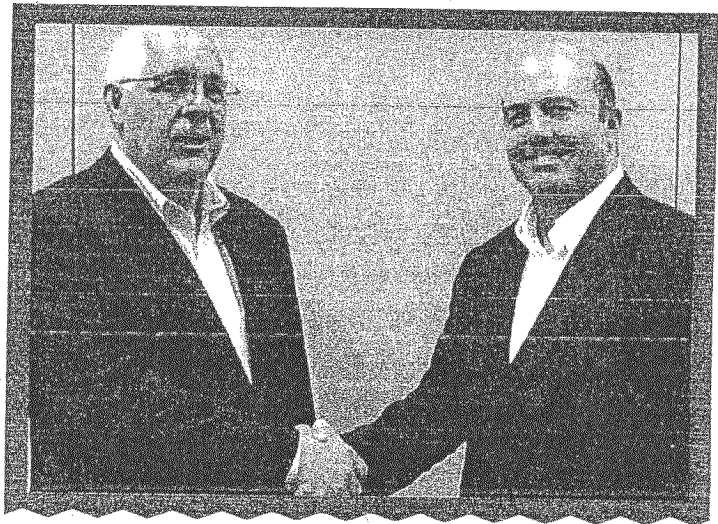
Jeff Fox | HGO, CEO & President

## WORKING TOGETHER:



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