



— Oregon —
HAZELNUTS

**A FLOURISHING SUPPLY & BURGEONING CONSUMER INTEREST
PRESENT AN OPPORTUNITY TO INNOVATE**

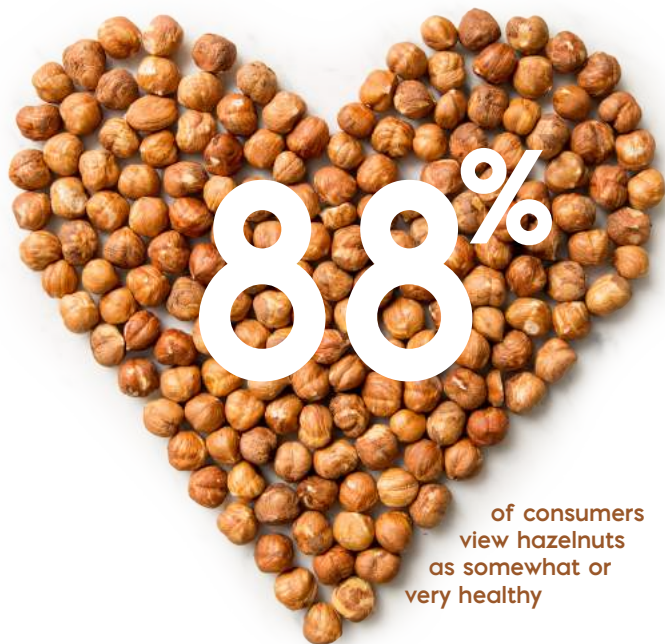


Eight hundred grower families cultivate 99% of the U.S. hazelnut crop on farms nestled along the Willamette Valley in Oregon.

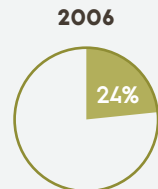
The Oregon hazelnut industry is experiencing significant expansion. In the past five years, the number of hazelnut growers in the region multiplied and Oregon's hazelnut acreage more than doubled. That's good news for food companies, which can anticipate a ready supply of Oregon hazelnuts to meet product ingredient needs.

On top of the thriving supply, there is also strong consumer preference for U.S.-grown hazelnuts and considerable interest in trying the sustainably grown nut in a variety of products.

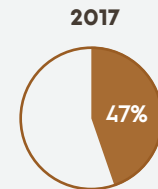
HAZELNUTS' HEALTH HALO MAY BE ON THE RISE.*



Awareness of health benefits specific to hazelnuts motivates consumers to eat more of the nut, especially when they are linked to improved heart health or disease prevention.



of consumers considered hazelnuts to be "very healthy"



of consumers considered hazelnuts to be "very healthy"

Regarded as a high-quality nut by consumers, the hazelnut also carries considerable nutritional value.

- It packs more heart-healthy monounsaturated fats and iron compared to most other tree nuts.¹
- Compared to any tree nut, hazelnuts contain the highest level of folate, which may reduce risk of neural tube birth defects, depression and cardiovascular disease.²
- Consuming just 1.5 ounces of hazelnuts per day may help reduce the risk of cardiovascular disease, according to the U.S. Food & Drug Administration.³
- It serves as a source of dietary fiber.¹

Scientific evidence suggests but does not prove that eating 1.5 ounces per day of most nuts, such as hazelnuts, as part of a diet low in saturated fat and cholesterol may reduce the risk of heart disease. See nutrition information for fat content.

CONSUMER CURIOSITY ABOUT
HAZELNUTS IS HIGH

— 82% —

of consumers who have never tried hazelnuts say they are interested in tasting them as-is, as an ingredient in a new product or in one they already enjoy.

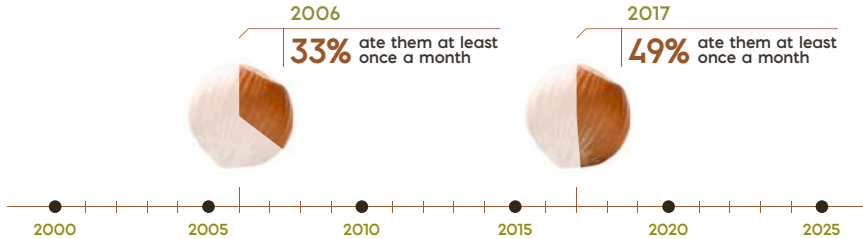
GOING BEYOND THEIR NUT NORMS



Of those who report eating more nuts than last year, **42%** say they consume a larger variety of nuts than in the past.

DEVOURING MORE HAZELNUTS

Consumers may be eating hazelnuts "as is" - whole, roasted or unroasted - more frequently than in the past.*



65% of consumers who have consumed hazelnuts prefer whole, roasted hazelnuts to raw, salted or unsalted.

THE TOP CONSUMERS OF HAZELNUTS?

Women ages 18-44. These consumers are more likely to have a college or postgraduate degree, work full-time, earn a higher than average income and have kids at home.



Ages 18-44



College or post-graduate education



Higher than average household income



Kids at home





A STRONG PREFERENCE FOR U.S.-GROWN HAZELNUTS AND SUSTAINABILITY



Oregon produces the vast majority of U.S.-grown hazelnuts, and approximately 5% of the world crop. U.S.-grown hazelnuts have become the global benchmark for excellence, recognized for their large size and unparalleled flavor. American consumers favor locally grown hazelnuts, citing an interest in supporting U.S. farmers.



The majority of American consumers prefer to buy products with hazelnuts grown in the U.S.

THE KEY MOTIVATOR FOR BUYING PRODUCTS CONTAINING OREGON HAZELNUTS?

Knowing they are grown sustainably by 800 grower families who pass their farms down from generation to generation.

Two consumer groups are most strongly motivated to purchase U.S.-grown: heavy users (eating hazelnuts in any form a few times a week or more) and those who pay close attention to the latest health and nutrition information.

LOOKING BEYOND THE SNACK

The rich flavor and crisp texture of Oregon hazelnuts is found in the carbohydrate fraction instead of in the kernel fat, making the nut's flavor more easily extracted and concentrated. Roasting, chopping or grinding the nut intensifies the flavor, so hazelnuts are ideal for mixing with other ingredients - and consumers think so, too.



want to try hazelnuts as an ingredient in a main dish



want to try hazelnuts as an ingredient in salad dressing



want to try hazelnuts in a salad

Consumers expressed interest in a variety of innovative applications for hazelnuts. The items and combinations that stand out most?



#1

Mixed nuts or trail mix



#2

Baked goods - cookies, muffins or bread



#3

Chocolate bars & candy



#4

"As is" whole, roasted or unroasted



#5

Fruit and nut bar



#6

Salad dressing



#7

Granola/cereal



#8

Yogurt or hot cereal topping or "mix-in"

DESIRE FOR SWEET AND SAVORY
FLAVORS IN NEW PRODUCTS

The top hazelnut flavor combinations of interest:



#1 Chocolate



#2 Caramel



#3 Coffee



#4 Vanilla



#5 Sea Salt



#6 Coconut

Consumers ranked these
flavor combinations near the
top of the list as well:

SWEET

- Banana
- Cinnamon-sugar
- Honey
- Berry
- Pumpkin spice
- Apple pie
- Apple
- Coffee liqueur
- Cherry
- Gingerbread



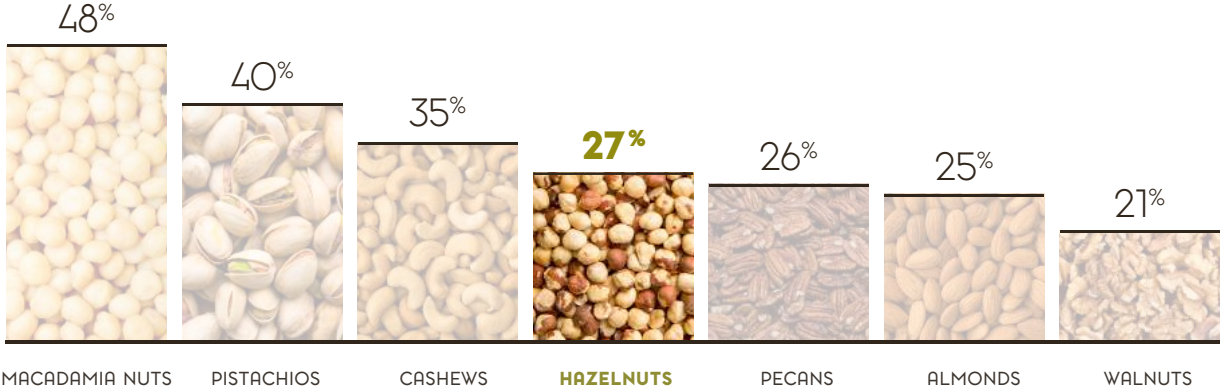
SAVORY

- Hickory-smoked
- Garlic
- American (Cajun, BBQ)
- Parmesan
- Bacon
- Chipotle honey



**PRICE PERCEPTION OF HAZELNUT PRODUCTS
ON PAR WITH OTHER EVERYDAY NUTS**

With a greater supply of Oregon hazelnuts comes more stable prices for food companies. And fortunately for food company decision makers, consumers do not consider products with hazelnuts to be particularly expensive compared to other nuts. Consumers' perception of the price of hazelnut-containing products is on par with other commonly consumed nuts, such as pecans and almonds. Significantly more consumers describe products containing macadamia nuts, pistachios and cashews as "expensive" compared to hazelnuts.



The number of consumers who describe products containing each nut as "expensive."



BUY HAZELNUTS

To purchase wholesale hazelnuts, visit
OregonHazelnuts.org/Buy-Hazelnuts/Wholesale

ABOUT THE STUDY

An independent research firm conducted the Hazelnut Consumer Attitude and Usage Study between September 18-25, 2017. The sample, which was consistent with the total U.S. population, included 1,000 adults 18 years and older who personally consume tree nuts other than peanuts in any form. The study's margin of error is +/- 1.9-3.1%, with a confidence interval of 95%.

1. U.S. Department of Agriculture. Nutrient Database. <https://ndb.nal.usda.gov/ndb/>.
2. U.S. Department of Health & Human Services. National Institutes of Health. Office of Dietary Supplements. <https://ods.od.nih.gov/factsheets/Folate-HealthProfessional/>.
3. U.S. Food & Drug Administration. Qualified Health Claims: Letter of Enforcement Discretion - Nuts and Coronary Heart Disease. <https://www.fda.gov/Food/IngredientsPackagingLabeling/LabelingNutrition/ucm073992.htm>.

* Due to changes in methodology, sample, question order and question wording from the 2006 survey to the 2017 survey, users should use caution when comparing data.



Elevate your premium products and food innovations with Oregon grown hazelnuts from the industry leader in food safety, technology and sustainable hazelnut processing. At Northwest Hazelnut Company, tradition meets world-class technology for a sustainable (and delicious) future.

For in-shell, kernel, and ingredient sales of premium hazelnuts, processed nut forms, and hazelnut paste.



**NORTHWEST
HAZELNUT**
— COMPANY —

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