

ANNUAL PERFORMANCE REPORT

AWARD YEARS 2022 FORWARD

ANNUAL PROJECT REPORT TEMPLATE

If a project is completed at the time of Annual Performance Report submission, the project report should be submitted in Final Performance Report format.

PROJECT INFORMATION

Project Title: Great Lakes Hops Collaborative Grow Group Initiative

Recipient Organization Name: Great Lakes Hops – A Subsidiary of Dutch Touch Growers Inc.

Recipient's Project Contact:

Name: Austin Kemme

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PROJECT REPORT

Annual Report Type: 1st Annual Report

Reporting Period

Start Date: 10/1/2022

End Date: 10/1/2023

PERFORMANCE NARRATIVE

ACTIVITIES PERFORMED

Address the below sections as they relate to this reporting period.

ACCOMPLISHMENTS

Estimate the Total Percentage (%) of Work Completed on the Project: 45%

List your accomplishments or activities for this period of performance and indicate how these accomplishments assist in the fulfillment of your project's objective(s), identifying the specific objective(s) from the Accepted Project Proposal.

| # | Accomplishment/Activity | Relevance to Objective |
|---|---|---|
| 1 | Canada hop grower hub and Ohio hub processor creation | Relevant to Objective 1 Hop export pipeline benefiting Midwest growers. Duke 25 is our newest grower member that has planted 6 additional acres of proprietary hops and is now purchasing pallet quantity of pellets and baled hops to sell in their market from our Midwest farm network. GLH directed Four Finger hop farm to source processing equipment and become a processing and sales hub in Ohio. We are then creating a hub of grower members around Four Finger farms that can utilize this processing to their advantage. |

| # | Accomplishment/Activity | Relevance to Objective |
|---|--|--|
| 2 | GLH Trial yard replanted resulting in final data collection of 3 new hop varieties (Onyx™, Pixi™ and Valkyrie™) named and released from the GLH breeding program which will be available to farms for spring planting in 2024. | Relevant to Objective 2 Increase farms portfolio of offerings and competitiveness with purpose bred varieties that perform in the Midwest. Available to small and medium-sized farms. |
| 3 | First Ad run generated | Relevant to Objective 3 Enhanced awareness around local farm supply chains and exposing more of our #supportlocal advertising framework |
| 4 | Extensive work done one on one with individual farms resulting in the total number of GLH grower member farms increasing | Relevant to Objective 1 Our current number of member farms is at 19 after adding 5 more during 2023. Up to 17 more are expected to join during 2024. Adding group members helps us create stakeholders that find the benefits of working inside the cooperative group beneficial and moves us closer to the goals outlined in our grant proposal. |

CHALLENGES AND DEVELOPMENTS

Provide any challenges to the completion of your project or any positive developments outside of the project's original intent that you experienced during this reporting period. If those challenges or developments resulted or will result in corrective actions and/or changes to the project, include those in the space below.

| # | Challenge or Development | Corrective Action or Project Change |
|---|--|---|
| 1 | Ads pertaining to alcohol are often flagged on Meta even while adhering to social platforms Ad rules. This is reducing the rate of return in terms of reach and impressions. | We are reforming the ads subject matter to reduce flagging and moving ad campaign to google ads in hopes of increasing visibility per dollar spent to target our specified demographic. |
| 2 | | |
| 3 | | |
| 4 | | |

OUTCOME AND INDICATOR RESULTS TO DATE

Please list the Outcomes and Indicators you selected in your accepted project proposal, and identify the quantifiable results, along with an update on their progress. It is understood that the results may not yet be final at the time that this report is submitted; however, please provide an update on the progress to date.

| # | Outcome/Indicator | Quantifiable Results |
|---|--|--|
| 1 | Outcome 1 1.1 Total Number of consumers who gained knowledge about specialty crops. 1.2 1.1a Adults. | The first ad run has been completed with the first video created for the campaign. Initial reach across platforms is 7000 people in the key demographic. |
| 2 | 1.5 Increased Sales Measured | Gross sales from tracked farms show an 18% contraction in sales from 2021 to 2022. This baseline sales trend will help us assess the effectiveness of marketing efforts in 2023 and 2024. Sales data for 2023 will be compiled as farms tabulate yearend sales in January. |

| | | |
|----------|---|---|
| 3 | Outcome 3 3.1 Number of stakeholders that gained technical knowledge about producing, preparing, procuring, and/or accessing specialty crops | Annual farm surveys due back by end of 2023. The surveys will assess if hop farms members (stakeholders) are finding benefit and value in the GLH grow group program and hub network. |
| 4 | 3.3 Total Number of Market access points for specialty crops developed or expanded. | Fall 2022 - 14 Member farms Fall 2023 - 20 Member farms (Net Change +6) |

DISCUSSION OF ACTIVITIES PERFORMED (IF NEEDED)

Provide any additional information that has not already been covered by Accomplishments, Challenges, and/or Outcomes sections. This section is not required.

Click or tap here to enter text.

UPCOMING ACTIVITIES

Describe activities you plan to complete during the next reporting period.

| # | Activity | Anticipated Completion |
|----------|---|------------------------|
| 1 | 2 nd video is being created for fall Ad run/support local promotion | 10/31/2023 |
| 2 | Up to 17 additional farms are expected to become members of the GLH grow group in 2024 | 10/1/2024 |
| 3 | Newly released GLH Select Hop varieties final oils analysis reports collected from member farms actively growing these trials in their fields. Data to be added to variety descriptions | 12/31/2023 |
| 4 | 1 st Annual Farm Data Collection due Knowledge gain Survey due back by end of 2023 Farms contributing annual gross hop sales data due | 12/31/2023 |

PROJECT EXPENDITURES TO DATE

EXPENDITURES

| Cost Category | Amount Approved in Budget | Actual Federal Expenditures (Federal Funds ONLY) |
|------------------------------|---------------------------|--|
| Personnel | 75,000 | 37,500 |
| Fringe Benefits | | |
| Travel | | |
| Equipment | | |
| Supplies | | |
| Contractual | 6,000 | 1,000 |
| Other | 200 | 199.98 |
| Direct Costs Subtotal | | |
| Indirect Costs | | |
| Total Federal Costs | | 38,699.98 |

DISCUSSION OF EXPENDITURES

For 1st Annual Reports if this amount is less than 30 percent and for 2nd Annual Reports if this amount is less than 60 percent, include a statement explaining how the grant funds will be expended and project activities completed as planned by the end date on the grant agreement.

Click or tap here to enter text.

PROGRAM INCOME (IF APPLICABLE)

| Source/Nature (i.e., registration fees) | Amount Approved in Budget | Actual Amount Earned |
|--|---------------------------|----------------------|
| | | |
| | | |
| | | |
| Total Program Income Earned | | |

USE OF PROGRAM INCOME

Describe how the earned program income was used to further the objectives of this project.

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