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Melcher family: Hazelnut business expands

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For the Capital Press

ST. PAUL, Ore. — Ken and June Melcher came to Oregon from Nebraska in 1957 with the express aim of farming hazelnuts.

They found a 100-acre farm in St. Paul, Ore., that included an established 40-acre hazelnut orchard. They also grew several types of berries and raised livestock.

By 1971, Ken had built his own nut-cleaning and -drying facility and increased his hazelnut footprint to 180 acres. At Ken's sudden death in 1984, his son, Dennis, took over the operation, continuing his father's work, and hazelnuts now grow on 500 acres.

In 2000, Dennis and his wife, Sylvia, ventured into producing packaged, ready-to-eat hazelnuts, naming the business Ken & June's Hazelnuts after his parents.

"I still farm hazelnuts as well as three acres of peaches for the summer season," Dennis Melcher said.



Ken & June's Hazelnuts

Ken & June's Hazelnuts is run by the Melcher family of St. Paul, Ore. Dennis Melcher is in front and, left to right, are Jamie, Julie, Sylvia and Jennifer. The third-generation farm adds value to their hazelnut crop with packaged treats and other products.

"Over time I have downsized the farming acreage while growing the Ken & June's Hazelnuts brand."

Today a third generation is at the helm: Dennis and Sylvia's daugh-

ters Jennifer, Julie and Jamie, each contributing her own talents to the enterprise.

Operating out of their licensed kitchen in St. Paul, they roast 150-

pound batches of hazelnuts every week. They also package them roasted, raw or in the shell.

Other nuts are sent to a local chocolate factory, where they are coated in chocolate, marionberry, mint or sea salt.

"As a small, family-run business, we are continually looking for ways to expand our product line," Julie Melcher, the sales manager, said. "In the past 21 years we have added a variety of other products including hazelnut butter, trail mix, chopped and sliced hazelnuts and several gift packs."

They now sell local honey and fruit jams under their label and will soon add hazelnut oil and hazelnut meal to their offerings.

Last year, the family brought fresh espresso and pastries to their newly remodeled farm store.

"We are actively looking for opportunities to grow our business, whether through retail distribution or direct sales," Julie said. "We recently updated our website, which has contributed to a large increase in online traffic and sales and we are seeing an increase in traffic flow at our farm store with our recent additions and longer open hours.

"We have made an initiative to have a more active presence online via social media and our Google business account," she said.

While some worry that the boom in U.S. hazelnut planting — upwards of 80,000 acres in the past 10 years — will hurt pricing for the farmer, Dennis says the opposite is true.

"We will have more of a supply to offer on a world level," he said. "Ten years ago, the U.S. grew 2% to 3% of the world supply of hazelnuts. With the additional acreage coming into production, our market share could grow to 5% to 7%.

"With the increased marketing of hazelnuts and health benefit information getting to the general public, more Americans than ever are learning about and using them in their diets," he said. "The future of hazelnuts looks very bright."



