

The Moloka'i estate echoes the spiritual power of the past. A place of stillness ~ an ancient land

#### Our Land





8 harvests have been completed since 2004 ~ each yielding more fruit with the exception of the last 2 years due to the 30% water restriction placed on all Commercial growers on Molokai by Hawaii Department of Agriculture.

- The orchards were planted in the early 1990s; they have been under the current ownership since 2004.
- \* All the fields were rehabilitated in 2004 as they were abandoned from 2001-2003.
- \* We added 35,000 trees in early 2009 by replanting the former Wili Wili wind break lines.

#### Land Sales & Leases



- Our 37 acre parcel on the South East side of the property has been leased to to Kumu Farms 2009
- In 2011, COH sold 65 acres on the east side of the property to Kualapuu Ranch.
- \* Earlier this year, we leased 120 acres of fallow land on the west side of the property to Monsanto Molokai.



## Organic Coffee – Red Catuai



\* Kumu Farms has planted over 6 acres of Organic Coffee on their 37 acres. A small yield was obtained last season.

2009







Intercropping coffee with Papaya, Basil, Thyme and Oregano





- \* Harvest Yields over the past 3 years
  - 2009-10 1.3 million pounds
  - 2010-11 885,000 pounds
  - 2011-12 895,000 pounds

To the last of the

60,600 lbs Washed



70,500 lbs Natural







Our wet processing facility operates on a potable water system operating by Wai Ola o Molokai (Molokai Ranch).

Our water rates increased from \$3.85 per 1000 gallons to \$8.87 per 1000 gallons

\* Formerly, our coffees were fully fermented. We used 3 fermentation tanks which required millions of gallons of water throughout the harvest season.

\* To save on water expense and high usage, we invested in a demucilager. We now offer a semi-washed coffee instead of a fully washed and fermented

We also fabricated and installed a stick and leaf shaker/remover to get rid of excess waste before the bean make their way to the drying decks.



#### Former Drying Facility



\* Coffee was traditionally sun-dried on patios located 5 miles from the plantation in a hotter & drier area of Molokai.

Due to their age and distance from the plantation, the cost of labor and fuel became prohibitive.









In 2011, we demolished three of our former storage warehouses in the base yard to build a commercial coffee dryer operation.









### Improvements ~ Dry Mill



- Our technicians also moved our destoner to the commercial drying area. This helped to limit the amount dust and debris within the dry mill each season.
- \* We upgraded our bean sizer by adding additional hoppers to assist the men and we added additional screens in the sorter to accommodate the smaller bean sizes.
- We are now able to process all the coffee in a very reasonable amount of time with limited manpower.





Instead of stumping the older acreage, we now hedge aggressively, which produces better results.

We are now fertilizing at the risers as opposed to mixing at the pump pad. This method is producing immediate results and is a big timesaver for our staff

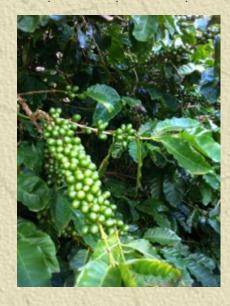
April 2011



# Our Challenges Less water = smaller beans



- Over the last 3 seasons, we have been on a mandatory 30% water restriction, a requirement of the Department of Agriculture, Molokai Irrigation System (MIS). This applies to all non-homestead users.
- \* The reservoir is currently at 15.5 feet. Normally, this time of year its at 27+ feet.
- Due to the water shortage, our bean development has been less than desirable. Our average bean size the last two years has been screen size 15.
- We certified most of the screen size 16's, in both washed and natural processes and continue to sell those to roasters worldwide.









- \*\* With the continued higher costs of importing and exporting from Molokai and the highest fuel costs State-Wide, we took action to downsize our coffee acreage.
- \* Total farmed acreage is now at 100 quality acres.
- \* This acreage is now receiving the best nutrition, sufficient water and very manageable for our staff.
- We are now maintaining the field and processing facilities with limited man power, we are operating with;
  - 1 full time farm hand
  - 1 full time irrigation hand
  - 1 full time processing Facility manager
- We hire personnel as needed to assisted with special projects, such as vine control, etc...
- We are hopeful in producing a quality crop as opposed to a larger crop with less than desired outcomes.



# Roasting and Packaging Facilities



- Our Diedrich CR-45 roaster has served us well over the last 4 years.
- \* We've upgraded our semi-automatic packaging machines to increase productivity to meet demands.
- \* We built out a separate labeling and flavoring room for quality control.
- We have 2 full time packaging employees and our Operations Manager roasts and facilitates as required.







- \* In 2010, we began capturing our coffee pulp to make a value added product called Tisane (Coffee cherry Tea).
- \* In February of 2012, we transferred our Tisane line to Jessie Ford, owner of Teas of Hawaii.
- \* COH sells the Tisane on line. All wholesale orders can be accommodated through Teas of Hawaii.







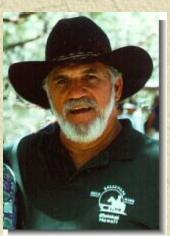
- \* In 2010 we leased our Plantation Gift Shop to the Socher family.
- \* They are also the owners of Big Wind Kites in Maunaloa, West Molokai.

# Essence of Ohana Espresso Bar



- \* In October of 2011, we leased our espresso bar and café to Roy Horner and Buzzy Sprout, the owners of the Molokai Mule Ride.
- \* Essence of Ohana also offers Ukulele jam sessions on the deck every Tuesday and Thursday.





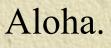




#### Na Ohana Ho Aloha



\*\* Musical and Dance performances are provided free of charge every Sunday from 3pm-5pm by Na Ohana Ho















In January of 2011 we also leased one of our base yard warehouses to the Molokai Arts Center.

They specialize in classes for adults and youth, offering ceramics, painting, jewelry making, instrumental classes and open studio days.

molokaiartscenter.com

