



Semilla Nueva

Annual Report

2017





Our Mission:

WE'RE FIGHTING MALNUTRITION
WITH **BETTER CORN.**



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LETTER FROM THE Executive Director

2017 was Semilla Nueva's most successful year yet. Through our programs, we reached more individuals than ever before, while building the foundation needed to scale our impact through long-term partnerships and our own seed venture in the coming years. We sold the world's first bags of commercial high zinc and QPM (quality protein maize) seed, and we will be building on this foundation in 2018.

Biofortified corn has gained little ground in Guatemala because the available biofortified seeds are unattractive to farmers for their low or at-par yields. The lack of financial incentives leaves little reason for commercial seed companies to invest and produce them.

Semilla Nueva's approach differs from past attempts in several key ways:

1. We partner with some of the world's leading scientists at the International Maize and Wheat Improvement Center (CIMMYT), Iowa State University, HarvestPlus, and others to bring higher-yielding, more competitive seeds directly to Guatemalan farmers.

2. Rather than relying on seed donations to beneficiaries, we use market-driven approaches to scale the use of biofortified seed. We promote these seeds based on economic return and commercial branding, rather than a nutrition education approach. We lead this process through our own social enterprise and develop partnerships with other local seed companies.

3. We collaborate with the Guatemalan government and other major local actors to scale biofortified crops through an alliance that Semilla Nueva co-founded, the

National Platform of Biofortification (BioFORT Platform).

Our goal is to generate the results that show that a shift in corn seed in the most malnourished countries is possible at scale—and to impact millions of lives in the process.

This past year shows that our decision to focus exclusively on this one idea is bearing fruit, and we are reaching impacts we had only dreamed of in previous years. Our team has never been as skilled, motivated, or united as it is now to improve the diets of the people who most need it.

Thank you for your continued investment in Semilla Nueva! We could not do any of this without your support.

Sincerely, Curt Bowen

Our Approach

MALNUTRITION & SOCIAL MARKETING

THE PROBLEM

The story of malnutrition in Guatemala revolves around the corn tortilla — a staple of the local diet. Corn lacks essential nutrients needed for proper development, but is too deeply rooted in Guatemalan culture to make eliminating or even reducing its consumption viable. It is the most inexpensive food to produce and buy, often making it the only option for struggling rural families. In the poorest areas of Guatemala, corn supplies over 50% of daily caloric intake. As a result, nearly half of all Guatemalan children suffer from chronic malnutrition and stunting.

OUR SOLUTION

Semilla Nueva is the world's first social enterprise dedicated exclusively to selling biofortified corn seeds. The biofortified seed we launched in 2017 will be the world's first high-quality protein, high-zinc seed to be sold commercially.

Farmers are looking for cheaper seeds than top-tier seeds sold by Monsanto and Pioneer, but with higher yields than the local hybrids which have been in the market for decades. That's what we're offering: a higher return on investment. Our biofortified corn also provides 2.5 times the quality protein and 50% more zinc than conventional corn. It also makes tasty tortillas...and that's good for kids.



WHAT FARMERS WANT, What Families Need



Meet Doña Gloria, a female farmer who is making it in a man's world.

She's a single mother who went from working as a seamstress to farming corn in order to better provide for her 7 children. She chooses to plant Fortaleza 3, our new hybrid seed. She doesn't plant this corn because it has 2.5 times the quality protein and 50% more zinc than conventional corn.

She doesn't plant it because, as she notes, "the tortillas are more delicious." She doesn't plant it because it can curb malnutrition in the long-run. She plants it because she needs to provide for her family, and this corn makes her more money. It's cheaper to buy, and yields higher than similar tier seeds.

As a woman working in a male-dominated industry, she has to make tough decisions. "This is my livelihood. I'm remarried now, but in my relationship, I hold the purse strings. I make economic decisions for my family. I wouldn't switch over seeds on a whim. This is an excellent product, and it's a nice added benefit that it is more nutritious." This is how you get long-term development to work: by working with culture, not against it.



Más Que Un Cultivo

In 2016, we launched our brand “Fortaleza” and offered seed for free. The brand resonated well with farmers, so we decided to continue using it in 2017, launching our new commercial hybrid seed as Fortaleza 3.

Our slogan? “Más que un cultivo” or “more than just a crop.”



PARTNER SPOTLIGHT: **REDSEGUA**

We laid the foundation for a high-potential partnership with for-profit farming associations in eastern Guatemala. These associations, collectively known as REDSEGUA, sell around 5% of Guatemala's corn seed per year. In 2017, with technical assistance from Semilla Nueva, they produced and sold **12.5 metric tons of biofortified seed**. REDSEGUA incredibly exceeded both production and sales goals for the year, directly impacting an estimated **6,432 diets** of farmers and their families, and improving the diets of at least **34,589 consumers**.



PARTNER SPOTLIGHT:

Alcaldía Maya

This past year, Semilla Nueva continued a partnership with the non-profit Alcaldía Maya, which is run by Mayan community leaders in the Guatemalan highlands.

In 2016, we gave Alcaldía Maya our biofortified seed and trained staff on testing yields and analyzing results. This year, we trained them on seed production. In May 2017, Alcaldía Maya got seed to over 1,000 families, improving the diets of 6,000 individuals. The next step is to build a sustainable business out of their seed production.

Partnerships like this are essential to our mission. It's the only way we can get more nutritious seeds into a country with over a dozen languages and ethnicities, and hundreds of different agro-ecological zones.



SEMILLERO
LA DIMICA

FORTALEZA
MÁS QUE
UN CULTIVO

F3
SEMILLA DE MA
ICTA HB-1

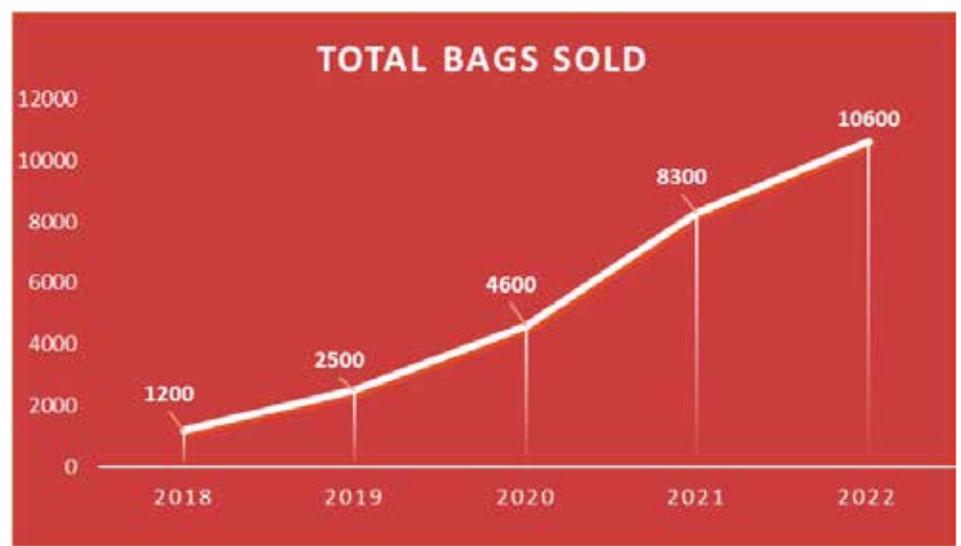
Sales Launching

In October, we launched commercial sales of a high-zinc hybrid called Fortaleza 3.

This seed has the potential to succeed in Guatemala's corn seed market because it meets farmers' desire for inexpensive and high-yielding seed. It yields within 10% of the highest-yielding commercial seeds on the market and will be sold for less than half the price, providing farmers an economic incentive to choose Fortaleza 3 over other seeds.

By selling seed, we improve the diets of the families who plant the seed and the diets of the families who purchase their corn in markets. Since farmers already plant corn and rural families already eat it, infusing nutritious corn into Guatemala's existing value chain moves us from improving the nutrition of thousands to improving the nutrition of hundreds of thousands.

In the long-term, revenue from seed sales will make Semilla Nueva self-sufficient. By creating our own source of income, we are moving away from dependence on donor funding and becoming more accountable to the farmers we serve.



LOCAL LEADERS.

Top-Tier Talent.

The Semilla Nueva family grew in 2017! Working with these new team members, we designed and launched a sales and promotion strategy based on best practices from local and international seed companies (where many of our new staff had previously worked).



Angela Bastidas
Senior Operations Director

Angela Bastidas holds a PhD in Agronomy, with extensive knowledge in the corn industry. Angela has 19 years of executive experience with Monsanto and more than 20 years in seed sales within Northern Latin America.



Juan José Catalán
Breeding & Production Coordinator

Juan José Catalán has more than 26 years of experience in corn seed breeding and production for Cristiani (Central America's biggest seed company) and Monsanto. He cut our seed loss rate from about 30 percent in our first year, to 0 percent the following year.



Noé Estrada
Senior Sales Representative

Noé Estrada has spent years promoting corn seed for the largest competitors, Monsanto and Pioneer. He led Monsanto's seed promotion in the southern coast for 8 years, then led Pioneer's seed promotion in the same region for 5 years.

Metrics / Impact

In 2017, Semilla Nueva hired our first, full-time Monitoring and Evaluation staff member, taking the first steps to build a department focused exclusively on measuring and improving our impact. We began to develop a new methodology to better track our impact on farmers' incomes, and then the diets of farmers' families and consumers of their corn.

Moreover, we examined the yields of our seeds in comparison to other competitors. We worked with families to understand how much corn they consumed and how much they sold into the market, as well as collaborated with external M&E experts to refine our methodology. Semilla Nueva now has a foundation to understand our impact on rural families, which we will continue to build upon for more precise measurements in the future.

This past year has been our most impactful one yet.

Between 2016 and 2017 we increased outreach 2.6-fold

Distributing enough seed to reach

24,828
individuals

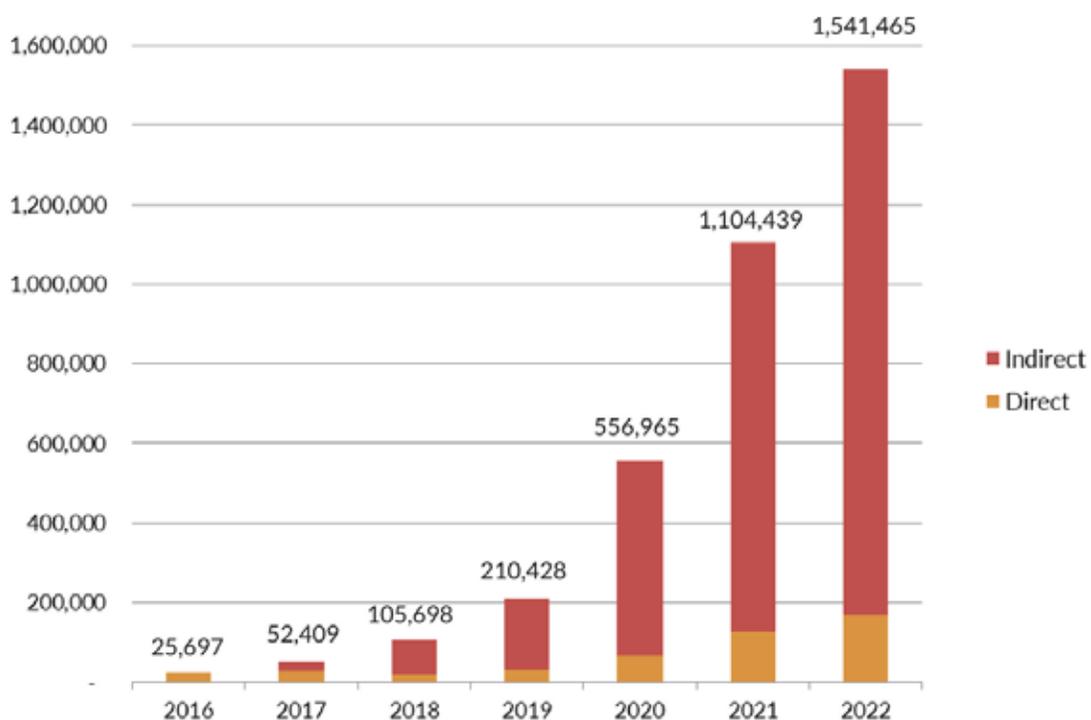
When including seed produced by our strategic partners, more nutritious corn reached an estimated

27,581
additional people

Raising the incomes of seed buying farmers by

\$21.68
per farmer

Total Diets Improved





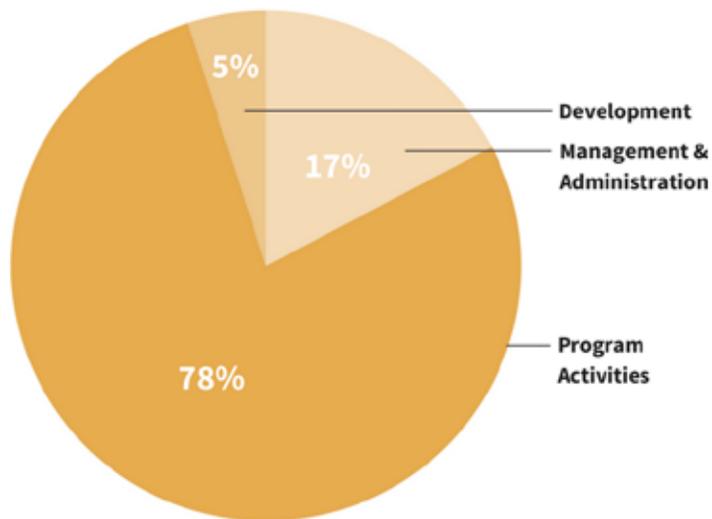
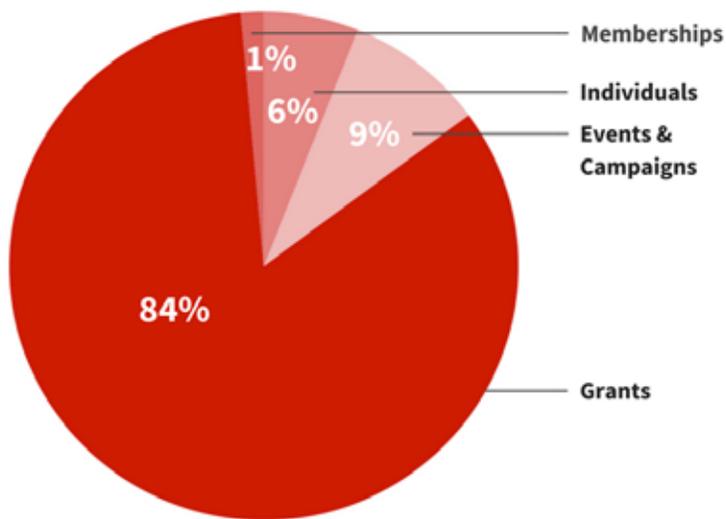
Financials

Income

Individuals	\$32,148.74
Events & Campaigns	\$47,265.04
Grants	\$446,416.75
Memberships	\$7,759.00
In-Kind	
Experimental Farm Sales	
Total	\$533,589.53

Operating Funds

Management and Administration	\$92,641.33
Program Activities	\$416,627.84
Development	\$26,576.37
Total	\$535,845.54





Thank You

Foundations

Swinmurn Family Foundation
 Inter-American Foundation
 Swiss Re Foundation
 Cartier Philanthropy
 Mulago Foundation
 Harbourton Foundation
 Miracles in Action
 Carson Foundation
 Conservation Food and Health
 One Day's Wages
 Rotary International
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 International Foundation
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Major Donors

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 Jerry Brady
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 Mowbray Brown
 Douglas & Meredith Carnahan
 Steve Christiansen
 Darin & Jan Driscoll

\$500-\$999 Cont'd

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 Dennis Swift
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 Michael Markley
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