

Join Committee for Implementing Measure 91

Chris Malott - Testimony

02/11/2015

Good evening. My name is Chris Malott, a member of the Oregon Growers PAC and I appreciate the opportunity to provide you with my testimony this evening.

Over the last thirteen years I've worked in varying roles in the High Tech industry. Most recently I served as the Director Of Technology for an Oregon based company called Computer Stores Northwest, Inc, or CSNW. During my time with this organization, I was responsible for the oversight of the IT group, our Professional Services group, and I was also one of the principle authors of the technology that operates the organizations entire business today.

In addition to my past work for companies here in Oregon, I am also a successful entrepreneur, and with my business partner, I market a seasonal software as a service system that is used by thousands of business throughout the United States every year. We have been in operation since February of 2006.

I am a father of two young boys, two and four, and a husband to wonderful wife.

I began growing medical Cannabis for my wife, who has been contending with Juvenile Idiopathic Arthritis since she was twelve years old. She is thirty-seven today, and so that is twenty-five years of active arthritis. Over the years the damage levied on her joints has been extensive, and no joint in her body has been spared. Prolonged used of various pharmaceutical drugs have also levied a toll on her overall health and wellbeing. Out of desperation and frustration with the traditional medical approach to treating and managing generalized pain with opiates and, for nerve pain, neurontin we turned to Cannabis.

Over time we were able to identify effective strains that worked well for her, with minimal to no cognitive impact, and she was able to completely stop all of the pharmaceutical drugs she was taking to manage pain. The inflammation in her joints has been drastically reduced, and for those of you that do not know, research has demonstrated Cannabinoids are useful as novel anti-inflammatory drugs (#1), her peripheral neuropathy has been dramatically reduced, and her quality of life has significantly improved. As you can imagine, the improvement in her health, quality of life, and demeanor has improved the overall well being of our family.

I am steadfast in my belief in the medicinal benefits of Cannabis. I am encouraged in my review of ongoing research into its medicinal efficacy. It is important to me to ensure medical patients who may benefit from Cannabis have safe, effective, consistent, and improved access to Cannabis as we move forward.

Having said that, I am also a firm supporter of and voted, as many of your constituents did, in favor of Measure 91. With my experience as a successful entrepreneur, my time as a medical Cannabis grower, my deep rooted knowledge of technology, and my belief in creating a fair, reasonable, safe, and professional Cannabis industry here in Oregon, I'm proud to have recently founded a multi-dimensional business that is, at this time, focused on the production, processing, and automation elements of this emerging industry.

It is in that spirit I offer the following as the Committee contends with potential changes to the medical side of this industry:

First, with respect access to Medicinal Cannabis in the same facilities as Recreational Cannabis. Many, though not all, current Medical dispensaries appear interested in procuring a license to sell Recreational Cannabis when they become available. To me, this is reasonable and unsurprising. If a given facility was forced to separate it's medical Cannabis from it's Recreational Cannabis you may effectively limit the access to Cannabis for medical patients. There are some business factors that cannot be ignored. The first issue, and probably most important issue, is the issue of cost and diversity, particularly in rural areas. If a requirement is imposed to choose between operating a dispensary for recreational vs medical, it's likely many folks will opt to pursue a recreational license given the size of the potential recreational consumer base vs medical. Certainly nothing would prevent a medical patient from procuring Cannabis from a recreational dispensary but it would carry a higher acquisition cost for the medical patient when factoring in the applied production tax. In a model that disincentivizes dispensaries from working with patients you can expect all business activities, such as strain selection, marketing, specials, etc, to be focused entirely on recreational consumers. The net result would be higher cost to the patient, and less accessibility to varieties, such as high CBD strains, that make a large difference in the effective treatment of a variety of medical conditions. We must also not forget, that many medical patients today are in low-income brackets, and every dollar they spend on their treatment is exceptionally important.

Second, I want to address producers and their ability to grow cannabis for the Medical Market. Currently, Medical Cannabis growers produce Cannabis exclusively for patients who are operating in compliance with Oregon law- either by distributing to a dispensary or directly from grower to patient. Most of these growers truly care about the medicinal benefits of Cannabis, in improving the quality of life of our patients, and through comprehensive access to dispensaries, we are hopefully able to improve the lives of thousands more. Many medical growers seek a balanced environment that effectively ensures safe access to Cannabis for both medical and recreational consumers. It is imperative that both medical and recreational growers are licensed and regulated. The benefits of a joint and streamlined licensing process are as follows:

1. This product is often used as medicine. Regulation and testing ensures safety for all consumers- especially for those who are treating medical issues.

2. By licensing a grower to produce for both medical and recreational there is a likelihood that patients will have access to a greater variety of strains as they will be growing for a more diverse consumer and patient population.
3. Often a grower growing with just cards will focus on what helps their patient. By allowing a grower to grow without patients, a grower is freed to explore what strains and products would help the biggest population sample.
4. I feel very strongly about growing for patients however the card stacking system's artificial limits on size, plant count and weight possession impact my ability to grow how I want and run a patient centered business in the most effective and efficient way possible.
5. As a patient centered grower, I do not believe that licensing growers, or giving them the opportunity to produce for both markets, without compelled card stacking, hurts patients. I believe that it helps patients for all of the reasons above. I also believe that the cannabis cultivation community will continue to help low income patients gain access. Not because they are being forced to grow with patient cards but because we are good people who want to do good for the most vulnerable cannabis patients.

I appreciate your time and energy in this process.