

Economic Development and Cannabis: Oregon's Recreational Market

House Committee on Economic Development and Trade
February 26, 2018



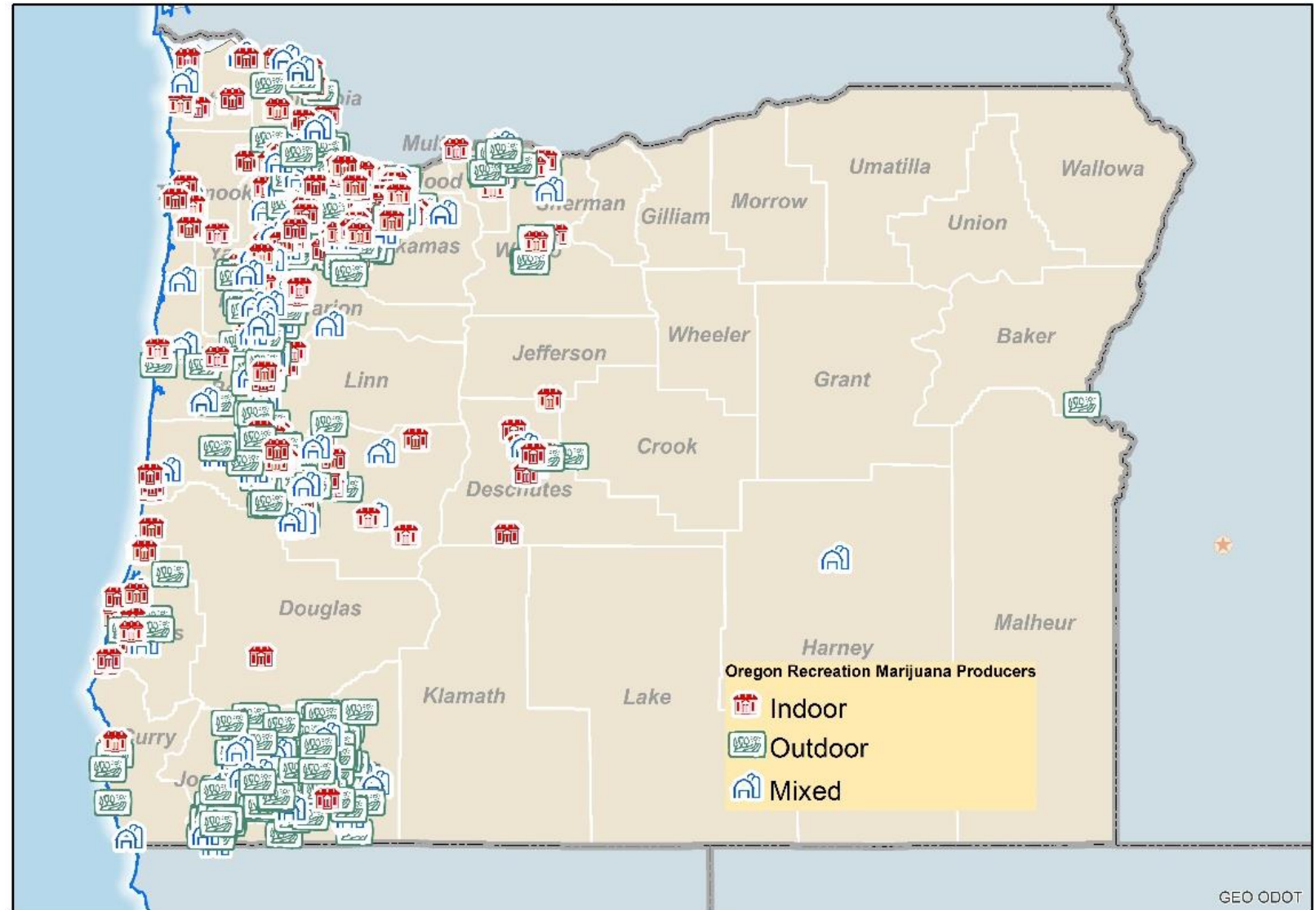
Bill Schuette
Chief Financial Officer
Oregon Liquor Control
Commission

Current Active Licensed Marijuana Businesses

- 1,724 Total Marijuana Licensees
 - 922 Producers
 - 369 Indoor Producers
 - 360 Outdoor Producers
 - 193 Mixed Producers
 - 108 Wholesalers
 - 144 Processors
 - 23 Laboratories
 - 527 Retailers

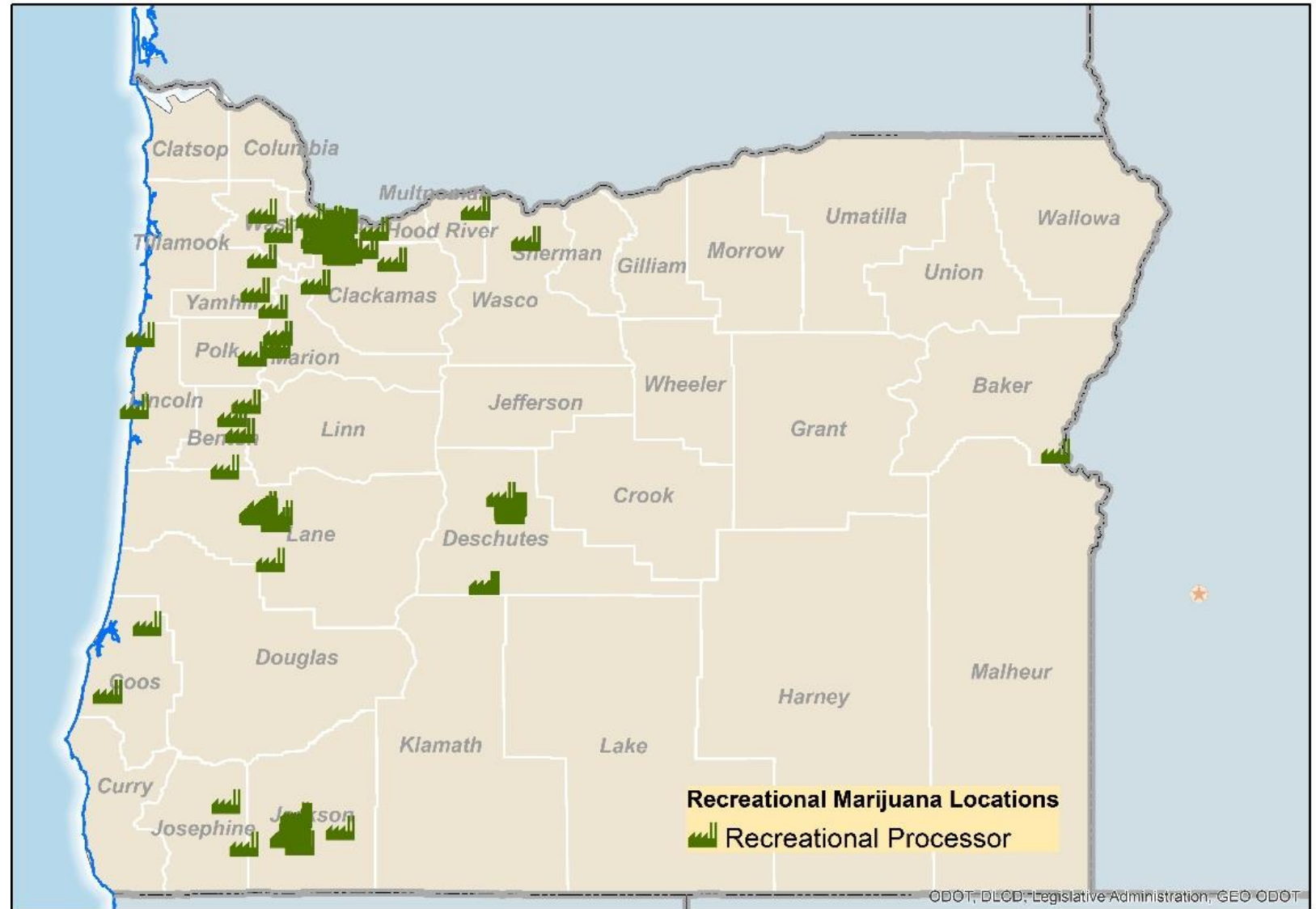
Oregon Marijuana Producer Locations

Recreational Marijuana Producers



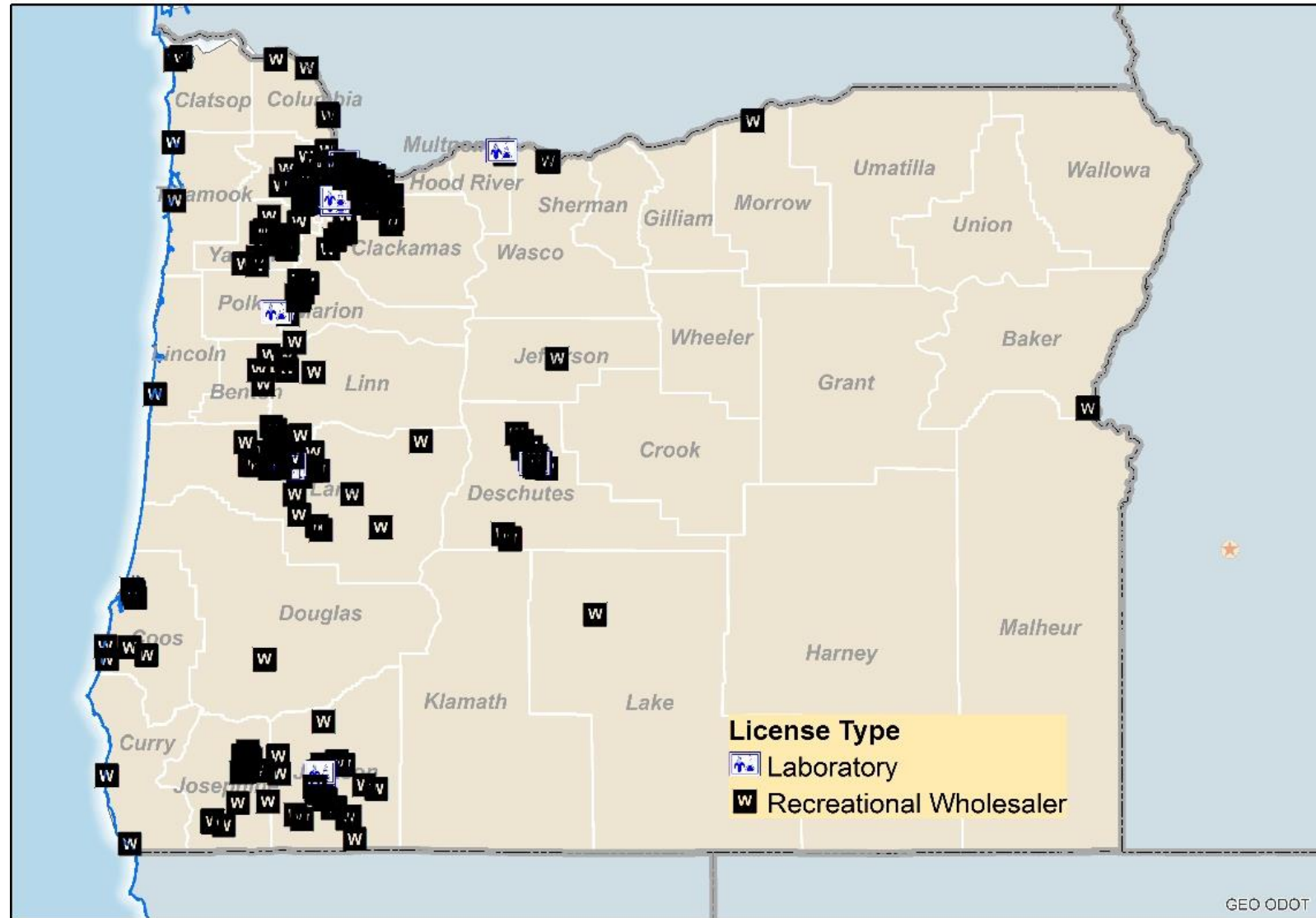
Oregon Marijuana Processor Locations

Recreational Marijuana Processor Locations



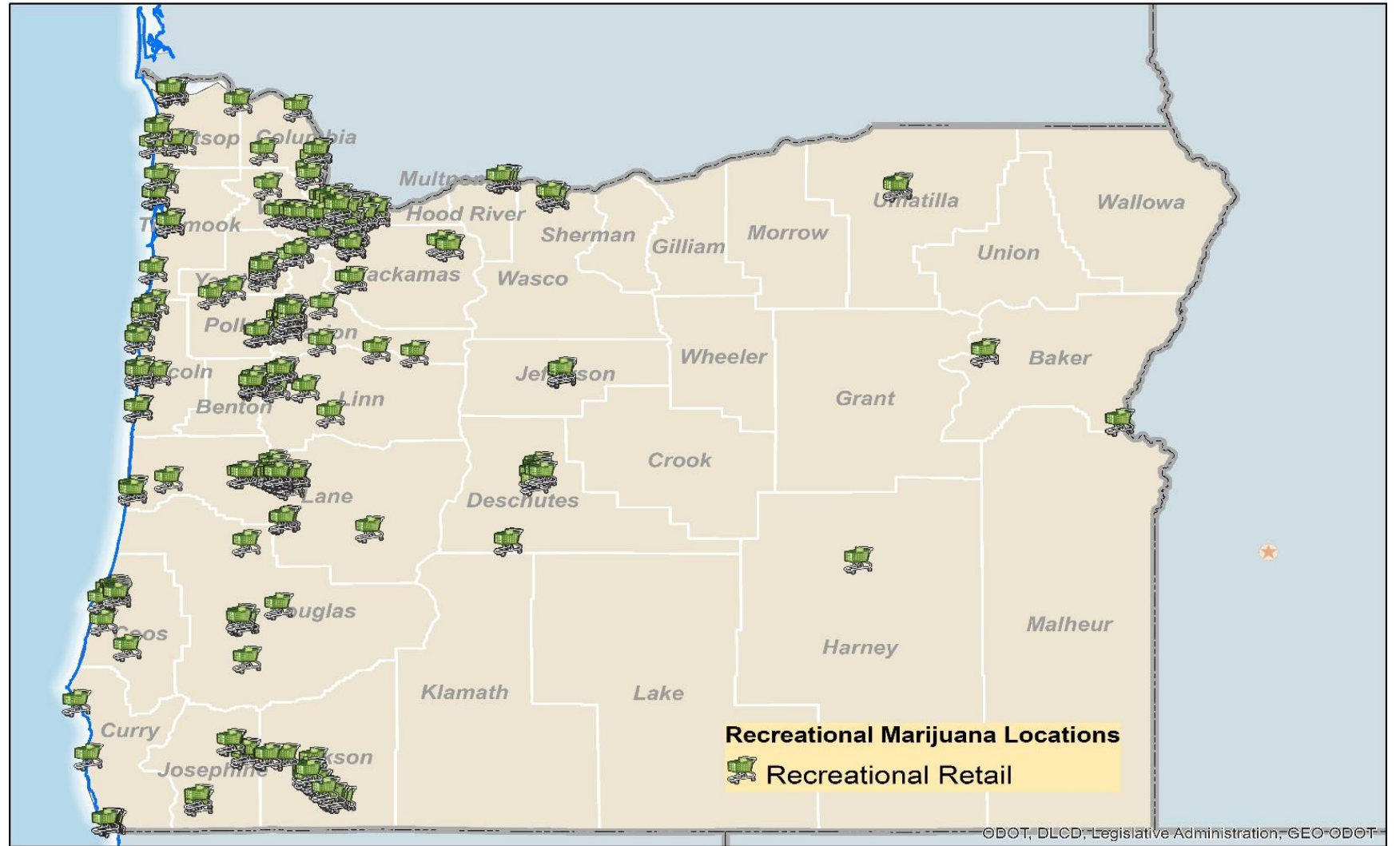
Oregon Laboratory and Wholesale Locations

Recreational Marijuana Laboratories and Wholesalers



Oregon Marijuana Retailer Locations

Recreational Marijuana Retail Locations



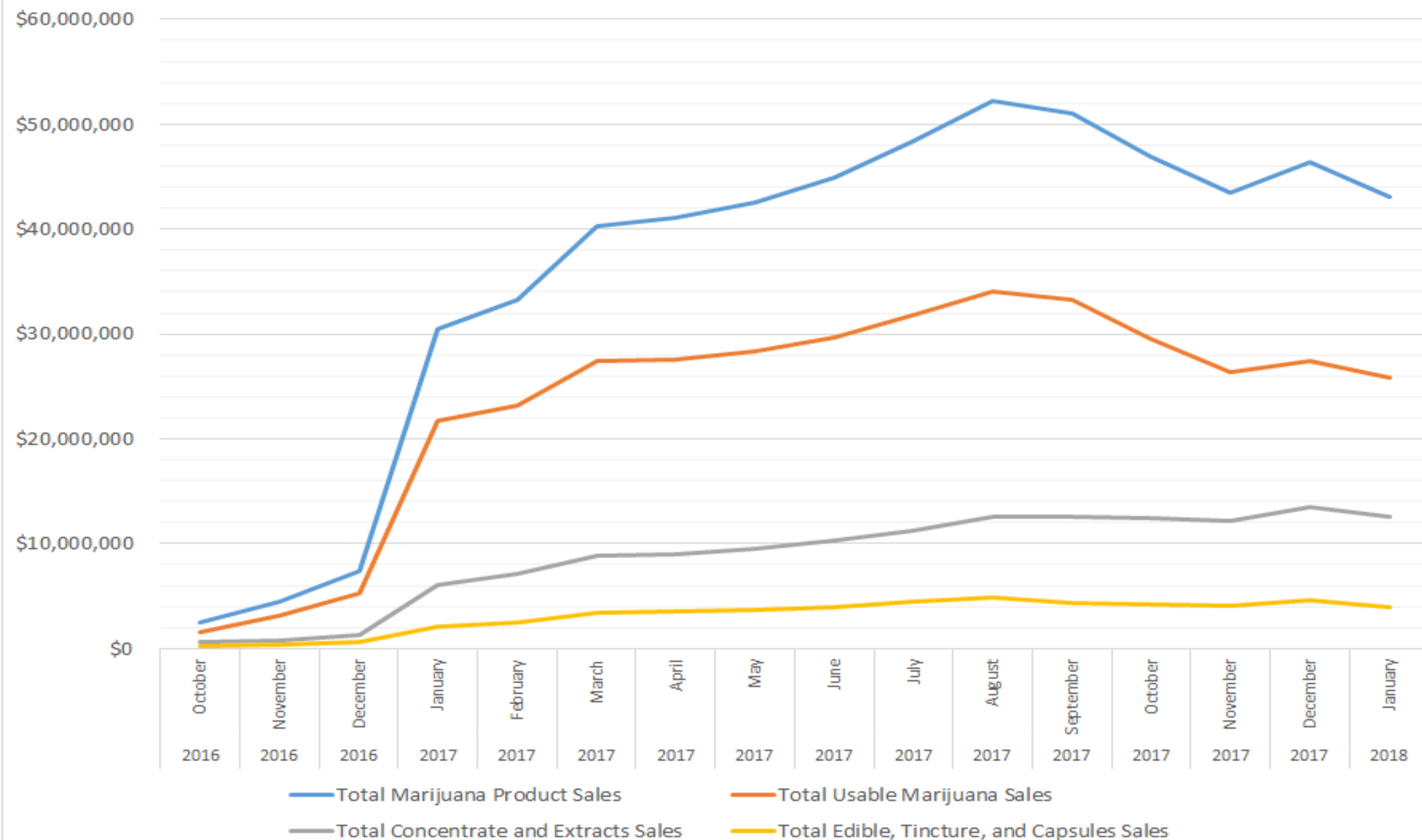
Marijuana Worker Permits

- 24,105 Active Permits
 - Required to work in the industry at all license types
 - Education and testing process similar alcohol
 - \$100 permit fee good for five years
- OLCC has received a total of 42,560 applications
 - Currently over 16,000 have been approved but not paid the fee

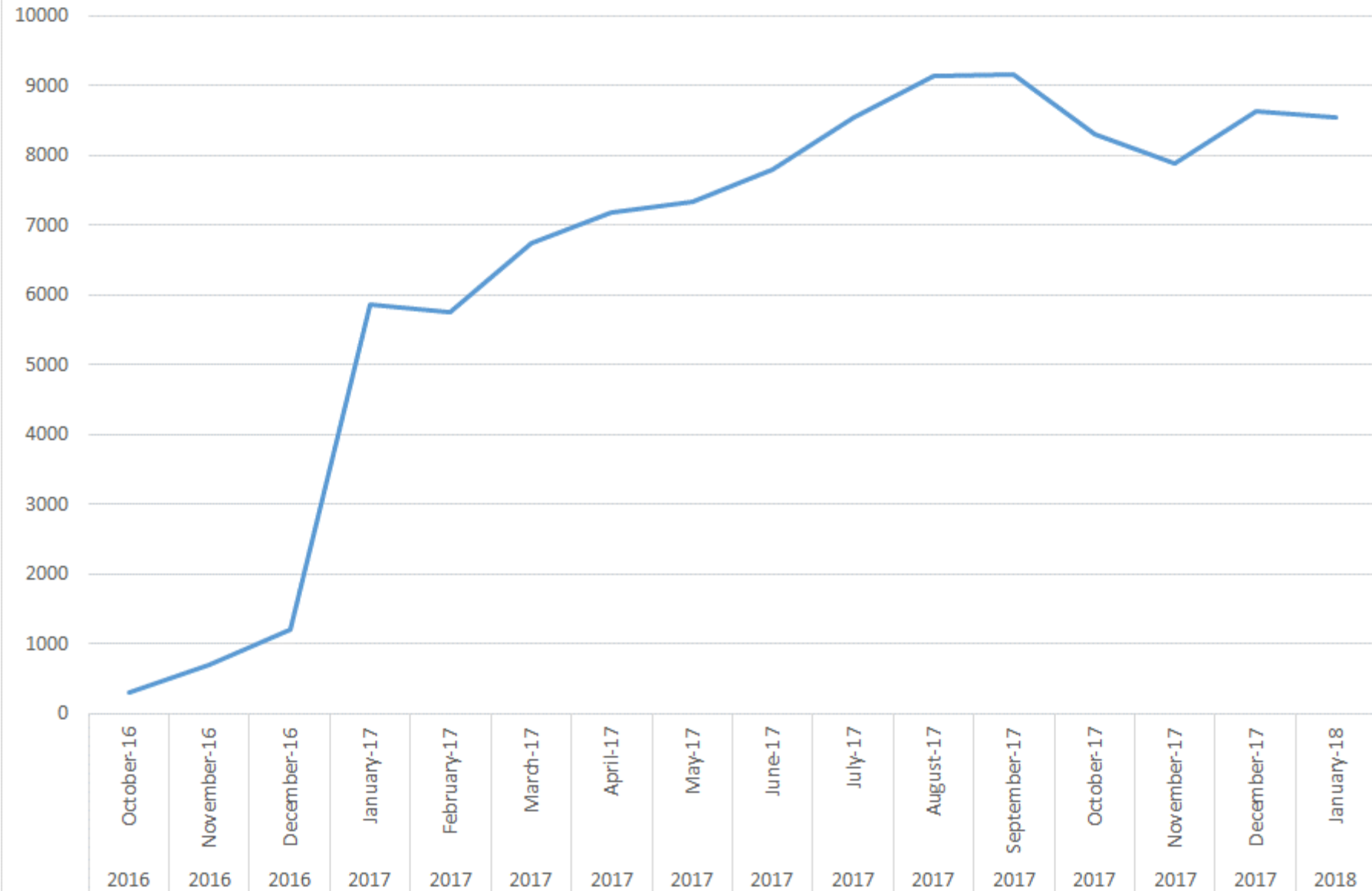
Marijuana Production

Month	Year	Number of Harvests Recorded	Number of Plants Harvested	Total Wet Weight of Plants Harvested (pounds)
January	2017	656	8,297	22,709
February	2017	819	13,706	31,097
March	2017	1,029	21,571	44,698
April	2017	1,222	23,912	49,400
May	2017	1,401	31,583	100,306
June	2017	1,780	51,419	107,169
July	2017	2,071	72,247	161,440
August	2017	2,321	99,024	251,806
September	2017	3,625	136,280	470,033
October	2017	12,479	341,584	2,484,489
November	2017	5,416	157,976	815,121
December	2017	1,891	64,882	120,247

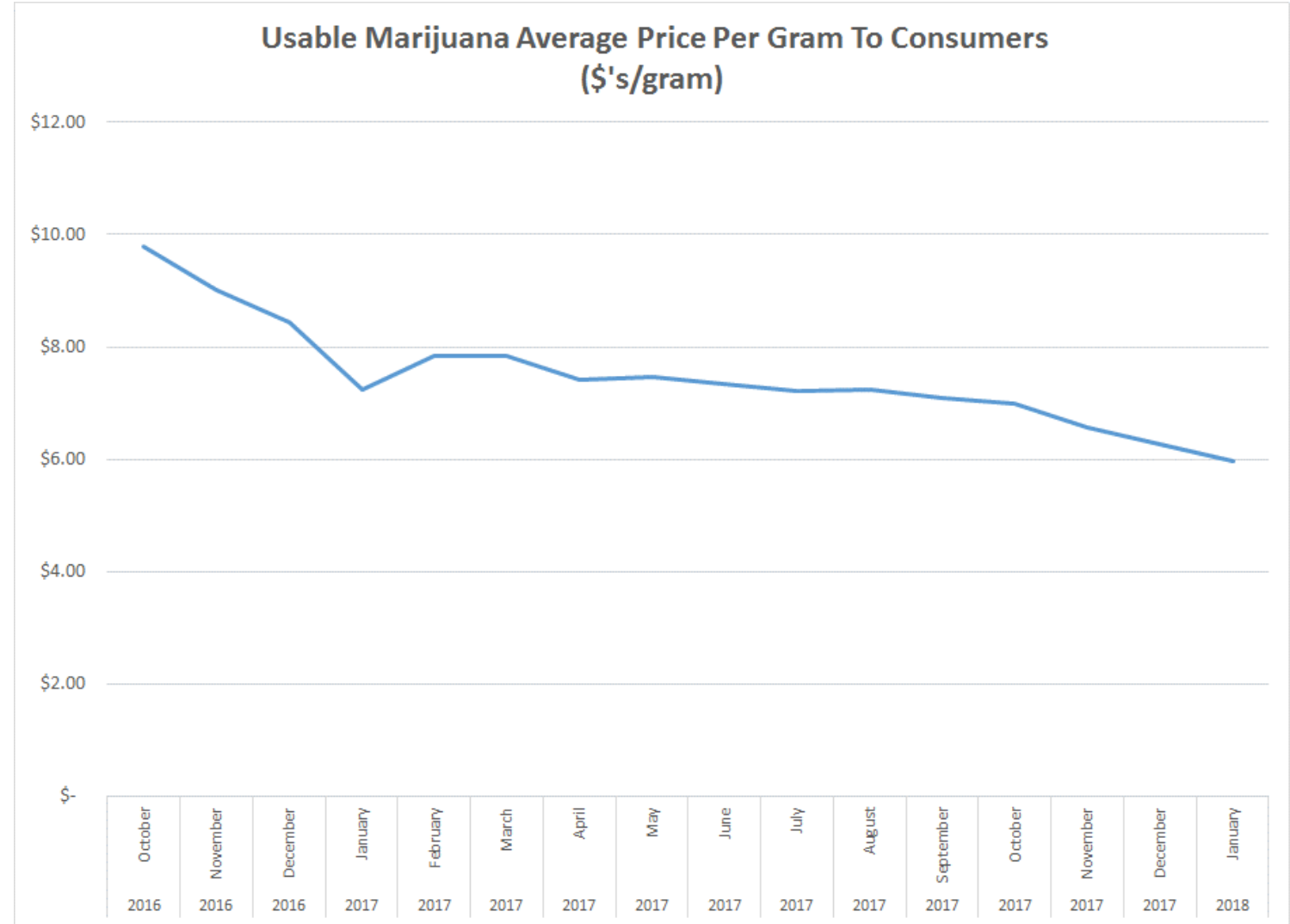
Oregon Monthly Marijuana Sales



Usable Marijuana Consumer Sales (pounds)



Price Declines of Usable Marijuana



Marijuana Sales Summary

- Gross marijuana pretax sales totaled \$519 million in 2017
 - Includes \$70 million in sales (13%) to medical marijuana
 - Gross receipts tax is 17%
- Usable marijuana sales as a percent of the market
 - 71% in January 2017
 - 59% in December 2017
 - Shift in sales towards concentrates and edibles.

Future of Marijuana Market

- Trend towards future declines in marijuana retail pricing
- Supply and oversupply remain a topic of discussion
 - Studying raw product conversion to extracts and oils
- Market corrections and the impact to the number of licenses in the system
 - Recreational marijuana is fee funded program
- Potential of federal intervention and recreational marijuana markets changes creates uncertainty
 - Keep Oregon's recreational marijuana system in order

