

A PATH FORWARD

For Oregon's Cannabis Industry





Challenges and Advantages for Oregon's Cannabis Industry

- **Oregon's industry operates in a self-contained market**
 - **No export of products and unlimited imports of capital have led to market distortions**
 - **Overcrowding has led to brutal outcomes for small businesses - 2x licensees per capita**
- **Our licensed marijuana businesses are resourceful and efficient**
 - **No federal relief, onerous federal tax structures, no banking and no bankruptcy**
 - **7 year market grinder that has ensured only lean and effective business models survive**
 - **Other states markets are correcting as well, and early to suffer, we will recover first as well**
- **To stabilize and expand economic benefits to our state, we need healthy partnership from state and local governments, and regulators**
 - **Though our views on and knowledge about cannabis have seen a sea-change in the last seven years, our regulatory infrastructure has not**
 - **We must do some commonsense tuning to prepare for the future**
 - **Oregon can pave the way to national dominance while protecting public health and safety**



Economic Impacts – Now and in the Future

Licensed Adult-Use Cannabis sales have topped \$1.2 billion annually with a total economic impact that is significantly bigger.

- **We have provided over \$585 million in tax revenue to the state since 2016**
- **Including auxiliary businesses approximately 20,000 living wage jobs across Oregon**

The National Market is *MUCH* bigger and Oregon is well positioned.

- **Total consumer spending estimated as high as \$100 billion (wine is \$78 billion)**
- **We expect Oregon to produce a large percentage of the nation's cannabis and cannabis products.**
- **We can expect total economic activity related to our cannabis industry to increase as much as ten-fold with changes to federal guidance on cannabis**



How Do We Get There from Here?

- **Be proactive with updates to regulatory priorities**
 - **Maintain focus on public health, public safety while working more efficiently and cost-effectively**
- **Promote business stability and long-term planning by creating a more dynamic licensing system**
- **Allow access to the same resources that all other businesses enjoy**
- **Maintain the tax environment**
- **Help Oregon cannabis businesses develop brand recognition and loyalty**
- **Incentivize business development and local operations through a change in focus from policing to promotion (this is already underway and must be supported)**



A Homegrown Oregon Success Story

- **Founded in Oregon in 2015 and “Climate Neutral Certified”**
- **205 full-time jobs in Oregon with a base minimum wage of \$19/hr (over 900 jobs globally) with 80 hours of pTO, sabbaticals and time off for volunteering**
- **Fully sponsored health, vision and dental coverage for all employees and a 401k plan**
- **THC products for sale in 10 states, creating national-market incumbency for Oregon**
- **CBD products (produced and packaged in Oregon) for sale in all 50 states**



Oregon Values at Work

- **Founded in Oregon in 2021**
- **Second Change Employer with focus on providing living wage jobs**
- **24 full time jobs in Oregon**
- **Base wage of \$17/hr**
- **Full benefit plan with retirement, health, vision, PTO and reimbursed pet insurance!**
- **Nearly a half-million in tax revenue generated in first two years in business**
- **One of Oregon's leading women-owned brands with rapidly expanding market share**

