



- October 1, 2016 rules for testing required quality control testing for ALL cannabis products. Quality control testing ensures that product is safe before it is put on the shelves.
- These rules required that every batch of cannabis that was 10lbs or less would be tested for pesticides, potency, water activity and moisture content.
- One retail gram of flower averages \$18.01 a gram. The cost of testing under the October 1, 2016 rules averages \$0.07 a gram.
- One retail gram of concentrates and extracts averages \$60.00 a gram. The cost of testing a concentrate or extract process lot after a one year control study certificate averages \$0.65 a gram.
- Quality control testing is affordable and it is vital to protect the public health and safety of Oregonian's and the long term future of Oregon's cannabis industry.



Table 1.0 Estimated Cost of Testing Concentrates/Extracts for Initial Control Study and Regular Lot Testing

***Control Study certificate is valid for 1 year**

| Process Lot size (lbs) | Process Lot size (grams) | Average* retail value per gram | Average* retail batch value | Control Study* | | | | Post Control Study | | | |
|------------------------|--------------------------|--------------------------------|-----------------------------|---------------------|--------------------|--------------------------------|-------------------------------------|---------------------|--------------------|--------------------------------|-------------------------------------|
| | | | | # of Samples Tested | Total testing cost | Average* testing cost per gram | Average* % of testing cost per gram | # of Samples Tested | Total testing cost | Average* testing cost per gram | Average* % of testing cost per gram |
| 0-0.50 | 0-227 | \$60 | ≤ \$13,620 | 4 | \$1,574 | ≥\$6.93 | 12% | 2 | \$788 | ≥\$3.47 | 6% |
| 0.50- 1.5 | 228-681 | \$60 | \$27,270 | 8 | \$2,992 | \$8.75 | 15% | 2 | \$788 | \$2.31 | 4% |
| 1.51-3.00 | 682-1362 | \$60 | \$61,320 | 12 | \$4,260 | \$4.68 | 8% | 2 | \$788 | \$0.87 | 1% |
| 3.1-6.0 | 1363-2724 | \$60 | \$122,610 | 16 | \$5,680 | \$3.13 | 5% | 2 | \$788 | \$0.43 | 1% |
| 6.1-10.00 | 2724-4540 | \$60 | \$217,920 | 20 | \$6,300 | \$1.85 | 3% | 2 | \$788 | \$0.23 | 0.4% |
| 10+ | 4541 | \$60 | ≥\$272,460 | 32 | \$10,080 | ≤\$2.22 | 4% | 2 | \$788 | ≤\$0.17 | 0.3% |

Table 2.0 Estimated Cost of Testing Flower in batch increments

| Pounds | 1 | 5 | 10 |
|-------------------------------------|------------|------------|-------------|
| Grams | 454 | 2270 | 4540 |
| Cost of testing per gram | \$0.70 | \$0.14 | \$0.07 |
| Average* retail value per gram | \$18.01 | \$18.01 | \$18.01 |
| Average* % of testing cost per gram | 4% | 1% | 0.4% |
| Average* retail batch value | \$8,176.54 | \$40,882.7 | \$81,765.40 |

* Averages are obtained from mean of lowest and highest values of process lot sizes; accredited laboratories; and prices found in retail dispensaries. Wholesale values are lower than retail values, but are difficult to verify and inconsistent across the industry.