OHA -> OLCC

options

eek

Revisiting our earlier March 14, 2017 testimony

- 1. Merge entire program into over-21 medical (compassionate)
 - 1. Doing it now instead of later will make it easier to sort it out
- 2. Let all OHA growers opt-in all registered product to OLCC market if desired
 - 1. * Added: Let them opt-in 25 lbs. to be sold in the State of Oregon OLCC consumer market per year
 - 2. * Added: Allow wholesalers to import packages. Let "OLCC Market" be a transfer option in existing OMMOS giving seed-to-sale solution
- 3. Make it easy for small farmers. Let OHA existing rules stand for patient grows land-use (no cameras, fences)
- 4. Set up Marijuana Marketing Commission with \$1.5m OLCC modeled after Wine Commission
- 5. Focus all our legislative effort on legal, global exports

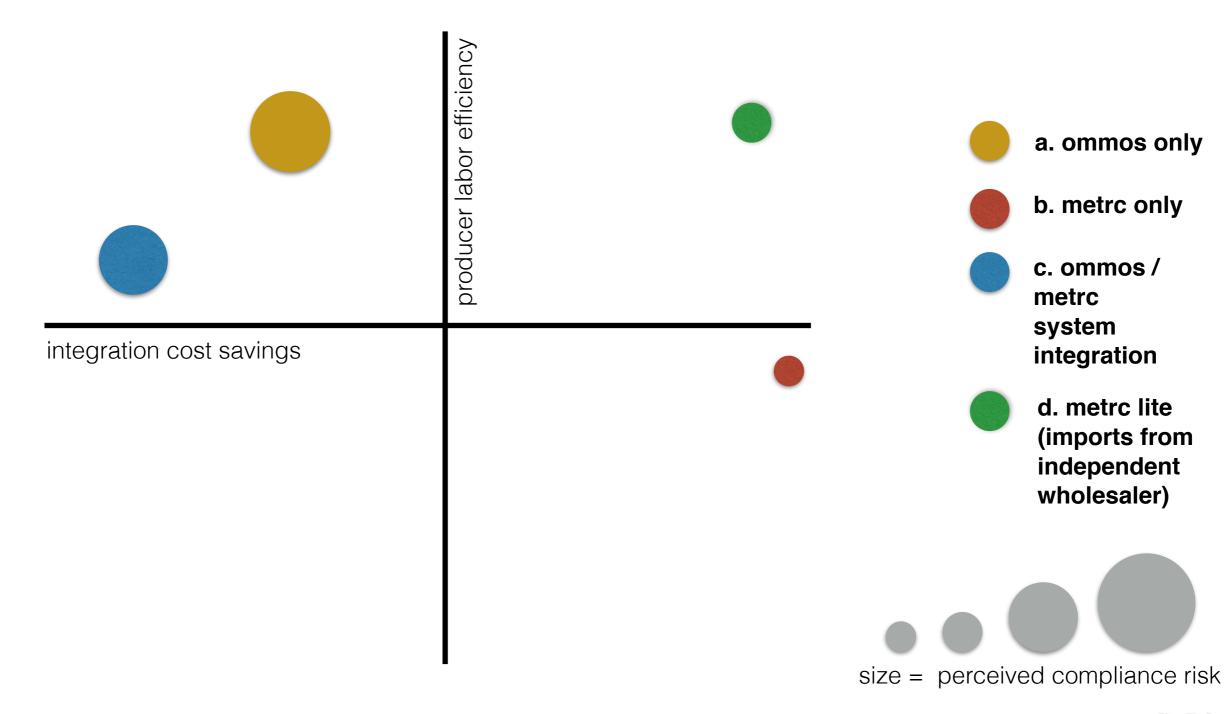


2198-7 feedback

- Am voicing support for HB 2198 -7 amendment giving caretakers ability to perform same duties as a grower
- Am voicing support for support HB 2198 -7 amendments of the creation of a Cannabis Commission
- Am voicing support 2198 -7 amendments in that it allows OHA participants limited access to the OLCC market
- Am voicing supports 2198 -7 amendments that create transparency with Wholesalers as an intermediary for compliance
 - In addition, we suggest this rule be added:
 - Wholesale entities are allowed to operate if they operate primarily in the open market (e.g. are not vertically integrated and owned by the same individuals as the OHA / OLCC producers or OLCC retailers)



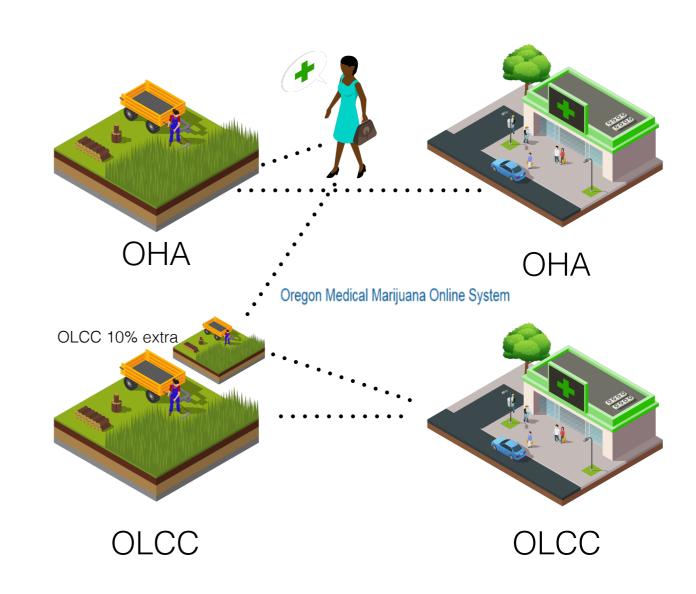
2017 OHA / OLCC integration options (efficiency / investment)





Option A: OMMOS (+) for both markets

- Greatly extend functionality of OMMOS to handle missing pieces that METRC has working
 - Daily reporting
 - Manifests
 - Finer grain controls of transfers
 - Tags
- Note: Perhaps look at California and/or a distributed ledger approach to further extend safety of data and participants (e.g. Blockchain registry) - build a next generation system for Oregon

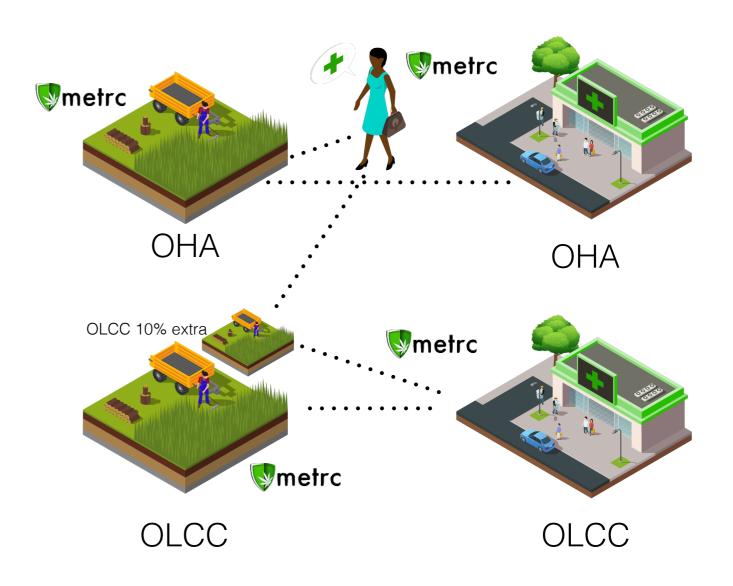




Option B: METRC exists for both markets

Extend functionality to handle any missing pieces

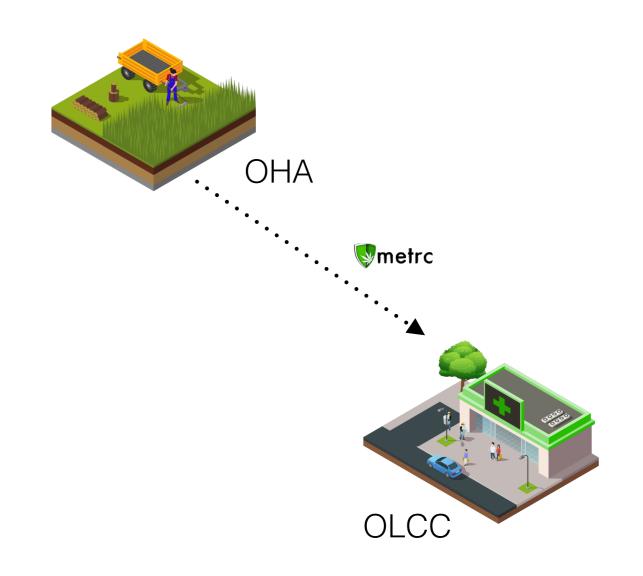
- Capability for Producers, Processors, and Wholesalers (as well as Retailers) to product to registered patients directly
- Capability for tracking "medical only" product in the system to have appropriate controls for 'medical only' dispensaries
- Create a process for a lighterweight model to allow OHA participants to use the system similar to OMMOS (imports)





Option C: OMMOS / OLCC software integration

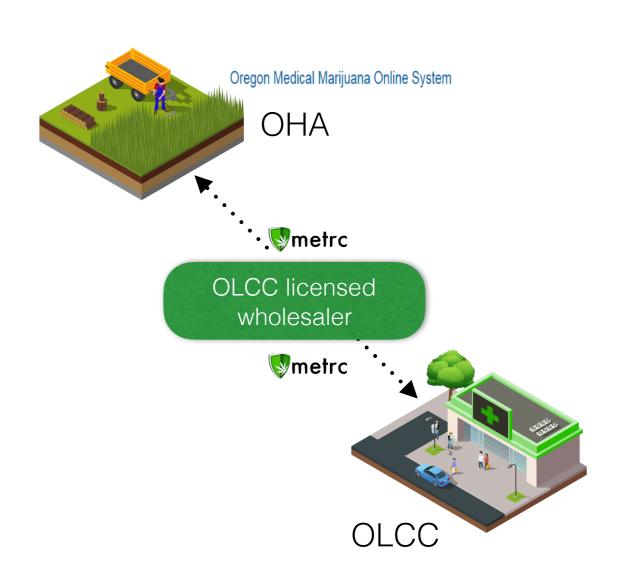
- Extend OMMOS to enable transfer to OLCC licensee
 - Capability to offer transfers into current list of OLCC licensees
 - Capability for tracking "medical only" product in the system to have appropriate controls for 'medical only' dispensaries





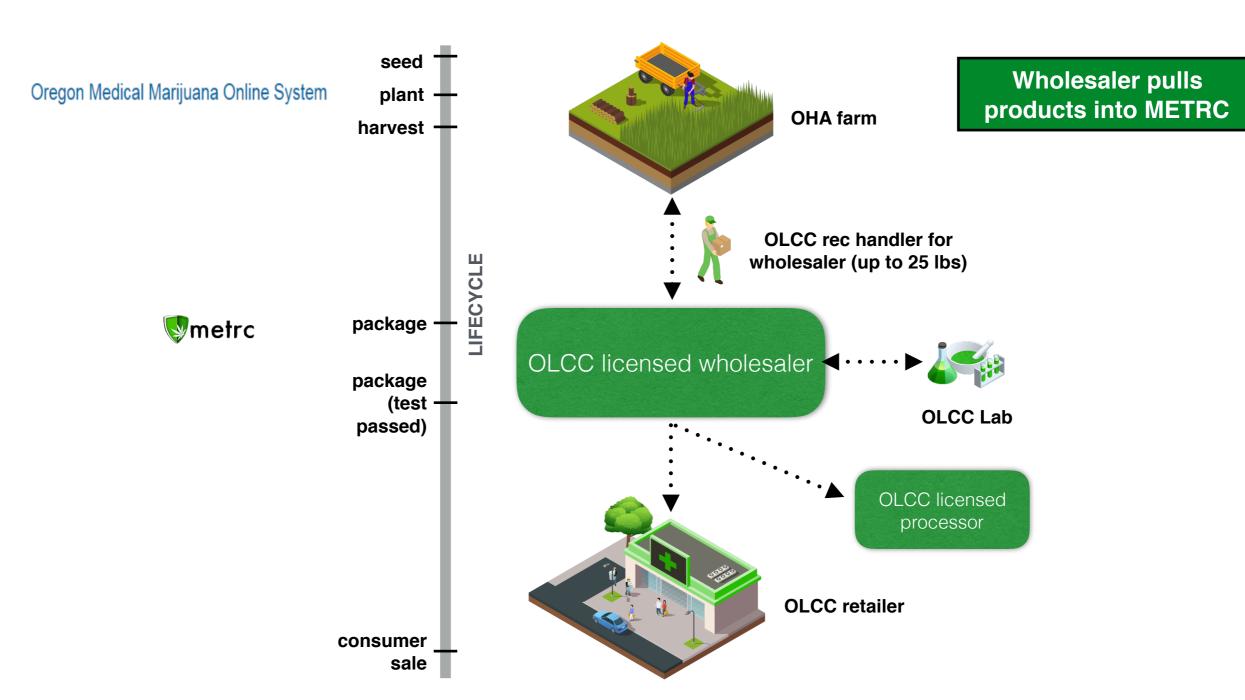
Option D: OLCC imports OHA into METRC

- Use METRC's import and/or API to allow OLCC licensees to import OMMP products
 - Wholesalers use existing METRC tools to import new packages
 - Capability for tracking "medical only" product in the system to have appropriate controls for 'medical only' dispensaries



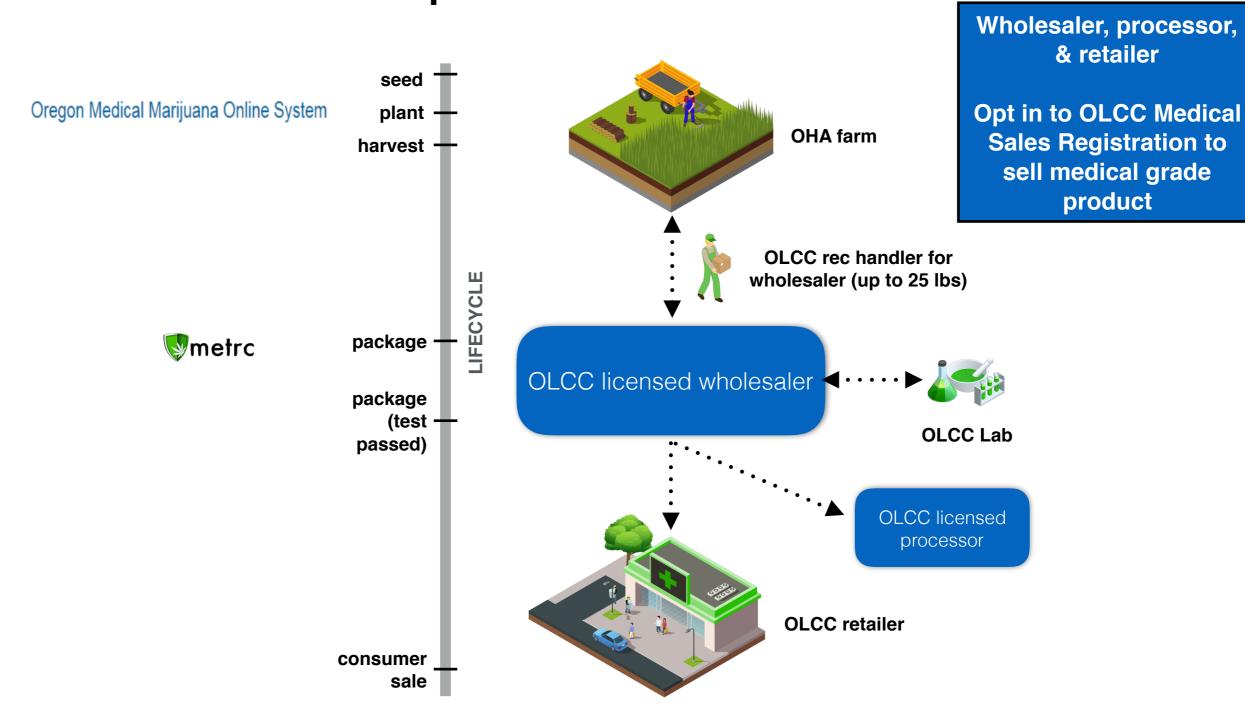


Option D: Recreational





Option D: Medical quality product





FUTURE: Option D: Export product globally*

