



Cannabis Industry Overview

Casey Houlihan

Executive Director,

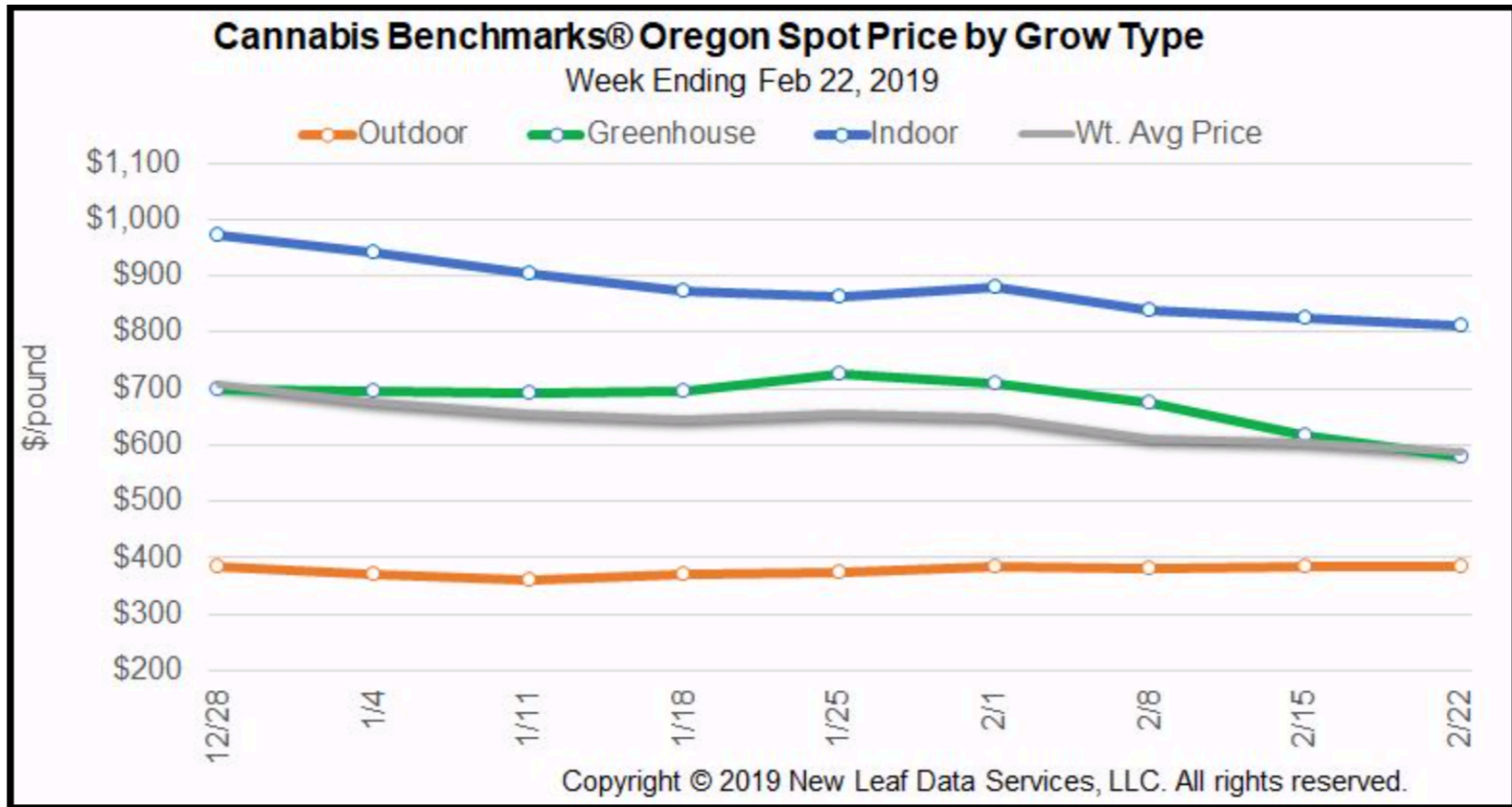
Oregon Retailers of Cannabis Association

Prepared for:

House Committee on Economic Development

February 25th, 2019

Wholesale Prices Decreasing





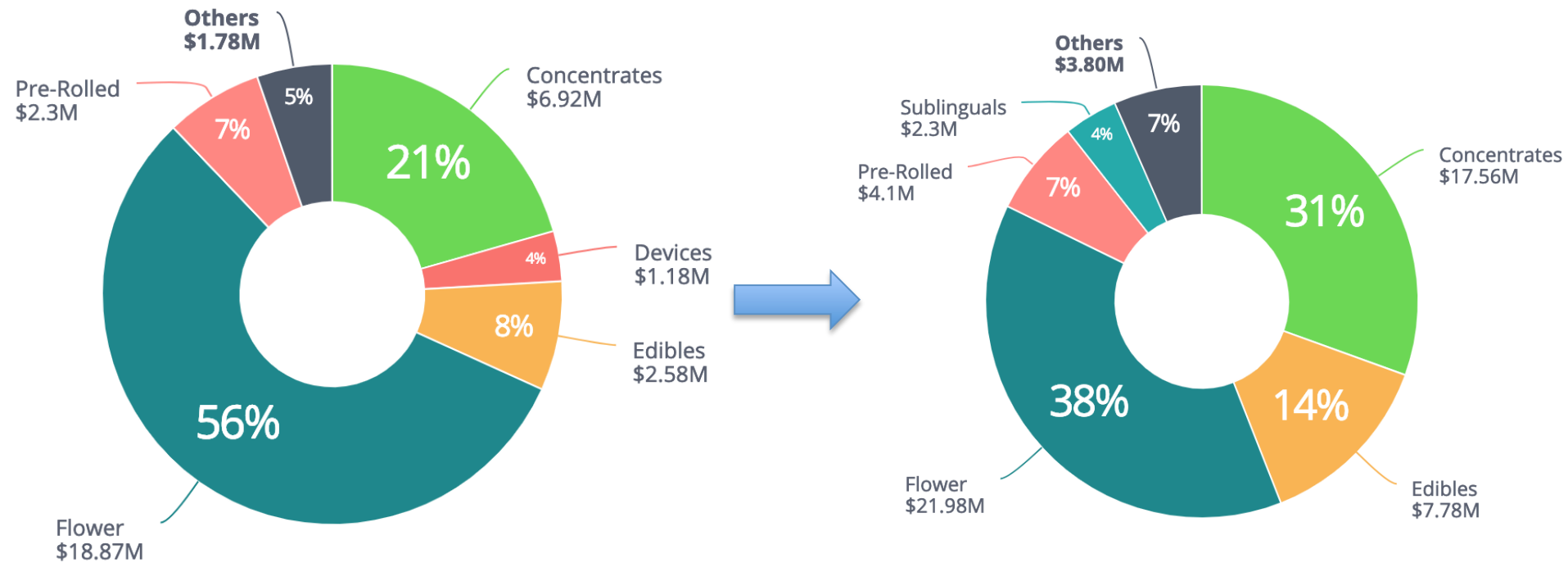
Retail Prices Changing

- Flower prices dropped from \$8.81 (Dec. 2016) per gram to \$3.92 per gram (Dec. 2018)
- Concentrates dropped from an avg. retail price of \$40.46/unit (Dec. 2016) to \$25.99/unit (Dec. 2018)
- Edibles prices have increased over that same period, from \$10.24/unit (Dec. 2016) to \$14.80/unit (Dec 2018)

Total Sales Increasing



OR cannabis sales by category, Dec 2016 [left] vs. Dec 2018 [right]



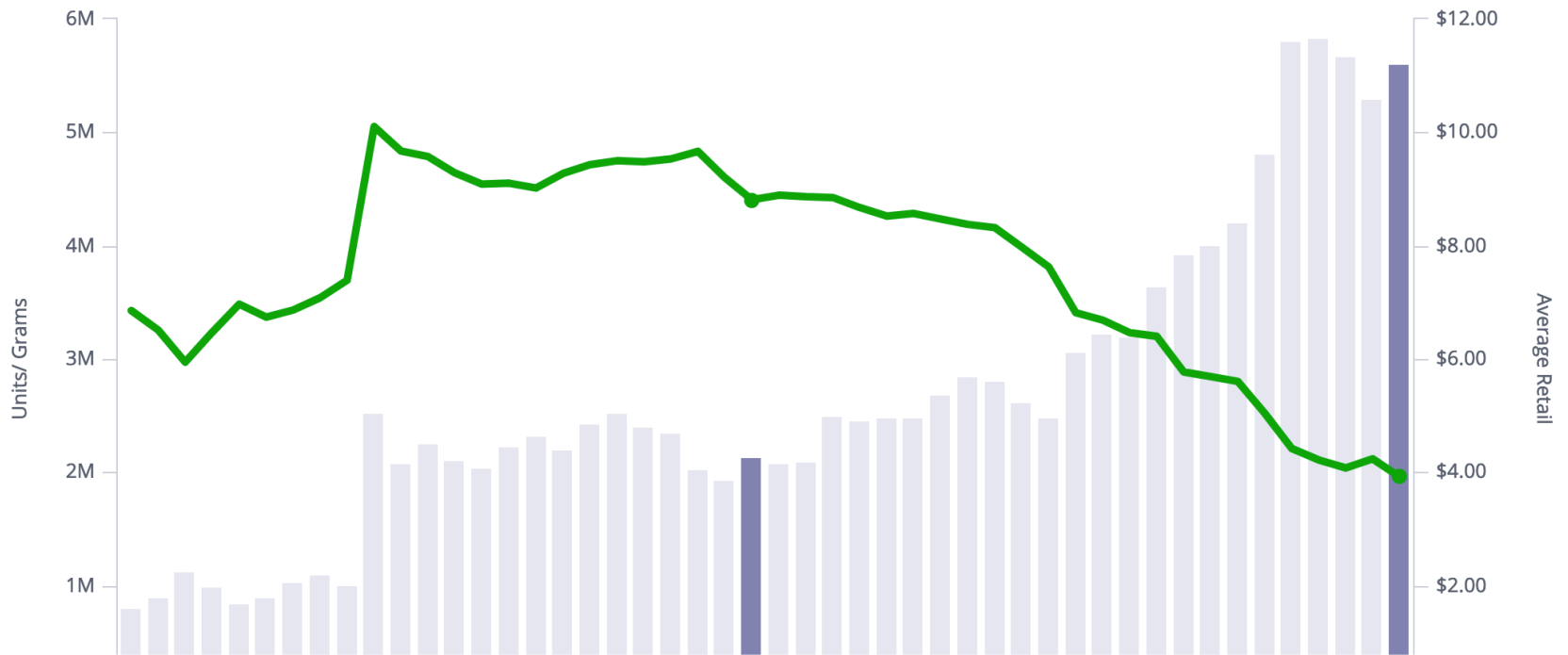
Dec 2016 Total: \$33.63 Million

Dec 2018 Total: \$57.53 Million



Sales Volume Increasing

Units vs. Avg. Retail Price



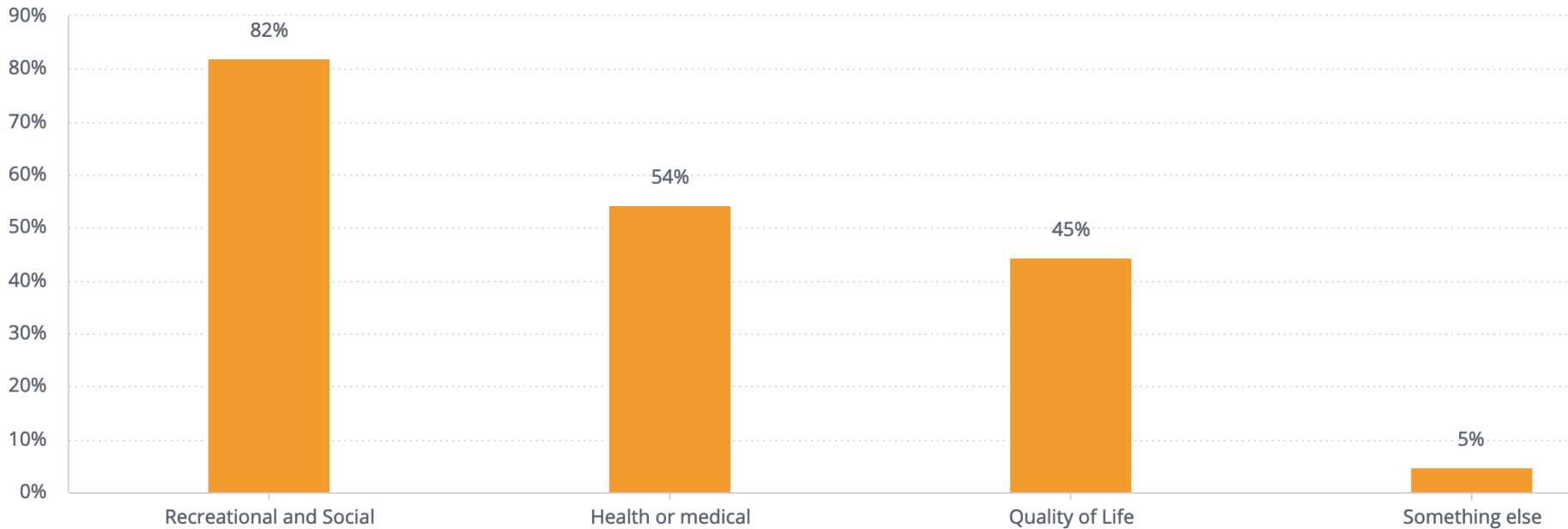
Dec 2016 Total: 2.14 million grams

Dec 2018 Total: 5.61 million grams

Consumer Preferences and Motivations



Reasons for Consuming Marijuana or Products Containing Marijuana Among Flower Consumers

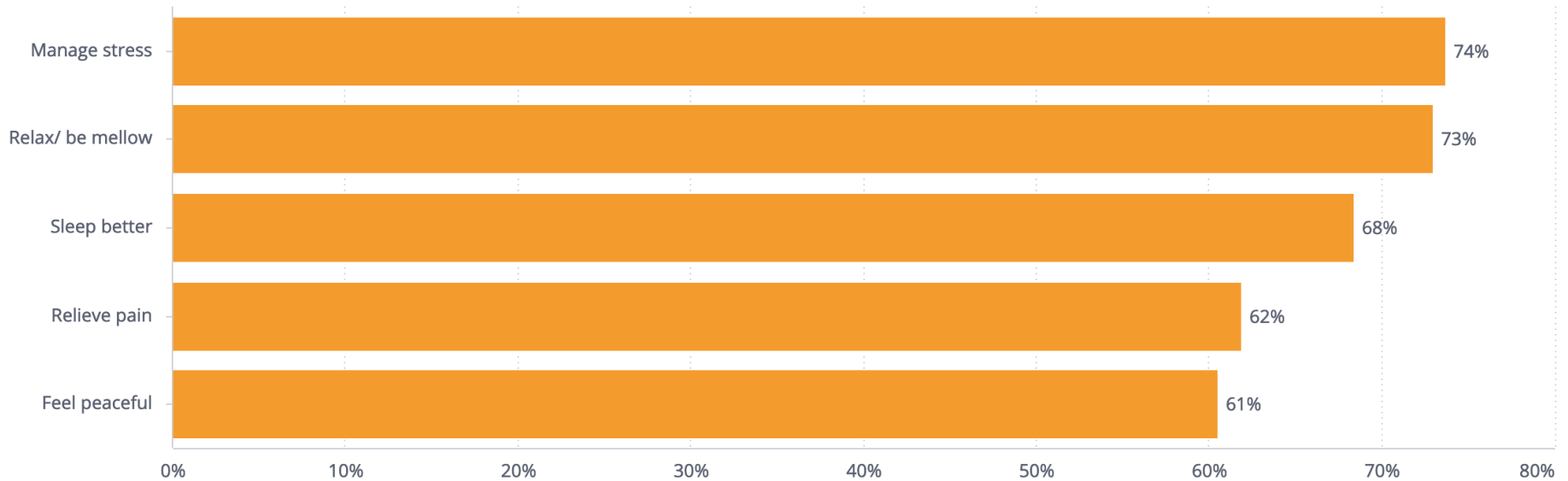


- 41% of adults 21+ in Oregon have consumed cannabis in the last 6 months, up from 36% in Q1 '18



Consumer Preferences and Motivations

Top 5 Benefits of Consuming Inhalables Among Flower Consumers



- Consumption methods: 73% of consumers in Oregon prefer inhalables; 23% prefer edibles; 3% prefer topicals

Oregon's Ongoing Challenges



- Limited to in-state markets
- Market saturation
- Market contractions
- Inconsistent enforcement

Status of Active Applications and Licenses by Type

	License Active	Approved Not Paid	Assigned	Ready For Assignment	Without Approved LUCS	Grand Total
Laboratory	21	0	9	0	1	31
Processor	210	0	122	121	125	578
Producer	1115	6	316	566	219	2222
Retailer	606	4	100	118	118	946
Wholesaler	147	0	62	71	69	349
Research	0	0	2	0	2	4
Grand Total	2099	10	611	876	534	4130



State Policy Issues

- Exporting surplus cannabis
- Social Consumption Venues
- Automatic Expunctions
- Employment Discrimination
- Healthcare Discrimination

☰ WILLAMETTE WEEK 🔍



Oregon Is Running Out of Workers Who Can Pass a Drug Test

It's a remarkable finding from the state economist.



(Christine Dong)

Ongoing Federal Issues



By Morgan Fox | February 14, 2019

Congressional Subcommittee Holds Hearing on Providing Safe Harbor for Banks to Work with Legal Cannabis Businesses

- Access to Banking
- 280E (Tax Deductions)
- Interstate Commerce
- Unclear DOJ priorities / Rescinding Cole Memo

Thank you!



Prepared for:

House Committee on Economic Development

February 25th, 2019

Casey Houlihan

Executive Director,

Oregon Retailers of Cannabis Association

Retail sales data provided by:

