



Chair Kropf and the Honorable Members of the House Committee on Judiciary,

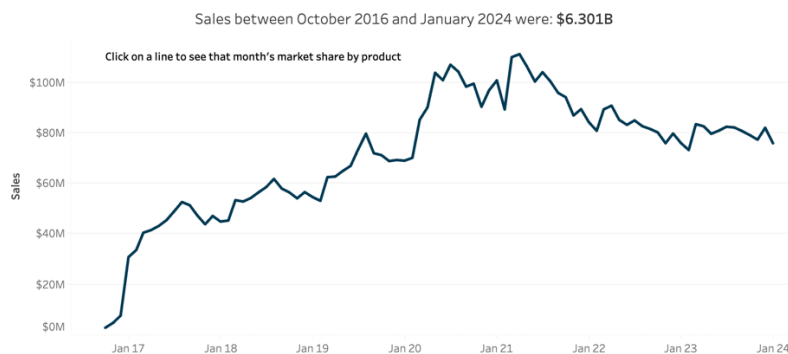
My name is Tony Birch, I am the Founder and CEO of a vertically integrated portfolio of cannabis companies across all license types in Multnomah and Washington County, with 125+ full time employees, including being the largest retailer in Downtown Portland, which even at this scale we are still struggling everyday dispute running the operation as lean as possible.

I am writing this letter in support of HB4121, as it is a lever that our industry desperately needs pulled.

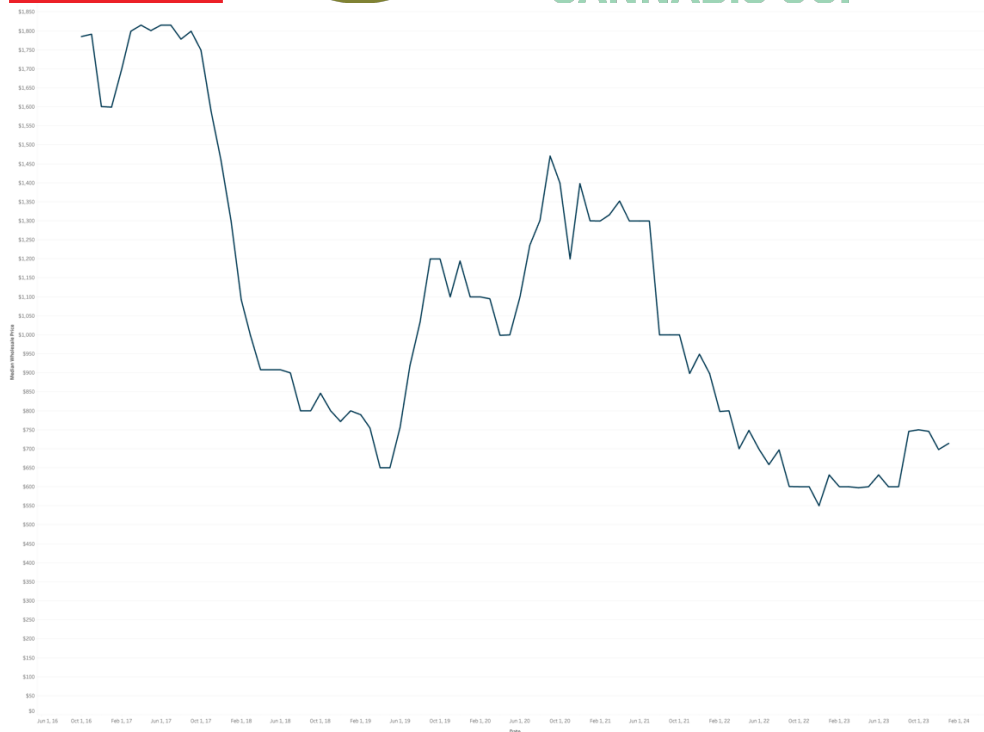
As we have firmly settled into “post Covid times”, the data clearly shows that the industry is struggling to keep up with the trajectory that the industry had expected at the beginning of the recreational market roll out.

You can see that as of January 2024, the Oregon market has officially slid back to pre-Covid numbers, which from an industry perspective, the only difference is that there are significantly more operational license in the market now.

The size of the Oregon market is so heavily diluted between all license types, that nearly all licensees are barely hanging on, which can now be seen when looking up the huge amount of taxes due by retailers. This is a direct effect of retailers not having enough cash to organically operate their businesses because of the current over competition (therefore having to dip into taxes to pay overhead), which if more retailers enter the market, this problem is only going to compound.



Additionally, when it comes to flower production; growers have finally just begun to see a slight pricing rebound for the first time in a long time, and allowing more production facilities to come on the market will not only immediately erase this positive movement, but it will absolutely tank what is left of this sector of the market.



In conclusion, Oregon as a population of 4.2 million people, and those 4.2 million people only consume so much cannabis. The more unnecessary licenses we have in the market, the more cannibalizing, saturation and dilution will occur. We have seen this unlimited license model play out in Oklahoma and it has absolutely ruined that market, please do not let this happen to Oregon.

Sincerely,
Tony Birch
Founder & CEO
 Broadway Cannabis Market
 Mint Cannabis Co.
 Fire Dept & Feel Goods.