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February 14, 2014

To: Licensed Non-Profit Producers (LNPP)

From: Ken Groggel, Manager  
Medical Cannabis Program (MCP)

Re: Fourth Quarter Report Summary

The following information is compiled from the quarterly data reports submitted by the LNPPs. This information is intended for the Dept. of Health and LNPPs and is considered an estimate only.

Patients:

- Number who purchased this quarter – 12,260. Average per LNPP – 533. High – 1465 & 1216. Low – 6 & 50. Three producers reported serving fewer than 100 patients. It appears that some producers have shifted their focus from patient sales to Producer to Producer Transactions, providing a more stable and improved revenue stream.
- Average amount purchased per patient – 22 grams. High – 57 & 47. Low – 3 & 3.5. Five producers reported more than 30 grams average per patient. Three producers reported less than 7 grams average per patient.

Production:

- Total plants in production – 3,241. Average per LNPP – 141. High – 150 X 13 LNPPs. Low – 44 & 105. One producer reported having 100 plants or less.
- Total yield – 432,475 grams. Average per LNPP – 18,803. High – 61,935 & 52,184. Low – 2738 & 3090. Two producers reported yields less than 6,000 grams.

Income:

- Total receipts - \$4,438,012. Average per LNPP - \$192,957. High - \$516,545 & \$452,555. Five producers reported total receipts over \$300,000. Low – \$61,409 & \$61,926. Eight producers reported total receipts less than \$100,000.

#### Expenses:

- Gross receipts tax paid - \$297,521. Average per LNPP - \$12,936. High - \$39,047 & \$35,453. Six producers reported more than \$20,000 in gross receipts tax paid. Low - 0 & \$203. Seven producers reported less than \$5,000 in gross receipts tax paid.
- Salaries, stipends and other compensation - \$1,655,605. Average per LNPP - \$71,983. High - \$193,697 & \$188,109. Four producers reported compensation over \$100,000. Low – \$8,700 & \$20,160. Six producers reported compensation less than \$30,000.

#### Producer to Producer or Manufacturer Transactions:

- Total transactions – 221. Average per LNPP – 9. High – 41 & 32. Low – Six producers reported 0 transactions. One producer reported cannabis-derived product (CDP) coming in, no plant material going to the manufacturer. Approximately 90% of quarterly report documentation matched producer transaction reports. Six producer's transaction reports matched their quarterly report.

At present the following requirement applies to the tracking and reporting procedures: The movement of medical cannabis or cannabis-derived products to or from a location other than the LNPPs production or distribution facility will be reported to the MCP within 24 hours as described in the Cannabis Sales & Movement notice dated April 1, 2013.

#### Patient and Caregiver Purchases:

- Purchases of 28 grams or more at one time – 724. High – 152 & 89. Low – Two producers reported no sales of 28 grams or more. Reporting errors included incomplete ID codes and listing purchases of less than 28 grams. A review of the data this quarter revealed that 0 producers exceeded the Adequate Supply definition in the regulations by selling more than 6 ounces of usable cannabis to a patient or caregiver in a 3 month period.

Let me know if you have any questions.

Thank you for your continued support and service to the qualified patients of New Mexico.