





**CALIFORNIA  
GROWERS  
ASSOCIATION**



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## **December Brunch - Canceled**

Until mid-November, the Executive Committee and Communications Committee have not had administrative access to the organization's website and other social media platforms in order to announce the Annual Membership Brunch.

The effort to engage community awareness of this critical year-and fundraiser was supported by many Regional Partners but this effort has not produced enough sponsor support nor ticket purchases to support and fund the event.

After careful consideration of the cost-benefit of the December Brunch, the Executive Committee has decided to cancel this event to preserve the remaining funds in the organization's account to continue to pay existing debts.

## **CDFA Lawsuit**

Due to the discovery of existing debt, including the debt owed to Salari Law, CalGrowers cannot afford to advance this lawsuit to the next phase.

Withdrawing the lawsuit is by far one of the most personal and difficult decisions your Executive Committee has faced. However, if this organization wants to engage CDFA on key 2019 policies beyond the stacking of licenses, the lawsuit would have to be withdrawn. The lack of funds and additional priorities at the table, such as removing the acreage cap for cannabis co-ops, have compelled the Executive Committee to withdraw the lawsuit effective immediately.

## **The Future of CalGrowers**

There has not been an easy answer to the next steps in this organization's stability. As reported in 2017, we anticipated reduced financial support by our membership for two reasons: businesses would be facing the most cost prohibitive phase to date as startups in a heavily regulated and unstable market in 2018 and secondly our decision to transition from direct state membership to Regional Partner membership. The Board of Directors committed to each raise a minimum of \$5,000 through their communities and the businesses that serve them. However, this was woefully underperformed. In addition, many Regional Partners felt the pinch of reduced local membership as license seekers were disqualified from the regulated marketplace and not renewing membership which caused them to struggle to meet their annual pledges.

Regional Partners have been notified of the financial situation and these groups have been in turn preparing for independent operations. However, the question remains, if there is no centralized organization for the Regional Partners to engage, how will each local organization create effective representation in Sacramento for the policies that drive each of their communities' futures.



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### **Looking to the Future**

The state legislature is currently implementing bills that the membership and commercial cannabis business community needs to determine how to engage with, such as compassionate care, state taxes and many others to come. CalGrowers had played an essential role in facilitating these discussions and communicating the findings and recommendations to our state representatives.

The Executive Committee would like to develop a solution in which there is still a unified voice in Sacramento to represent the interests and needs of our Regional Partners and members. How this next step will evolve is in the hands of our board of directors and community leaders.

The expense and staff effort that each Regional Partner will invest in facilitating an effective voice in Sacramento on their behalf are far greater as individuals than as a unified whole.

If the Board of Directors and Regional Partners were to fulfill their financial pledges from January 2018 to the organization by the end of December 2018, the immediate operating debt can be cleared with funds available to initiate a lean operation for the beginning of 2019.

### **Call to Action**

The Executive Committee requests that, beginning this week, you to join our standing weekly calls on **Wednesdays from 4-5:30 pm** to discuss the challenges we face, develop actionable solutions and plan for the future.

Respectfully,

Executive Committee  
California Growers Association