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October 19, 2018

To: All Growers, Handlers and Interested Parties
Subject: Report of October 17, 2018 Committee Meeting

The Far West Spearmint Oil Administrative Committee met as scheduled on Wednesday, October 17, 2018 in Pendleton, OR. Approximately 50 growers, handlers, and interested parties attended the meeting.

The Committee took the following actions:

1. Recommended that the current (2018-19) Class 3 (Native) Salable percentage be increased by an additional 3%. When adding this additional increase to the 2% increase that the Committee recommended at the July 18, 2018 special meeting will result in the 2018-19 salable percentage going from 53% to 58%. Because the increase will be effective after the November 30, 2018 date to fill deficiency, only growers with pool oil will benefit from the increase.

The Comment period for the 2% increase is now open. All are encouraged to make a public comment. The Committee will make a formal comment in support of increasing the 2018-19 Native Allotment Percentage by 5%.

A summary of the Committee's computations for this action is enclosed.

2. Set the following salable percentages for the 2019-20 marketing year:
 - a. Class 1 (Scotch): Recommended a salable Quantity of 1,046,726 lbs. and a salable percentage of 38% for the 2019-20 marketing year.
 - b. Class 3 (Native): Recommended a salable Quantity of 1,403,818 lbs. and a salable percentage of 56% for the 2019-20 marketing year.

These recommendations will be submitted to the USDA for rule making and upon their approval, will be effective on June 1, 2019. A summary of the Committee's computations for both classes of oil is enclosed.

3. Set the date for the next Committee meeting for Wednesday, February 13, 2019 in Tri-Cities, WA. The location will be secured and a notice will go out prior to the meeting. The meeting will start at 9:00am.

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4. Other items discussed:

- a. The Committee nominations were reviewed. Pending approval from the USDA the following will be committee members beginning on January 1, 2019: Members – Chris Van Belle, Ryan Ferguson, Chris Mio. Alternates – Troy Martin, Harold McConnell. Current members will continue to serve in their capacity until the USDA approves the new committee members.
- b. The Bona Fide Effort Sub-Committee was re-activated. This committee will look at the current Bona Fide effort requirement, and discuss potential changes to the requirement.

GROWERS - PLEASE NOTE: The last day to fill deficiencies is November 30, 2018. Please contact our office to facilitate any filling of deficiencies by that date.

A complete set of minutes will be mailed to all who have requested them.

Best regards,

Shane Johnson
Manager

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CLASS 1 (Scotch) Salable Worksheet

2018-19

Salable Carry In on 6/1/18	260,818	a
2018 - 19 Salable Quantity (35%)	758,827	b
Total Available Supply	1,019,645	c(a+b)
Est. 2018 - 19 Trade Demand	805,000	d
Carry Out on May 31, 2019	214,645	e(c-d)

2019-20

Est. 2019 - 20 Trade Demand	805,000	f
Less Est. Carry In on 6/1/19	214,645	g(e)
SALABLE QUANTITY NEEDED	590,355	h(f-g)
Estimated 2019 - 20 Allotment Base	2,189,688	i
COMPUTED ALLOTMENT %	27.0%	j(h/i)
<i>Recommended Allotment %</i>	38.0%	k
Recommended Salable Quantity	832,081	l(i*k)
Resulting Total Supply	1,046,726	m(g+l)
Est. Carry Out on May 31, 2020	241,726	n(m-f)

Buyers Trade Demand & Avg Sales		
	2018-19	2019-20
High	900,000.00	1,000,000.00
Low	700,000.00	750,000.00
Average	805,000.00	830,000.00
Weighted Average	808,333.33	800,000.00
3 year Avg Sales	794,808	
5 Year Avg Sales	902,076	

2018 - 19 Native Salable % Increase Worksheet

Salable Carry-In - 6/1/18	48,062	a
2018 - 19 Salable Quantity (53%)	1,304,125	b
2% Increase (Not yet approved by the USDA)	42,659	c
	1,394,846	d(a+b+c)
Total Sales Received in office	917,901	e
Commitments not received	277,082	f
TOTAL SOLD OR COMMITTED	1,194,983	g(e+f)
Current Total Available	199,863	h(d-g)
2018-19 Trade Demand	1,450,000	i
Increased % Recommended	3.0%	j
Increased Quantity Recommended	63,159	k
Total Available Supply With Increase	263,022	l(h+k)
TOTAL AVAILABLE FOR 2018 - 19	1,458,005	m(d+h)
Carryout on 5/31/2019	8,005	n(m-i)

Increase Amounts After 2%		
%	Increase*	Total Salable
1%	21,086	1,415,932
2%	42,118	1,436,964
3%	63,159	1,458,005
4%	83,062	1,477,908
5%	101,493	1,496,339
6%	119,984	1,514,830
7%	138,329	1,533,175
8%	156,699	1,551,545

*Assuming the increase is effective after the November 30 deadline to fill deficiencies

(55,154)

Buyers Trade Demand & Avg Sales		
	2018-19	2019-20
High	1,500,000	1,500,000
Low	1,300,000	1,300,000
Average	1,425,000	1,420,000
Weighted Average	1,441,667	1,433,333
3 year Avg Sales	1,364,782	
5 Year Avg Sales	1,365,377	

CLASS 3 (Native) Salable Worksheet

2018-19

Salable Carry In on 6/1/18	48,062	a
2018 - 19 Salable Quantity (53%)	1,304,125	b
2% Increase (Not yet approved by the USDA)	42,659	c
Other Increase if needed	63,159	d
Total Available Supply	1,458,005	e (a+b+c+d)
Est. 2018 - 19 Trade Demand	1,450,000	f
Carry Out on May 31, 2018	8,005	g (e-f)

2019-20

Est. 2019 - 20 Trade Demand	1,400,000	h
Less Est. Carry In on 6/1/19	8,005	i (g)
SALABLE QUANTITY NEEDED	1,391,995	j (h-g)
Estimated 2019 - 20 Allotment Base	2,492,523	k
COMPUTED ALLOTMENT %	55.8%	l (j/k)
<i>Recommended Allotment %</i>	56.0%	m
Recommended Salable Quantity	1,395,813	n (k*m)
Resulting Total Supply	1,403,818	o (i+n)
Est. Carry Out on May 31, 2020	3,818	p (o-h)

Buyers Trade Demand & Avg. Sales		
	2018-19	2019-20
High	1,500,000	1,500,000
Low	1,300,000	1,300,000
Average	1,425,000	1,420,000
Weighted Average	1,441,667	1,433,333
3 Year Average Sales	1,364,782	
5 Year Average Sales	1,365,377	