Potential Allotment Base Calculations
Eric Desmarais-WA Hop Grower

WASHINGTON PROJECTION

Base Year Used--2001

Variety	Pounds Produced	Estimated Alpha %	Total Alpha Pounds
GENERIC ALPHA			
Columbus/Tomahawk	12,253,100	15%	1,837,965
Zeus	5,834,400	15%	875,160
Millenium	2,815,100	15%	422,265
Warrior	2,670,100	15%	400,515
Total Generic Alpha Pounds	**23,572,700**		**3,535,905**
SPECIALTY ALPHA			
Galena	7,345,600	13%	954,928
Nugget	8,086,500	14%	1,132,110
Chelan	573,500	14%	80,290
Horizon	414,900	12%	49,788
Tillicum	677,500	13%	88,075
Chinook	918,600	12%	110,232
Magnum	59,800	14%	8,372
High Alpha-Other	138,824	13%	18,047
Total Specialty Alpha Pounds	**18,215,224**		**2,441,842**
All Other Aroma Production	8,991,053	10%	899,105
Total Aroma Alpha Pounds	**8,991,053**		**899,105**
Total WA State Alpha Production			**6,876,852**

OREGON PROJECTION

Base Year Used--1997

SPECIALTY ALPHA			
Nugget	6,570,100	14%	919,814
Total Specialty Alpha Pounds	6,570,100		919,814
All Other Aroma Production	6,424,300	10%	642,430
Total OR State Alpha Production			**1,562,244**

IDAHO PROJECTION

Base Year Used--2001

GENERIC ALPHA			
Zeus	893,000	15%	133,950
Total Generic Alpha Pounds	893,000		133,950
SPECIALTY ALPHA			
Chinook	195,200	12%	23,424
Galena	823,500	13%	107,055
Nugget	81,000	14%	11,340
Total Specialty Alpha Pounds	1,099,700		141,819
All Other Aroma Production	2,616,600	10%	261,660
Total ID Alpha Production			**537,429**

TOTAL ALLOTMENT	**8,976,525**
Plus 7% Efficiency Factor	628,356.78
Plus 3% Hard-Ship Alpha/Hail Storm, etc	269,295
PROJECTED TOTAL ALLOTMENT	**9,874,177**

Alpha Worksheet

	Hop Pounds	Average Alpha	Total Alpha Pounds
2002 United States Hop Production	58,336,600	11.867%	6,922,804
Assumed United States Demand			6,173,000
Established Base Allotment			9,874,177

Allotment Scenarios	Assumed US DEMAND	Less Assumed Inventory	Total Allowable Alpha Pounds	Potential Saleable
Move Inv. into system in 1 yr	6,173,000	-	6,173,000	62.52%
Move Inv into system over 2 yrs	6,173,000	-	6,173,000	62.52%
Move Inv. into system over 3 yrs	6,173,000	-	6,173,000	62.52%

Long-Term Saleable/Mike Smith	62.5%
Long-Term Saleable/ 2002 Alpha Prod.	70.1%

Information Sources:

Assumed United States Demand	Mike Smith/Dec. 2001
Historical State Production	Hop Growers of America
	HMO Oponenents
	HMO Proposal

Additional Assumptions:

7% Increase in calculated base due to growers being able to use individual highest alpha year and un-reported alpha production

3% Increase in calculated base due to "hardship" cases; hail storms, Alliance idling, etc.

BALANCED SUPPLY / DEMAND POSITION	
Overproduction-2000 Crop	172,913
Overproduction-2001 Crop	557,285
Total Overproduction	730,199
Annual U.S. Demand	2,900,000
Less: Overproduction	(730,199)
2002 Crop Needed	2,169,801
% of 2001 Crop	63%
% Cut Needed in Alpha Production	37%