

Written statement of proposed testimony – Eric Wang, CEO, Ecofibre. 7/28/22

Madame Chairwoman, members of the committee, I am very grateful for the opportunity to testify to you today about the emerging U.S. hemp industry, its challenges, and its many opportunities that can be achieved through your assistance with the 2023 U.S. Farm Bill. I am testifying as the CEO of Ecofibre and on behalf of the U.S. Hemp Roundtable, the hemp industry's national advocacy organization, for which I serve as Vice President for Sustainability.

Ecofibre is a diversified industrial hemp company with operations in Georgetown, KY, Greensboro, NC and Sydney, Australia. We have vertically integrated operations across three business divisions that include hemp grain for food, hemp flower for CBD and the hemp stalk for high-performance industrial uses. We have been in operation in Australia since 1999 and in the US since 2015 following the start of the hemp pilot program in the 2014 Farm Bill.

Over the past 20 years Ecofibre has developed one of the largest and most diverse hemp genetics collections. In the United States for the 2022-23 growing season, we are providing hemp genetics to growers and Universities to support 24,000 acres of industrial hemp for commercial and research purposes. This growing is taking place in 19 States.

While Ecofibre is publicly traded on the Australian Stock Exchange, most of our operations and more importantly over 90% of our capital has been invested in our US operations in KY and NC.

I have disproportionately invested into the US due to the tremendous potential of the industrial hemp market but more importantly the strong bi-partisan support that I have seen for developing a new highly-sustainable agricultural crop of US farmers, introducing new US manufacturing industries to take advantage of the multitude of uses for industrial hemp, and finally a net zero carbon solution via industrial hemp which is considered to be one of the most carbon negative agricultural or forestry crops available. Given most things that we produce and do in the world today are carbon positive, industrial hemp allows us, in a good way, to Think Negative.

While there is tremendous opportunity, there are some challenges that the industry does face as it develops and matures. In passing the 2018 Farm Bill, Congress made clear its intent to support the production and sale of hemp and hemp derivatives such as CBD. Thousands of U.S. growers planted hemp in response, with farming for CBD representing most of all hemp acreage. However, public statements by FDA officials stating that it is unlawful to sell ingestible hemp-derived CBD products have taken their toll on the industry. CBD commerce and investment have been chilled due to continued inaction at the federal level, impairing economic opportunity for American farmers.

Farmers are not the only ones who are being negatively impacted by this regulatory uncertainty. Consumers are also impacted. Bad actors are selling products without appropriate safeguards and misleading consumers with false label claims. Further, some struggling farmers and businesses have pivoted to market intoxicating products such as Delta-8 THC, prompting FDA and CDC warnings that they pose significant consumer health and safety risks, particularly for minors. A clear regulatory pathway for CBD would not only relieve the economic pressure that is leading to

this product shift, but it would also help ensure products do not contain intoxicating hemp ingredients.

At a May hearing, FDA Commissioner Robert Califf testified to his disappointment in the lack of agency action on CBD, and expressed his interest in developing a regulatory path, but stated that FDA's authorities are limited under the current law. As you develop the 2023 Farm Bill, I ask you to provide FDA with that authority by including language such as found in HR 841, a bill with 41 bi-partisan co-sponsors that would regulate CBD and other non-intoxicating hemp derivatives as dietary supplements.

I hope you will also consider including provisions from Rep. Chellie Pingree's Hemp Advancement Act, which among other important things, would take necessary steps to limit the hemp product pathway to only non-intoxicating compounds.

I would like to thank this committee for its time today and I believe that regulatory clarity for CBD will help create the positive momentum required to see the US once again become the international leader in industrial hemp.

Eric Wang
CEO, Ecofibre
VP for Sustainability, US Hemp Roundtable

ERIC T. WANG

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SUMMARY OF EDUCATION AND WORK HISTORY

EDUCATION

1998-2000	DARTMOUTH COLLEGE - TUCK SCHOOL OF BUSINESS MBA	Hanover, NH
1986-1990	UNITED STATES MILITARY ACADEMY – WEST POINT Bachelor of Science in Engineering / Management	West Point, NY

WORK EXPERIENCE

2015- Present	ECOFIBRE LIMITED – MANAGING DIRECTOR AND CEO, CFO	USA / Australia
2012-2015	AMP – Director, AMP PORTFOLIO OFFICE	Australia
2010-2012	SUNSTONE PARTNERS – INDEPENDENT CONSULTANT	
2004-2009	PERPETUAL LIMITED GROUP EXECUTIVE, SUPERANNUATION AND INVESTMENT SOLUTIONS GROUP EXECUTIVE, CHIEF OPERATING OFFICER CHIEF OPERATING OFFICER, WEALTH MANAGEMENT DIVISION HEAD OF GROUP STRATEGY	Australia
2000-2004	BAIN & COMPANY	Australia / Korea
1990-1997	UNITED STATES ARMY REGIMENTAL OPERATIONS OFFICER TROOP COMMANDER SQUADRON LOGISTICS OFFICER SQUADRON PERSONNEL OFFICER TROOP EXECUTIVE OFFICER PLATOON LEADER	Germany Bosnia Germany United States United States United States

DETAILED WORK EXPERIENCE

2015-present **ECOFIBRE LIMITED**

Chief Financial Officer and Executive Director (2015-2017)

- Established the strategy and planning for the future direction of Ecofibre
- Decided on business lines to pursue as well as geographies to participate in. These industrial hemp-based business lines included:
 - Medicinal use business – Kentucky, USA
 - Plant based food business – NSW, Australia
 - Industrial use business – North Carolina, USA
- Set strategic direction of the commercial strategy over the short, medium and long term
- Raised over \$30m of private capital to fund the enterprise

CEO and Managing Director (2017 – present)

- Oversee all aspects of strategy, operations and governance of Ecofibre. Ecofibre is a publicly listed company and currently most valuable diversified industrial hemp company on any of the Australian, US, Canadian, European or Asian stock exchanges.
- Ananda Health - Medicinal business located in Kentucky, USA:
 - Built the #1 brand for hemp-derived CBD in the US independent pharmacy market.
 - Selected as the sole manufacturer for the CVS controlled brand
 - Have 4 Investigational New Drug (IND) applications with the FDA. Currently the only hemp company with botanical IND's with the FDA. Currently four FDA authorized clinical trials occurring in the US – 2 x University of Colorado, Eastern Virginia Medical School, Main Line Health (Philadelphia).
 - Manufacturer for two of the largest US practitioner brands
 - Vertically integrated company with contract farming for industrial hemp. FY20 purchases of hemp ~\$3.1m.
- Ananda Food – Plant based food business located in NSW, Australia
 - Built the leading hemp food business in Australia that services over 80% of all national chain grocery stores
 - Largest grower and processor of hemp food in Australia
 - Own one of the largest cannabis / hemp genetic resources globally with 2,087 accessions from over 30 countries
 - Vertically integrated business with contract farming of industrial hemp. FY20 purchases of hemp ~\$3m
 - Facilities are HAACP and BRCGS certified
- Hemp Black – high performance industrial hemp use business located in North Carolina, USA
 - Conducted \$5m R&D program with Jefferson University resulting in 6 patents and 19 pending
 - Develop high performance applications using hemp as an ingredient across automotive, travel, fashion, safety, office and medical uses.
 - Currently supplier for a range of leading businesses in major industries to include Gettinge, Zoon, Controlled Products.
- Led Ecofibre to successful IPO on the Australian Stock Exchange in March 2019
- Industry Leadership (Ecofibre staff and personal)
 - Ecofibre served as the President of the Kentucky Industrial Hemp Council that brought hemp legislation to the Kentucky legislature. Agricultural Commissioner James Comer served as Vice President
 - Ecofibre was the founding member and first President of the US Hemp Roundtable which is the leading lobby group that supported the language in the 2014 and 2018 Farm Bills for Industrial Hemp.
 - Ecofibre currently serves on the Executive Committee of US Hemp Roundtable as VP, Sustainability
 - Ecofibre is currently the President of the US Hemp Sustainability Foundation a 501(c)(3) corporation that works nationally across the entire hemp value chain to accelerate the growth of a sustainable hemp industry. Other board member companies include Kontoor Brands, Toyota Tsusho, Patagonia, National Spinning, the Environmental Defense Fund and Wolverine Worldwide.

- 2012-2105. **AMP**
- Led and managed the internal investment portfolio for Australia's largest insurance company. Allocated an annual budget of ~\$400m across a range of investments to deliver growth, cost reduction and regulatory compliance initiatives to support the growth of AMP
- 2010-2012 **SUNSTONE PARTNERS**
- AMP – NZ Integration, Service Blueprint and Transformation
 - Prior to 2013 various engagements across multiple banks in Australia
- 2004-2009. **PERPETUAL LIMITED**
- GROUP EXECUTIVE, SUPERANNUATION AND INVESTMENT SOLUTIONS**
- GROUP EXECUTIVE, CHIEF OPERATING OFFICER**
- HEAD OF GROUP STRATEGY**
- 2000-2004 **BAIN & COMPANY**
- 1990-1997 **CAPTAIN, UNITED STATES ARMY**

PERSONAL

Con conversationally fluent in Mandarin Chinese and have over 1,000 hours flown in attack and reconnaissance helicopters.

Truth in Testimony Disclosure Form

In accordance with Rule XI, clause 2(g)(5)* of the *Rules of the House of Representatives*, witnesses are asked to disclose the following information. Please complete this form electronically by filling in the provided blanks.

Committee: Agriculture

Subcommittee: Biotechnology, Horticulture, and Research

Hearing Date: 07/28/2022

Hearing Title :

"An Examination of the USDA's Hemp Production Program"

Witness Name: ERIC WANG

Position/Title: CEO, ECOFIBRE / VP SUSTAINABILITY, US HEMP
ROUNDTABLE

Witness Type: Governmental Non-governmental

Are you representing yourself or an organization? Self Organization

If you are representing an organization, please list what entity or entities you are representing:

ECOFIBRE - PRIVATE SECTOR INDUSTRIAL HEMP COMPANY
US HEMP ROUNDTABLE - INDUSTRY ORGANIZATION

FOR WITNESSES APPEARING IN A NON-GOVERNMENTAL CAPACITY

Please complete the following fields. If necessary, attach additional sheet(s) to provide more information.

Are you a fiduciary—including, but not limited to, a director, officer, advisor, or resident agent—of any organization or entity that has an interest in the subject matter of the hearing? If so, please list the name of the organization(s) or entities.

ECOFIBRE, MANAGING DIRECTOR

Please list any federal grants or contracts (including subgrants or subcontracts) related to the hearing's subject matter that you, the organization(s) you represent, or entities for which you serve as a fiduciary have received in the past thirty-six months from the date of the hearing. Include the source and amount of each grant or contract.

N/A

Please list any contracts, grants, or payments originating with a foreign government and related to the hearing's subject that you, the organization(s) you represent, or entities for which you serve as a fiduciary have received in the past thirty-six months from the date of the hearing. Include the amount and country of origin of each contract or payment.

N/A

Please complete the following fields. If necessary, attach additional sheet(s) to provide more information.

I have attached a written statement of proposed testimony.

I have attached my curriculum vitae or biography.

* Rule XI, clause 2(g)(5), of the U.S. House of Representatives provides:

(5)(A) Each committee shall, to the greatest extent practicable, require witnesses who appear before it to submit in advance written statements of proposed testimony and to limit their initial presentations to the committee to brief summaries thereof.

(B) In the case of a witness appearing in a non-governmental capacity, a written statement of proposed testimony shall include— (i) a curriculum vitae; (ii) a disclosure of any Federal grants or contracts, or contracts, grants, or payments originating with a foreign government, received during the past 36 months by the witness or by an entity represented by the witness and related to the subject matter of the hearing; and (iii) a disclosure of whether the witness is a fiduciary (including, but not limited to, a director, officer, advisor, or resident agent) of any organization or entity that has an interest in the subject matter of the hearing.

(C) The disclosure referred to in subdivision (B)(iii) shall include— (i) the amount and source of each Federal grant (or subgrant thereof) or contract (or subcontract thereof) related to the subject matter of the hearing; and (ii) the amount and country of origin of any payment or contract related to the subject matter of the hearing originating with a foreign government.

(D) Such statements, with appropriate redactions to protect the privacy or security of the witness, shall be made publicly available in electronic form 24 hours before the witness appears to the extent practicable, but not later than one day after the witness appears.